Government of Nepal

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Anti-Corruption Strategy

Rural Access Programme (RAP) Phase 3

December 2015

iMCworldwide
Development | Management | Infrastructure

RAP 3
RURAL ACCESS
PROGRAMME 3

Contents

1. INTRODUCTION

This document sets out RAP3's approach to preventing and detecting corruption within our implementation team and partners, and tackling corruption where we encounter it in the government agencies and communities we work with.

We recognise that corruption in Nepal is a serious problem and that there is no single measure to prevent and detect it across a large programme in a corrupt environment. An effective internal control environment requires the integration of a range of financial and operational controls across all processes, policies, practices and partnerships.

This strategy document will outline each of these controls and provide links to other official programme documents including operational guidelines and policy documents, which provide more detailed information on the specific processes we use to prevent and detect corruption.

Overview of the RAP3 Anti-Corruption Strategy

Our strategy for working towards a zero corruption environment is based on the COSO integrated internal control framework (Committee of Sponsoring Organizations of the Treadway Commission), which is recognised as the leading framework for designing, implementing and conducting internal control and assessing the effectiveness of internal control.

The framework recognises that internal control is not a serial process but a dynamic and integrated process. Internal control consists of five integrated components:

- **Control Environment:** the set of standards, processes and structures that provide the basis for carrying out internal control across the programme. Senior management set the tone at the top regarding the importance of internal control including expected standards of conduct, integrity and ethics. The control environment also relates to the organisational structure and assignment of authority and responsibility, the rigor around performance measures and the measures to drive accountability for performance.
- **Risk Assessment:** the dynamic and iterative process for identifying and assessing risks to the achievement of programme objectives. Risks to the achievement of these objectives from across the programme are considered relative to established risk tolerances. Thus, risk assessment forms the basis for determining how risks will be managed.
- **Control Activities:** the actions established through policies and procedures that help ensure that management's directives to mitigate risks to the achievement of objectives are carried out. Control activities are performed at all levels of the programme – they include preventative or detective controls such as authorizations and approvals, verifications, reconciliations and performance reviews.
- **Information & Communication:** the continual and iterative process of providing, sharing and obtaining internal and external information to support the functioning of internal controls.
- **Monitoring Activities:** the on-going evaluations, built into processes at different levels of the organisation, to ascertain whether each of the five components of internal control are present and functioning.

The following table summarizes the key measures that RAP3 has in place to prevent and detect corruption, categorised by component of our strategic framework:

Component	Measure
Control Environment	• IMC Worldwide Anti-Corruption Strategy • 10 RAP3 Principles • RAP3 Code of Conduct
Risk Assessment	• Risk Assessment & Register • Continual Improvement Plan (CIP)
Control Activities	• RAPID MIS System • Contract Management • Procurement Process
Information & Communication	• Operational Manuals • Training & Awareness • Open Reporting
Monitoring Activities	• Internal Audits • External Financial Audits • Public Audits • Social Audits • Community Monitoring

The following sections will outline the anti-corruption measures in place on RAP3 as per each of the internal control framework components shown above.

2. CONTROL ENVIRONMENT

2.1 IMC Worldwide Anti-Corruption Strategy

IMC Worldwide's (IMC's) Anti-Corruption Strategy consists of 3 components: the Anti-Corruption Policy Statement, the Board of Directors Statement of Commitment and the Integrity Management System.

IMC's Anti-Corruption Statement has been drafted by the Integrity Management Team and signed-off by Gavin English, Managing Director and Ethical Compliance Director for the firm. The Statement is available for all to access on IMC's website – IMC Anti-Corruption Policy Statement.

The Board of Directors Statement of Commitment details IMC Worldwide's zero tolerance approach to all forms of corruption. The Statement is available on IMC's website – IMC: Statement of Commitment.

4

IMC's Integrity Management System (IMS) is designed to:

1. Prevent bribery; and
2. Detect, report and deal with any bribery which does occur

The system is managed by an IMS Team – responsible for the up-keep, implementation and continuous improvement of the system. The system shapes day-to-day procedures and is to be adopted by all staff. All staff shall be fully aware of the different elements of the system as well as have a sound understanding of the system as a whole and how it protects IMC and the firm's employees.

The system aims to protect IMC Worldwide and supports our case if there is an integrity incident that threatens our staff and the business. In our opinion IMC Worldwide's Integrity Management System supplies us with 'adequate procedures' as per the reference below from the 'UK Bribery Act of 2010':

- *1. A relevant commercial organisation ("C") is guilty of an offence under this section of a person ("A") associated with C bribes another person intending:*
  - *To obtain or retain business for C, or*
  - *To obtain or retain an advantage in the conduct of business for C*

  2. But it is a defence for C to prove that C had in place <u>adequate procedures designed to prevent persons associated with C from undertaking such conduct</u>

The following diagram provides an overview of IMC's Anti-Corruption Strategy, broken down by organisational process and structure:
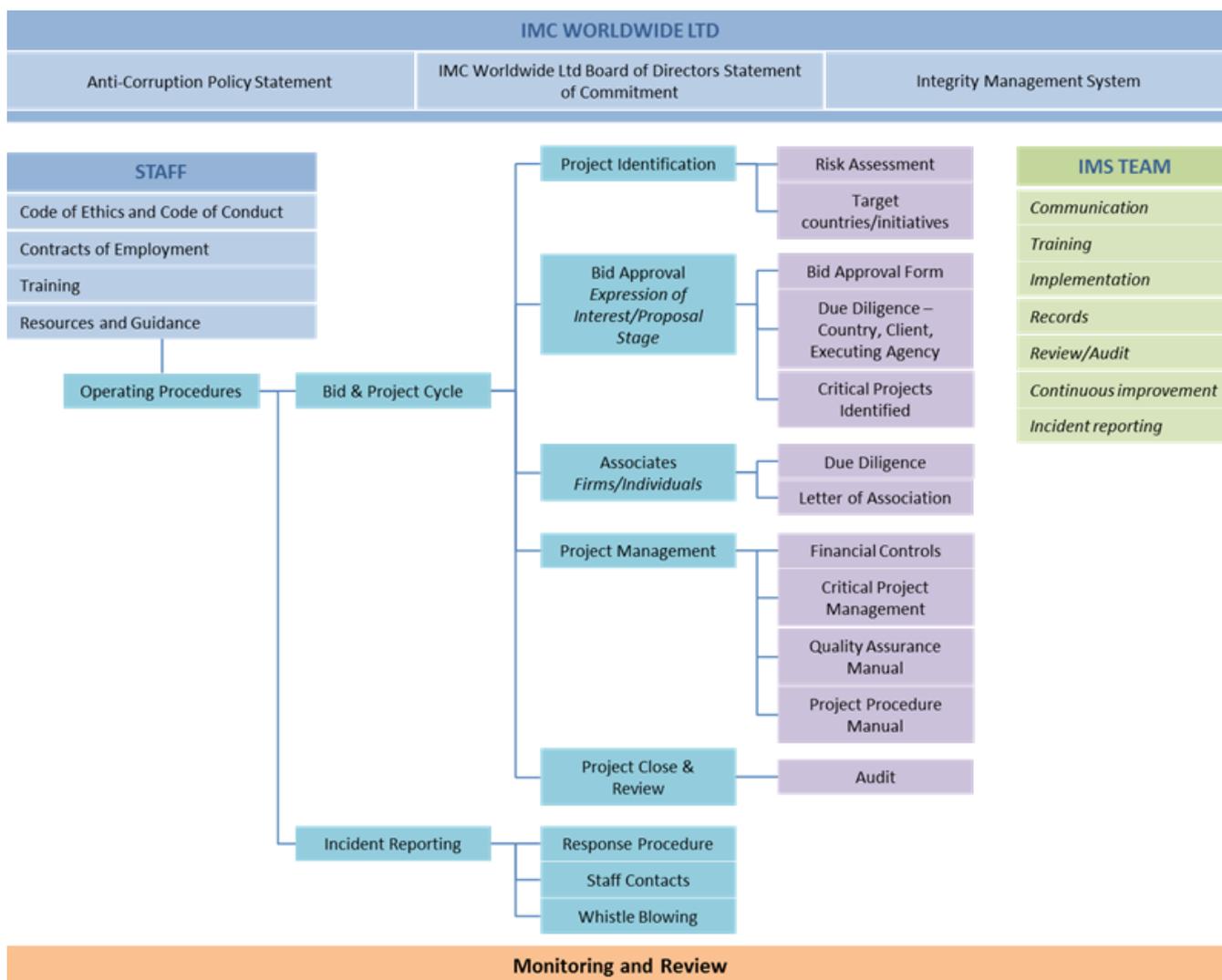
2.2 The 10 RAP3 Principles

The 10 RAP3 Principles define the objectives and spirit of the programme. The list is an important benchmark for behaviour for all programme staff and affiliates, setting a culture which is in line for the programme's objectives:

1. We are working in this district to improve the quality of life of local people
2. Our aim is to develop this district's economy by strengthening government's capacity and empowering local people to manage their community's development
3. We increase the economic opportunities of the poorest and most marginalised households in this district by generating employment, improving connectivity and providing training in income generation activities
4. We respect the dignity of people, their culture, religion and customs
5. We are accountable at all levels, but particularly to the local communities we seek to assist
6. We listen and learn from the communities we work with and actively encourage people to ask us questions and raise issues about the programme

7. We ensure that our assistance is transparent and we involve poor people and their communities in the planning of our activities
8. We have a zero tolerance policy on any form of corruption and bribery. We do not make contributions to political parties and do not make any forced contributions in cash or kind
9. We work to ensure equal opportunity to everyone, irrespective of gender, age, caste, ethnicity or religion
10. We actively promote the safety and wellbeing of all RAP3 employees and the communities we work with

2.3 RAP3 Code of Conduct

The RAP3 code of conduct applies to all employees and all staff engaged on RAP3 activities through our delivery and implementation partners, including private sector and non-government organisations. RAP3 operates within the context of the UK's Anti-Corruption and Bribery Act 2010. Compliance with this anti-corruption code of conduct ensures compliance with this Act and current anti-corruption legislation in Nepal.

We Will

- ✓ Act with impartiality and in the best interests of RAP3, DFID and the people of Nepal
- ✓ Advocate and adhere to local labour laws and core labour standards as outlined in the ILO "Declaration on fundamental principles and rights at work" (1998)
- ✓ Adopt a zero tolerance approach to all forms of corruption
- ✓ Ensure compliance with all relevant UK, international and national anti-bribery and anti-corruption legislation
- ✓ Engender a sense of trust and respect with all key stakeholders and implementation partners
- ✓ Perform all services with integrity and conduct ourselves with professionalism
- ✓ Adhere to the principles of fair and transparent procurement and implementation
- ✓ Apply due skill, care and diligence in performing our services
- ✓ Ensure all RAP3 staff and those engaged through our partner and implementation organisations are provided with training materials on the RAP3 Anti-Corruption guidelines
- ✓ Ensure all staff understand and comply with the RAP3 procedures for anti-corruption, including those for reporting potential or actually observed corrupt acts
- ✓ Cooperate fully with any legitimately constituted investigative body that inquires into the administration and management of RAP3
- ✓ Ensure that the internal audit programme includes audits on compliance with RAP3 anti-corruption procedures

We Will NOT

- ✗ Wilfully attempt, or otherwise sanction attempts, to influence any decision through deliberate misrepresentation of information
- ✗ Carelessly or intentionally do anything to injure the reputation of a third party through negative representation
- ✗ Become involved in any activity which will, or might, involve dishonesty or an act of corruption
- ✗ Instruct or advise any person to act dishonestly or to knowingly commit an act of corruption
- ✗ Give or accept gifts, payments or other benefits (including exchange of favours) if the intention is to improperly influence actions or decisions

✖ Attempt to have claims or payments approved in any way other than that defined in the RAP3 manual or applicable procedures of relevant partners

✖ Dishonestly provide, conceal, or approve work, materials, equipment or services that do not meet the requirements defined in relevant plans, standards or contracts.

All individuals employed by RAP3, directly or through our development partners, local consultants and NGOs are all required to sign their understanding and commitment to abide by the Code of Conduct.

3. RISK ASSESSMENT

3.1 Risk Assessment & Register

RAP3 employs a systematic risk assessment process for identifying and evaluating events that could affect the achievement of programme objectives, positively or negatively. Management is responsible for identifying internal & external risks and assessing their probability & severity in order to develop a risk profile for the programme, which is critical to developing response strategies and appropriately allocating resources.

Risks on the programme will be identified using a number of techniques including management reviews, checklists, audits, interviews, local knowledge, documentation, site visits and lessons learned and so on. Some of the key areas where risk will be identified, assessed and managed include the following:

- Procurement
- Finance
- Partners
- Wage Payments
- Security
- Fiduciary
- Country/Political
- Communications

Crucial to our Anti-Corruption Strategy is fiduciary risk, which comprises of due diligence, fiduciary risk and anti-corruption. Due diligence includes financial due diligence (checks on an entity such as reviewing its accounts) and integrity due diligence (background checks on an entity and key persons within the organisation). Fiduciary risk, or the risk that funds do not get used as intended, will involve a more systematic and thorough review of management capacity, financial systems, internal controls and audit arrangements. Tackling 'corruption' (the misuse of entrusted power for private gain) encompasses the wider range of actions to tackle fraud and embezzlement, misuse of assets, theft, bribes and/or abusive/coercive practices.

RAP3 assesses the above risks on a continual basis and presents them in a risk register which categorizes and prioritizes all programme risks. Each is broken down by probability and severity and is presented along with alleviating measures including the steps required to deal with the risk and a timeline for remediation.

3.2 Continual Improvement Plan (CIP)

RAP3 operates under a Continual Improvement Plan (CIP) – a process for identifying, evaluating, reporting and alleviating risks in order to continually improve programme results, value for money & transparency and serves as a critical process to prevent and detect corruption.

The first step in the process is to develop a comprehensive risk assessment for the programme. Management review and response then follows, along with the creation of a Continual Improvement Action Plan which is then implemented and closely monitored.

The risk assessment process is as follows:

| Risk Categories	Risk Identification	Risk Assessment	Risk Response	Risk Register

The findings from the Risk Register then feed into the CIP, along with other sources of feedback related to programme risks including:

- General field visit reports
- Email and written correspondence
- Meetings and general discussions
- External reports including those from MEL, DFID & ICAI
- Programme related studies
- issues raised through RAP3 Hotline and 'Bikashko baato' radio programme
- Press articles

The feedback is distilled into a list of key observations that can be divided into those that are of a general nature or that relate to the effectiveness of central level management (referred to as Central Level Observations) and those that are specific to individual districts or that relate to the effectiveness of district level management (District Level Observations). The overall management process is the same in both cases, but managed by different team members.

- Central Level Observations are identified and managed by the Strategic Management Team (the Programme Manager and Deputy Programme Managers).
- District Level Observations are identified and managed by the District Management Team (District Team Leader, EO / SEDO and District Coordinator).

The following diagram summarises the RAP3 CIP:
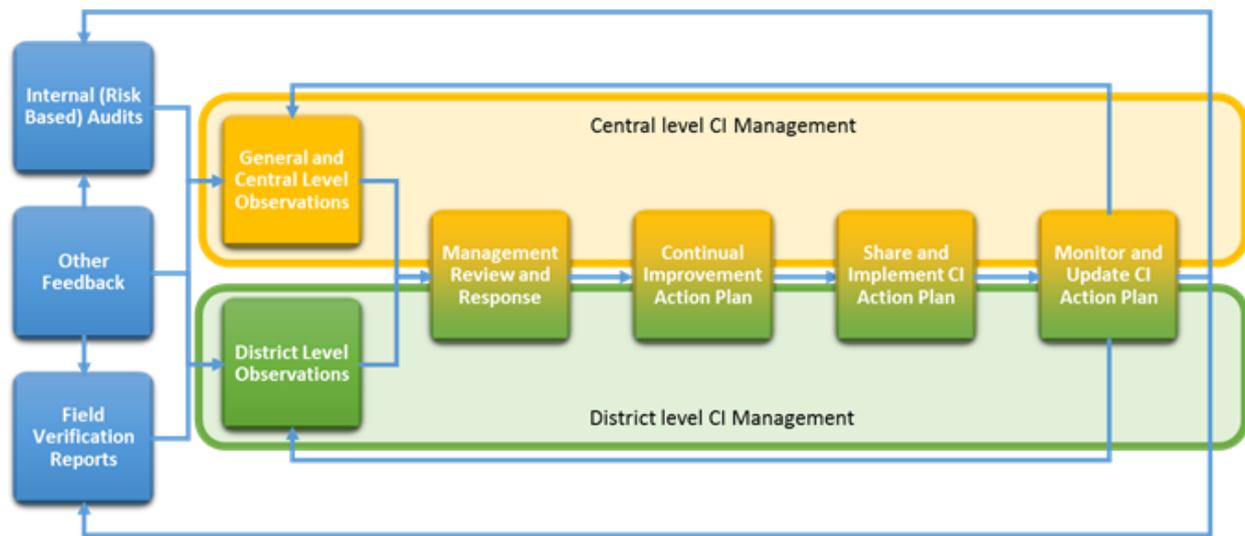
The risk assessment process also determines the scope of the Internal (Risk Based) Audits, which are described in more detail in the "Monitoring Activities" section below. The results of the Internal (Risk Based) Audits then feed back into the process, highlighting specific risks which need to be alleviated through the CIP.

4. CONTROL ACTIVITIES

4.1 RAPID Management Information System

The RAP3 Integrated Database (RAPID) is a web-based and 'cloud-hosted' fully Integrated Financial Management Monitoring & Evaluation system. The system provides the RAP3 management team and IMC Worldwide HQ with a holistic view of the programme's progress by tracking expenditure under various budget heads through analytical reports and dashboards – providing credible, up-to-date and relevant financial information to key stakeholders at any given time. The RAPID System is an important internal control which increases transparency, data reliability & security and control & oversight of transactions.

The RAP3 RAPID system has four main integrated functions: Reports, Transactions, Setup and Security.

The Reports module allows users to produce analytical reports including district-level and consolidated reports according to pre-defined KPI's, budget lines or currency. Accruals can also be monitored through this module. Reports can be generated in either Nepali Rupees (NPR) or Pounds Sterling (GBP).

The Transactions module has a range of features for Cash Payments, Bank Payments, Journals, Contractors, Contracts, Contract-Milestones and Invoicing. Bank Reconciliations and Posting are also done from this module. Built-in security controls govern the ability of users to make certain types of transactions.

The Setup module allows users to enter programme critical data including Budget Heads, DLI's, Sub-DLI's and Account & Subaccount Codes. Users can also specify Period Open-Close dates which allows/disallows them to enter/modify transactions during a given accounting period. Controls are in place to ensure that only authorized individuals can define, open and close a period.

The Security module provides critical controls which determine access and editing rights. This module also ensures that any track changes and approvals are recorded for auditing purposes.

4.2 Contract Management

Effective programme Contract Management is crucial is preventing and detecting corruption for activities carried out internally and, in particular, with external organisations. The Government Public Procurement Monitoring Office (PPMO) is the agency that sets the standards for contract management, based on national regulations, for the public procurement of goods, services and works. RAP3 uses these standards as a benchmark to ensure that our activities are managed under contracts which ensure that anti-corruption is of the highest importance.

At the district level, RAP3 operates under a strict Tripartite Agreement, which is signed by DoLIDAR, the relevant DDC and RAP3 management. The agreement is prepared by RAP3 management and dictates the roles, responsibilities and regulations that must be abided by. Upon signing the contract, the DDC can proceed with procuring the services, works and goods as per the estimates and short/long-run project requirements. A crucial element of the agreement is that it requires all parties to ensure full transparency of expenditures and activities, which must meet the requirements of the Office of the Auditor General of Nepal, which conducts annual audits of local government bodies every fiscal year.

RAP3 management has full control over the procurement process, contracting and contract management for central level procurement. However, RAP3 management has to rely on local governments for district based procurements. DDCs are responsible for the contracting, implementation, performance measurement and payments. As shown in the LRN Manual, RAP3 has assigned specific responsibilities to district teams to check, verify and approve the processes and to identify poorly drafted contracts, lack of performance measurement & verification activities and failures in monitoring.

RAP3 also uses the IMC standard Sub-Consultancy Contract template, prepared by legal advisors in the UK, which provides a tried and tested contractual framework to bind external parties to the corporate Business Code of Ethics. Clause 3.9 requires signatories to: "*abide by IMC's Business Code of Ethics included in Schedule 5, and by acceptance of this agreement binds themselves to comply with them in all respects. In the event that there are reasonable grounds for believing that the signatory or their approved agents are acting contrary to the Business Code of Ethics then this agreement can be terminated by IMC without notice, and without any compensation*". Other important requirements are set in the contract including reporting requirements (Clause 4.1), payments (Clause 4.3), indemnity & compensation (Clause 5) and breach of contract (Clause 7.3).

Link to IMC Business Code of Ethics

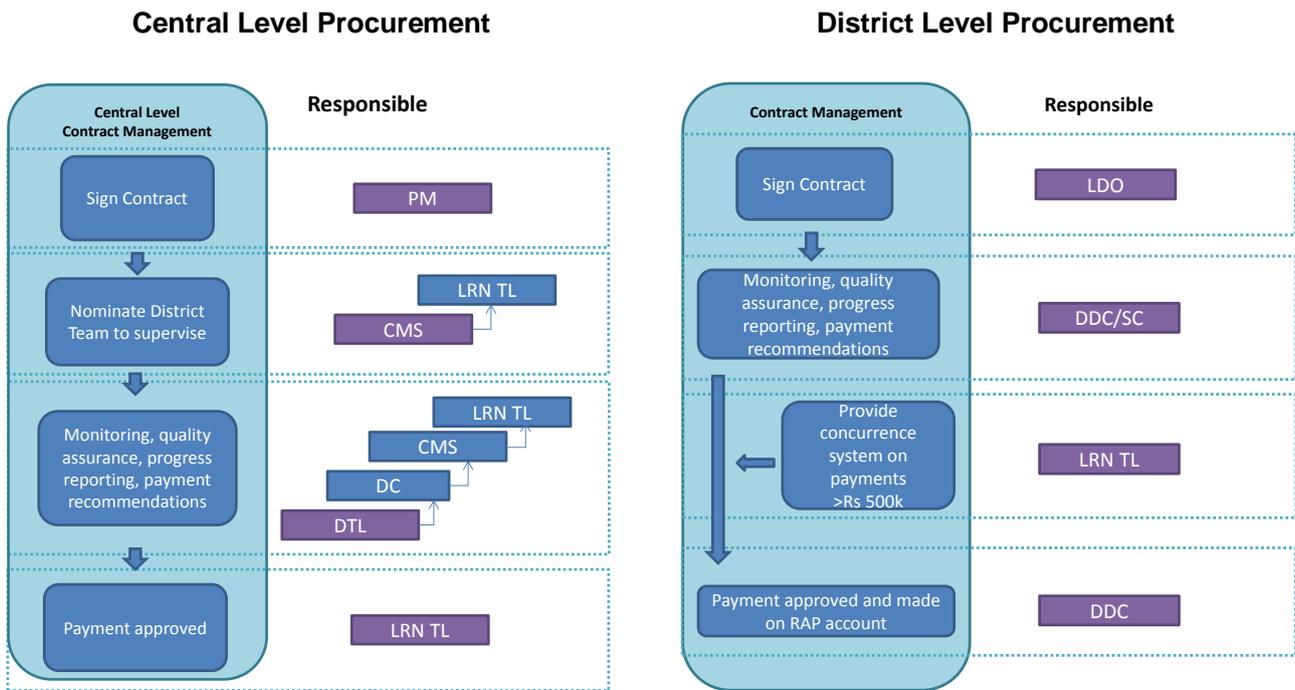External Links to other Guidelines adopted by RAP3:

Office of Auditor General Nepal

Public Procurement Monitoring Office (PPMO)

Standard Bid Document for contracts templets

Black Listing and Removal from Black list _under section 63 page 53 of Public Procurement Act:

4.3 Procurement Process

Procurement of services from private sector organizations and non-governmental organisations is a high corruption risk area that requires strict policies, procedures, segregation of duties, oversight and auditing. Procurement on RAP3 can be broken down into two types: central level and district level. The majority of procurement for new road construction is carried out by the RAP3 team in bulk and from the central office – with certain items procured locally. As part of our commitment to building capacity in local government and promoting a maintenance culture in rural Nepal, procurement for RAP3's maintenance component is carried out through existing government systems. Additional controls are applied whereby RAP3 must be involved in bid evaluation and must sign off on all procurement contracts funded by RAP3 such as No Objection Letters (NoLs). We also have a dedicated Contract Management Specialist based at TMO, who is responsible for overseeing all procurement activities and ensuring that the programme is operating according to national and international regulations. RAP3 is continually improving procurement processes and systems. E-bidding is being considered as an opportunity to further increase our ability to prevent and detect corruption going forward. The following diagrams outline the RAP3 procurement process, segregation of duties and approval process. The steps are critical to ensuring that procurement is carried out according to local and international regulations.

Central Level Procurement

Central Level Contract Management	Responsible
Sign Contract	PM
Nominate District Team to supervise	LRN TL / CMS
Monitoring, quality assurance, progress reporting, payment recommendations	LRN TL / CMS / DC / DTL
Payment approved	LRN TL

District Level Procurement

Contract Management	Responsible
Sign Contract	LDO
Monitoring, quality assurance, progress reporting, payment recommendations	DDC/SC
Provide concurrence system on payments >Rs 500k	LRN TL
Payment approved and made on RAP account	DDC

Link to RAP3 LRN Manual

Link to RAP3 SED Manual

5. INFORMATION & COMMUNICATION

5.1 RAP3 Operational Manuals

The following RAP3 Operational Manuals detail the programme's policies and procedures for a range of project components and functions. Formal acknowledgement of understanding of the manuals is mandatory for relevant staff members and affiliated parties including Government entities and partners

Finance Manual
The RAP3 Finance Manual details the programme's policies and procedures on Financial Reporting, Procurement & Contract Management, Asset Security and HR & Travel, which detail the internal controls in place to prevent and detect corruption.

LRN Manual
The RAP3 LRN manual details the processes and policies for all Local Road Network activities, including the Technical Assistance Process, Procurement and Contract Management of LRN Services, Technical Management of Direct Funding Construction Contracts, Technical Management of LRAM (DDF) Contracts and RMG Formation, Implementation & Inspection. The critical information in this manual is related to how RAP3 manages procurement, contracts and quality verification, which are high corruption risk areas for the programme.

Link to RAP3 LRN Manual

SED Manual
The RAP3 SED Manual details the component's policies and procedures for Operations; the Cost Sharing Framework; Financial Management & Reporting; Monitoring, Evaluation & Learning; Management & Coordination and Communications & Visibility.

Link to RAP3 SED Manual

RAP 3 is also is the process of developing a Capacity Building Manual and a Performance Management & Verification (PMV) Manual for the programme. This section will be updated accordingly upon completion.

5.2 Training & Awareness

All RAP3 staff are required to complete the Global Infrastructure Anti-Corruption Centre (GIACC) On-line Anti-Corruption Training Module, which consists of 5 sections including:

- Section 1: Why is anti-corruption training important? This Section looks briefly at the criminal and financial risks of corruption for individuals and organisations, the damage caused by corruption, and the likelihood of a person encountering corruption
- Section 2: Overview of corruption: This Section looks at what is meant by corruption. The term 'corruption' is used in its wider sense to include bribery, extortion, facilitation payments, fraud, collusion, embezzlement, abuse of power and money-laundering

- Section 3: The corruption offences: This Section looks at the principles of the different corruption offences, gives examples of how they can occur, and examines how individuals and companies can incur liability for these offences
- Section 4: Guiding principles: This Section lists some principles which should be adopted in a person's every day conduct so as to minimise the risk of being involved in corruption
- Section 5: Ethical dilemmas: This Section provides fourteen ethical dilemmas which a person could face. The person doing the training should consider his or her reaction to this dilemma, and then move on to the answer which provides advice

This training is a standard requirement for all IMC staff. We make arrangements for non-native English speakers to take the training in conditions suitable to their needs. There is an assessment at the end of the training which confirms a reasonable level of understanding of the material and which we use as certification, which is mandatory.

RAP3 also has a formal Continual Professional Development Programme, which has three main components; the LRN Engineering Course and Examination, On the Job Training (Modules and Practical Experience) and Self-Study.

All members of the RAP3 engineering team (RAP3 and Consultant staff) are required to participate in the annual 6 day 'LRN Engineering Course' and pass the associated examination. The 'LRN Engineering Course' covers all aspects of the LRN annual programme cycle, under four main themes Planning, Design, Procurement, and Implementation – all four of which are crucial to educating all staff members about the critical internal controls in place to prevent and detect corruption. The 'On the Job Training' component is focused on the practical implementation of the work associated with the modules covered in the training. The training sessions are designed to provide a refresher for the District teams on what is required under each work component. Lastly, as part of the RAP3 CPD programme, all participants are required to complete a minimum of 6 days 'self-study' per year.

An important area of capacity building which we are focusing on is anti-corruption training for Government of Nepal (GoN) staff. We integrate the key messages and mechanisms of our anti-corruption strategy into our regular workshops, trainings and internal audit de-briefing sessions, which we run regularly with project staff as well as GoN staff who are involved with RAP3 Annual Support Plan activities and beyond. But we are also planning to develop formal tailored anti-corruption training, supported by GIACC material, for key GoN staff members. An important part of this training will be to ensure that those who receive training will then be able to train others in their respective GoN entities. In this way, we are working towards promoting the ethics and formal mechanisms that can be used to prevent and detect corruption in Government. Supporting the GoN to improve anti-corruption management is a key focus for the programme. We are planning to improve the scope and impact of these activities to an even greater degree in the comings months.

As part of our district level communications strategy we have developed a set of key messages for our district teams to familiarise with themselves and disseminate to communities. These messages include our zero tolerance approach to bribery and corruption, as well as our desire to hear about any instances that local people witness.

Link to RAP3 Communications Strategy

5.3 Open Reporting

RAP3 has a policy of openness regarding the publication of internal reports, reviews, audits, briefing papers and implementation plans. Our website (http://www.rapnepal.com/) has a "Knowledge Hub" section which contains reports & publications, learning and results reporting, relevant external documents, a Continuing Professional Development section on training and links to relevant external websites. We believe that full transparency of our activities and performance is critical to reducing corruption, setting best practice and continually improving results.

6. MONITORING ACTIVITIES

6.1 Internal Audits

RAP3 has a team of full time and part time internal auditors that carry out planned audits in accordance with an annual audit schedule. Occasionally they may also carry out unplanned audits in response to incidents or requests from team members. From implementation year 2 (IY2) the internal audits follow a Risk Based Audit (RBA) approach, focusing on specific themes that the Strategic Management Team consider pose a potential (internal) risk to programme delivery (described in detail in the "Risk Assessment" section above.

The audit reports clearly identify strengths, weaknesses, opportunities and threats to implementation in terms of adequacy of the management systems to control risks and compliance with the system requirements. From IY2, internal audit reports are publicly available and posted on the website.

The field verification process is essentially a lower level audit process that is used to provide detailed feedback on field level activities that cannot practically be reached by the internal audit team during their short audit visits. There are two levels or tiers of field verification

1. Verification by staff responsible for district oversight (DC, DTL, EO / SEDO) to verify physical progress, quantities and quality of works (including safeguard provisions) against reports submitted by our implementing partners (Consultants or Delivery Partners).
2. Verification by Technical specialist staff from TMO to verify if minimum technical standards are being met and technical procedures are being complied with.

The level one audits are carried out as part of routine monitoring and oversight visits and cover the full geographical and technical spread of RAP interventions. Level two audits have lesser reach, focusing on the most critical, complex or difficult technical works or technical areas of concern.

6.2 External Financial Audits

External Financial Audits are carried out on RAP3 districts, the TMO Office and SED partners on an annual basis and focus on auditing records, controls and operations for the following:

- Cash and Bank Management
- Cash and Bank Balances and Receipts
- Cash and Bank Disbursements

- Petty Cash Disbursements
- Payroll
- Procurement
- Inventory and Stores Management and Control
- Control over Property and Assets
- IT Management, Structure and Strategy

Sampled documents and internal control processes are critically evaluated, recommendations are then put forward by the auditors and an action plan is developed. Progress towards the action plan is monitored closely. Any major non-compliance issue that is found results in a specific internal audit being carried out on the relevant office/policy/procedure and appropriate corrective action being taken.

6.3 Public Audits

The RAP3 Public Audit is a monitoring process through which district-level beneficiaries and stakeholders provide vital feedback on the design, delivery and expenditure of the programme. The overall purpose of the process is to use public participation as a means to continually improve the transparency, governance and approach of the programme. The audits are organised at public places within the vicinity of programme locations – normally in schools, VDC buildings, health posts and government service centre premises – and are carried out by field staff or partners that are directly responsible for the programme component being evaluated.

Prior to an audit, information is distributed on the programme's activities, implementation approach and roles and responsibilities of stakeholders. During the audit, public discussions are held on a range of subjects including the process and progress of the development activities undertaken, budget and expenditure, labour wage payments, community mobilisation, social and technical issues, quality of works & technical supervision, support on social & economic development activities and transparency. The focus of each audit depends on the type and approach of activities undertaken in the locality. After the audit, feedback, comments and suggestions are collected, analysed and shared publicly.

The Public Audit guidelines are based on international best practice policies and procedures and are in line with the Government of Nepal's Public Audit Procedures 2067 (MoFALD), designed for conducting public audits of local development projects implemented through central and local bodies.

Link to RAP3 Public Audit Guidelines

6.4 Social Audits

The RAP3 Social Audit is a monitoring process through which project information is collected, analysed and shared publicly in a participatory fashion. Social audits are carried out by TMO experts with the support of district technical assistance team and implementation partners during annual progress review at the district level. The audits go beyond the oversight of project finances and procurements to examine all aspects of the project, including level of access to information, accountability, public involvement, project outputs and outcomes. The audits ensure that project implementation is transparent, that there is a collective understanding of project finance and procurement, that the impact of subprojects is assessed and that communities are empowered through participation in the process.

Link to RAP3 Social Audit Guidelines

6.5 Community Monitoring

A RAP 3 radio show – provisionally entitled Road to Development (Bikashko baato) - will be produced each week in Kathmandu and aired on local FM radio stations in each of our districts. The show will be produced by the Antenna Foundation – a Nepali NGO with significant experience working with donors and aid programmes on public service broadcasting for development issues. Public service announcements will go out in all of the districts encouraging people to call a toll-free number and leave a voice message with their thoughts and experiences on what's working and what's not with the RAP 3 programme – including instances of corruption. These will then be collated centrally and fed into the show, which will also contain content on broader development issues affecting communities in our districts. Anti-corruption and bribery will be key themes of both the public service announcements and the show itself. RAP3 staff and community are encouraged to report any instances of corruption or bribery to district teams. The toll-free number used for the radio show will also be used as an anonymous whistleblowing mechanism for any instances of bribery and corruption. In the event of corruption being reporting through the radio show, RAP3 management will initiate an investigative audit to confirm the claim, understand the case in detail and develop an appropriate plan of action depending on the nature and severity of the case.