

# **Outline of the Paper on Managing the Challenges to Communication Facilities of SAIs and strengthening their relationship with the Media and the NGOs.**

## **A. The institution of the CAG: the Constitutional position and mandate**

The framers of our Constitution in India had looked upon the SAI as the most important Office in the government. As head of SAI India, CAG of India is a separate entity standing apart from the three pillars of the Executive, the Judiciary and the Legislature the CAG is mandated with ensuring accountability of the executive to the Parliament and by extension to the people of India. He reports to the Legislature on the results of audit, which is carried out in accordance with the provisions of the DPC Act, 1971, that affirms the principle of independence as well as the requirements to ensure this independence as proclaimed in the Lima Declaration of 1967 and the Mexico Declaration of 2007. Such reporting constitutes an important mechanism for exercising financial control by the legislature. The SAI also reports on the execution/performance of key schemes/ areas giving the government much needed feedback for effecting mid course corrections and for deciding on focus areas. The SAI Reports serve as an independent and invaluable information base to the legislature on the implementation of all government activities, projects and programs.

But over the years, this traditionally perceived role of SAI has undergone subtle shifts in terms of the expectations from the institution. It is no longer merely reporting on a project or a sector of government activity, audit of SAI has also become the means to evaluate the quality of expenditure as well as the final outcome of the expenditure public funds. Further, with increasing use of technology and inclusive decision making in a highly participative and consultative democratic set up, especially with the opening up of the working of the Government to public scrutiny, hitherto shrouded in secrecy and used mostly to protect the decision makers, the thin line between policy and execution is also becoming increasingly blurred. There has been a distinct change in both the stakeholder participation and perception, and we need to equip ourselves in order to be able to react positively to these changes, while fulfilling our mandate and herein lies a major challenge for the SAI.

## **B. The Changing Paradigm of Our Times**

- The nature of governance has changed and is changing. Government is becoming more a facilitator than a controller of all socio-economic activities.
- While the rate of growth of the economy has accelerated substantially in India during the last one decade and has been sustained at that level and projected to increase further, there is also the scenario of scarce and valuable natural resources that is a national property falling into the hands of private players. This pattern of growth is non-transparent and public goods are increasingly assuming the character of private goods, dispossessing the nation of valuable resources that would otherwise have been utilized for the development of the nation and socio-economic growth of the people by large. This transition needs to be traced/ brought into the public domain and accountability fixed.
- This is also resulting in increasing disparities and creating a social divide along economic strata that may turn out to be dangerous in the long run unless checked and safety nets are built within; there is **a definite need to articulate the voice of the powerless and dispossessed**, and engage with them in a systematic manner consistent with the principles of equality and natural justice as enshrined in the constitution.

All these new changes/transitions have to be catered to and we need to equip ourselves to be able to meet them.

## **C. Challenges Awaiting the SAI**

### **1. The relationship and engagement with the media**

**Confidentiality Issues:** Audit entails scrutiny of records, many of which could be secret or confidential. Ensuring confidentiality of data will be a major challenge, especially during the process of audit and before finalization of the audit reports as otherwise the objectivity that is the hallmark of audit process and its findings can be seriously jeopardized, and then we run the very real risk of losing our credibility. For an auditee to have the requisite confidence to allow us unhindered access to its records, it has to have the trust that must be ensured at all times that data /records accessed by audit always remains confidential. Loss of confidence of the auditee could severely inhibit future audit.

**Loss of Credibility:** An audit report passes through many stages, right from the initial observation/memo issued to the final report. Depending on the responses received from the auditee, the final report could be very different

from the initial observations. There is a definite threat that the observations/queries generated during the process of audit may get reported by the media as findings of the SAI, which may not be the case. Loose reporting can be very detrimental and repeated overkills of this nature could result in a loss of credibility, causing irreparable damage to the institution.

**Unwarranted Hype:** As an adjunct of the above problem, there exists the hazard of unwarranted hype getting generated over trivial or even incorrect observations or initial queries. The SAI is outside the triumvirate of the executive, the legislature and judiciary, but any surfeit of media coverage could leave it open to the accusations of indulging in propaganda and politicizing issues.

**Other Challenges:** When the information we generate commands a price in the media, there could be other related problems also.

### **Our Strategy**

There is a need to co-opt and engage the media in our functioning so as to sensitise them to these issues which pose a real threat to our activities and objectivity involved in those activities. We have to a strategy and a plan of action in order to make them appreciate the pitfalls as mentioned and explained above. The engagement therefore needs to remain formal and constructive.

## **2. The relationship and engagement with Civil Society Organisations**

Power and influence of the media, especially the electronic media in our times cannot be ignored by institution, private or public. We can use the media to reach out to :

- **Civil Society Organisations**, to communicate with them, ensure their participation and articulate their responses;
- to engage with leading Civil Society Organisations to determine the audit approach and the key areas to be addressed in audit so as to maximize the value of our reports, especially in respect of mainstream themes in social sector audit, and
- to institute a mechanism whereby a grassroot level dialogue and communication process get embedded into the audit methodology to as to ensure full-hearted cooperation from the auditee. In fact the civil society organisations can become very powerful and effective pressure

groups to help us circumvent many of the difficulties we face today in audit, like non-availability of records and covert non-cooperation/ delaying devices employed by some auditee organizations.

### **3. The relationship and engagement with Civil Society Organisations**

In the past, our Report mostly, and sometime only, concerned the Government that used to be the user of our Report. But with the changing times, no of users of our report, and the stakeholders in our institution have proliferated. Today our reports attract the attention, and sometimes intense scrutiny and also cross verification, by media, civil society, NGOs, political parties, foreign countries and international and multilateral organizations like the World Bank, IMF etc. as well as academic and research institutions. Few other institutions command such a high credibility within and outside the country as the SAI India enjoys. Today there are many stakeholders in the audit process and audit outcomes and we need to communicate with all of them if we want to increase our efficiency and efficacy. The multiple stakeholders we need to engage with formally may include:

- a. The law makers seeking information which would assist in law making or budgetary planning and allocation;
- b. The executive looking at inputs/feedback for mid-course reviews needed for making the necessary corrections or changes during the implementation of various programmes/ schemes;
- c. Private citizens evaluating governance and other issues: eg. The Review on Cleanliness in the Railways, Review on water pollution - where we had issued full page advertisements in the newspapers seeking inputs from citizens

In each of these areas we need to utilize the most innovative patterns of communication which reinforces the foundation on which every SAI rests which is public trust.

### **4. Communication Tools to Increase Outreach and Strengthen our Deliverables:**

We should be innovative in our choice of the necessary tools of communication, and take the maximum advantage of technology. The Options could range from the delivery of audit reports by use of web-based tools and connectivity to use of sms to communicate our viewpoints to various stakeholders, web-forums on SAI websites, social networking, stakeholder /CSO discussions to be covered through

organizational video conferencing infrastructure, seminars and regular media interactions at various levels, etc. In India, the SAI is already using several of these new age tools to widen our outreach.