

➔ **THE PHILIPPINES: CIVIL SOCIETY PUTS A WATCH ON PUBLIC SPENDING**

In a Nutshell

G-Watch, or Government Watch, is a civil society initiative in the Philippines for monitoring public sector expenditure. The group promotes transparency and citizen's participation in governance, helping to hold government departments accountable. Involving a wide variety of stakeholders, such as policy research institutes, academia and international agencies, the project has spotlighted a number of cases of government profligacy, non-existent projects and bad management. Working with young university graduates, who photograph and research public projects, G-Watch then compares these results to government facts and figures, and discusses discrepancies with officials in open forums.

The Story

Profligacy, poor management and corruption strangle public expenditure in developing countries. The Philippines is no exception. In 1998, for example, the Department of Education, Culture, and Sports claimed to have spent over \$1.3 million under the Third Elementary Education Project to build two classrooms – about \$670,000 each!

G-Watch was born to call public attention to these forms of waste. It was initiated by the Philippine Governance Forum, a collaborative project of the Ateneo School of Government, the Ateneo Centre for Social Policy and Public Affairs, and UNDP. Its fourfold objective is: to monitor selected government projects; to communicate the findings from these to the agencies concerned as well as to key stakeholders; to use the findings for dialogue and problem solving; and to develop monitoring skills and tools at the local level to facilitate stronger community vigilance.

The group conducted its first mission in 2000, covering three government departments on three of the main islands of the country: the Department of Education, Culture, and Sports; the Department of Health; and the Department of Public Works and Highways. Projects chosen for review were ones that were part of the agencies' principal mandates. G-Watch field researchers, fresh college graduates chosen to bring an "untrained eye" to the exercise, fanned out to agency offices to obtain and review documents, and go through budgets related to project allocations. From a list of these projects, the Philippine Governance Forum consulted with high officials to select the ones that they could best monitor, and that had either been finished or were nearing completion. After they picked the most appropriate cases, the researchers were dispatched to project sites. Armed with still cameras and documents, they undertook actual inspections and conducted interviews with key informants and local project managers to compare the information on paper with the results on the ground.

They discovered that in at least two cases, the Department of Education, Culture and Sports failed to achieve project outputs. Its Milk Feeding Programme, for example, was supposed to provide milk to 5,048 children in selected schools in one region from January to March 2000 – yet not a single drop was delivered. A school building, on record as newly constructed, turned out to have only two walls. With the Department of Public Works and Highways, the researchers discovered that the government had released \$6.6 million in the 1999-2000 budget for a project that was already reported completed in September 1998, while six high-priority projects either overshot their original budgets, suffered delays, failed to meet standards in their original plan, had funds that were unaccounted for, or worse, were grossly overcompensated.

These findings were presented in a forum attended by government officials, Ateneo School of Government faculty and representatives of civil society groups. There were varied reactions, but no one seemed surprised by what was revealed. Some participants defended the anomalies that were uncovered, but none questioned their accuracy.

A second phase has since begun where G-Watch is collaborating with the Department of Budget Management and the World Bank to assess the Social Expenditure Management Programme, a social safety net plan that the government put in place in response to the Asian financial crisis. This second phase aims to make the monitoring process more systematic by examining the rationality of expenditures incurred, analysing agency processes, and computing opportunity costs of overruns and delays.

Results and Critical Factors

- G-Watch has demonstrated the constructive role that civil society can play in holding the government to account and in increasing the level of transparency in public expenditure tracking. Most evident is its ability to monitor agency performance and point out corruption.
- Initiatives such as G-Watch can usefully complement internal government and parliamentary monitoring mechanisms, as well as citizen watchdogs or user report card initiatives. It substantiates perceptions with on-the-ground information to clearly measure the quality and quantity of service delivery by public agencies.
- The methodology employed by G-Watch is fairly straightforward and does not involve any complex or theoretical tools. This makes it easy to use at the community level.
- G-Watch also provides a forum where different government agencies and civil society can interact to agree, refine and reflect on the findings of its investigations. The ultimate test is whether as a result of G-Watch enquiries, the Philippines' government takes action to address irregularities.

Further information

Philippine Governance Forum. Government Watch Programme
(www.pgf.org.ph/gwatch.html).

———. 2000. A forum newsletter, 1(1) (www.pgf.org.ph/forum/gwatchmonitor.html).

World Bank. *Filipino Report Card on Pro-Poor Services: Case Studies on Civic Engagement in Public Expenditure Management*
(www.worldbank.org/participation/web/webfiles/philipreport.htm).

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