

Hariyo Ban Program

Internal Governance Tool 1 Public Hearing and Public Auditing (PHPA)



Strengthening the internal governance of natural resource management groups is a cross-cutting theme across the Hariyo Ban Program components. It is very important since many rural people in Nepal are highly dependent on forests for their livelihoods and wellbeing. This includes forest resources such as firewood, clean water, building materials, fodder for livestock, and medicinal plants, as well as ecosystem services such as protection from landslides and floods. Many rural poor may hence exert the highest pressures on forests because they have no alternatives. Yet they often have little say in how forests are managed and how the benefits from sustainable forest management are distributed.

Internal governance strengthening builds the capacity of Natural Resource Management (NRM) groups, community organizations, including those in leadership positions, and increase levels of meaningful participation by women and other marginalized groups. This in turn promotes the equitable sharing of resources and other benefits. Internal governance strengthening is achieved through the use of a number of different tools specified in the Community Forestry Development Guidelines of 2009. Hariyo Ban Program uses three such tools as identified in Community Forestry Development Guidelines of 2009. They are:

Tool 1: Public Hearing and Public Auditing (PHPA)

Tool 2: Participatory Well-Being Ranking (PWBR)

Tool 3: Participatory Governance Assessment (PGA)

Public Hearing and Public Auditing (PHPA) is – a mandatory provision for all Community Forest User Groups – about which the Guidelines state: ‘A public hearing and public auditing should be conducted at least once a year to inform users about group programs, income, expenditure, sale and distribution of forest products, group decisions and their implementation status’ (Chapter V, article 5.2, page 17 and 18). In view of this, and based on learning and best practice from the SAGUN program¹, the Hariyo Ban Program has committed to using the Public Hearing and Public Auditing (PHPA) tool.

What is Public Hearing and Public Auditing (PHPA)?

Public Hearing and Public Auditing (PHPA) is a participatory process that aims to strengthen the transparency and accountability of institutions. The process is carried out by Forest User Groups with the assistance of local resource persons acting as facilitators. Through information sharing and question-answer style discussion, it allows for a mutual assessment of performance by user group members (the rights holders) and user group executive committee members (the duty bearers). While management processes and outcomes are assessed during the public hearing, the public audit reviews financial transactions, including the status of the group fund. Both processes are generally conducted annually. Process participants agree on a set of recommendations which are reviewed in the following public hearing and auditing.

Why Conduct a Public Hearing and Public Auditing?

Public Hearing and Public Auditing processes are based on the assumption that development initiatives can only be termed sustainable and equitable if both the duty bearers and rights holders internalize and practice the principles of good governance. The Public Hearing and Public Auditing process aims to establish and facilitate equitable participation, transparency and accountability by encouraging regular and open interaction between user groups and duty bearers. Moreover, it provides an opportunity for users from marginalized communities to actively engage in decision making processes. The overall objective

¹ Strengthened Actions or Governance in Utilization of Natural Resources (SAGUN) Program (2002-2006)

of Public Hearing and Public Auditing is to empower community members by exposing them to the principles of good governance, and engaging them in good governance practice. The participatory decision making processes that stem from this practice support the effective management of natural resources and increase levels of community and ecosystem resilience.

The Public Hearing and Public Auditing Process

The process has three main phases:

i) Preparatory Phase

Program staff and facilitators deliver orientation sessions to executive committee and user group members on the purpose and process of Public Hearing and Public Auditing. In addition executive committee members are advised to assemble documentation to smooth the process. Documentation includes the constitution of the Forest Users Group, the Forest Operational Plan, the minutes of previous meetings and general assemblies, inventory records, and previous audit reports. A date, time and venue are agreed on, and written invitations are sent out. Particular effort is made to ensure that at least 75% of the total number of general users participates in the process. Focus is given to the participation of women, the poor, and marginalized caste and ethnic groups. Other stakeholders are also invited to attend as observers.

ii) Public Hearing and Public Auditing Phase

Executive Committee and User Group members sit face-to-face. The facilitator(s) and invited observers sit to the left and right so that a circle or 'U' shape is formed. The facilitator leads the discussion which should promote as much interaction as possible. Another participant is assigned the task of minute taking. The process tends to be divided into two parts – first the public hearing and then the public audit. The sequence may change, however, depending on the preferences of the group. While the public hearing assesses the implementation status of a group's plans, processes and decisions, the public audit looks at the transparency and appropriateness of its financial transactions. The facilitator should actively encourage the participation of women, the poor, and marginalized caste and ethnic groups, and decisions should demonstrate respect for their inputs and aspirations.

iii) Follow Up

User group and executive committee members along with other stakeholders should be reminded that they must provide regular follow-up on decisions made during the hearing and audit processes. In addition, monitoring activities should be recorded and then presented during the next Public Hearing and Public Auditing process. Hariyo Ban Program will further refine this tool based on the learning from its application, particularly considering the interrelation and interdependency between different types of NRM groups functioning in a landscape.



The Hariyo Ban Program is named after the famous Nepali saying 'Hariyo Ban Nepal ko Dhan' (Healthy green forests are the wealth of Nepal). It is a five-year initiative that aims to reduce the adverse impacts of climate change and threats to biodiversity in Nepal. This will be accomplished by working with the government, communities, civil society and private sector. In particular, the Hariyo Ban Program works to empower Nepal's local communities in safeguarding the country's living heritage and adapting to climate change through sound conservation and livelihood approaches. Thus the Program emphasizes the links between people and forests and is designed to benefit nature and people in Nepal. At the heart of Hariyo Ban lie three interwoven components – biodiversity conservation, payments for ecosystem services including REDD+ and climate change adaptation. These are supported by livelihoods, governance, and gender and social inclusion as cross-cutting themes.



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