

Report on Virtual Meeting  
On  
**Users' Group Work, Current Situations,  
Changes in Way Forward**  
With  
Federal and Provincials Public Accounts  
Committees

 International  
Budget  
Partnership

 **FREEDOM FORUM**  
"A Nepali CSO (civil society organization) dedicated to democracy, human rights and governance"

**Audit Accountability Initiative**

**उपभोक्ता समिति सम्बन्धी छलफल**

**Virtual Meet Discussion**

शुक्रबार, ३० पुस २०७८  
(Friday, 14<sup>th</sup> January, 2022)

Organized By :  **FREEDOM FORUM**  
"A Nepali CSO (civil society organization) dedicated to democracy, human rights and governance"

Friday, 14<sup>th</sup> January, 2022

Mode: Zoom Platform

## Introduction

As part of the ongoing audit accountability initiative, a virtual zoom meeting was organized to capture the current situations on all provinces of the country in participants from all Provincial Public Accounts Committees and Federal Public Accounts Committee. All media reporting's, study of various places, data collection on works done, meeting with various government stakeholders is fine but hearing from the PAC representatives across the board will help to grasp the current works and PACs actions on this part of public finance. This will help us on tackling the current situations and assist in furthering our advocacy to PACs being one of the forefront to tackle the mismanagement and accountability of the Public Finance of the country. Public participation and sense of local pride & for local feeling are the core aim to work through users' group. This virtual zoom meeting is the part of our ongoing research on driving audit accountability initiative financially assisted by International Budget Partnership (IBP).

## Objective

Meeting with all 7 provinces and federal PACs is an essential step in promoting audit accountability of user groups works with advocating for users' groups guidelines across all levels and promoting the same through PACs as they are one of the core entity of legislative to look for public finance mismanagement and its issues.

- Current Scenario of the Users' Committee Works Across all 7 Provinces
- Management & Operation Procedures of Users Committee Across the Board
- Status of Users' Committee Guidelines Across All Provinces
- View on PPMO current Draft Guideline that is at the OPMCM
- Practical and Policy Level Reforms Requirements
- Role of PACs' On Monitoring this Public Finance Participation For Development
- Frequency of PAC's suo moto Discussion on Audit Recommendations in Relation to Users' Groups
- Way forward on how PAC will Advocate for changes and reforms in users' committee works current scenario
- Continuous Advocacy for Guidelines at Federal Level to be implemented

## Discussions & Outcomes of the Zoom Meeting

### Presentation of Dr. Rojnath Pandey – Federal PAC Secretary

Dr. Rojanth Pandey highlighted the current situations of user groups works along with OAG findings and its suggestions. The presentation focused on OAG findings on users' group works and trends in current scenario. Following points sum up the presentation:

- The rate of arrears and unsettlement amounts in users' groups works
- Uses of Machinery and Heavy Equipment
- Monitoring and Review of Works Completed
- The need of permanent registration and operation of user groups
- Uniformity in Agreement and Works and Documents
- Need of Social Accountability
- Act and Regulations that need for governing of these works.

**Bagmati Province PAC Chair – Nuchhe Narayan Shrestha**

- The user groups used to form after assembly in presence of community members and advance was also given to the group to start the groups in past (3 decades ago).
- Administration barring of advance to user groups lead to entry of contractors in these works as the groups don't have any money to start works.
- Proper regulation and need of checks and some changes in current mechanism of advance and participation will result in proper work in this sector
- The user groups work format needs to be continued as timely and more effective works is being done by users group rather than contractors.

**Gandaki Province PAC Chair – Roshan Gaha Magar**

- There used to be concept of for us, accountability and proper participation in past in user groups works.
- There needs to be change in policy level to make it more effective.
- There is need of uniformity in procurement process for construction materials and other necessities across the board across all province.
- Amendment of other acts and other guidelines is also necessary.
- There needs to be clause of maintenance after completion as well as made aware of the same while signing agreement with technical review before the initiation of work.

**Province One PAC Chair – Shiva Narayan Gangai**

- The concept is user group is as essential as that has issues and some problems.
- Persons involving in user group works has been looking for profit from the moment they are involved.
- There should be provision of advance upto 20% to start the work.
- Contractors are taking the advantages by low quotation but are doing work below quality and not in time as well.
- Since user group works are in time and have more quality, we need to look to strengthen the concept of this user group development.
- The 2078 guidelines that being proposed is good and needs some changes but it needs to be enforced first.
- Contractors and construction work people also need to be checked and regulated more so that their involvement in user group works be minimum.

**Far western Province PAC Secretary – Prem Katel**

- The PAC has been discussing the reports of OAG through subcommittee who submitted reports to PAC.

- PAC has been looking to invite OAG representative for discussion but the constraints of COVID and time has been the issue.

**Lumbini Province PAC Secretary – Alok Agrahari**

- Various departments and different province have been drafting their own guidelines, agreements and monitoring policy which in turns have created issues.
- We have discussed the Audit Report in presence of OAG representative and the case of user group was also discussed.
- The cases of bill variations and low quality goods are prevalent in user group works.
- The case of bills has a real issue in rural and remote areas.
- The case of non-finding of user group for review and other observation after completions is also prevalent.
- Grouping for user group works takeover is also prevalent.
- The proposed new guideline of PPMO is very good as it has clear identity of public participation, use of machinery and different participation rate for different type of works.

**Bagmati Province PAC Member – Sita Adhikari**

- We have been discussion various issues that involves user groups in our meeting.
- Various cases of arrears and unsettlement have been found in these discussion.
- Not only user group but the government, local level departments and people all need to be aware to curb the current mismanagement and issues.
- There is no uniformity across different departments on participation, investment participation in the province and it needs uniformity.
- People, Government and Province all needs to be aware and proactive to curb the issues of user groups.
- The need of federal guideline to lead to uniformity is very essential and we need to work towards the same.
- The changes in Public procurement and other related laws are also essential for the guidelines to be effective.

**Bagmati Province PAC Member – Jivan Dangol**

- This is the model of Democratic System of People's participation on development and the irregularities in this field is increasing.
- Concept is very good but the issue of advance is there in both side of availability and non-availability of advance.
- There needs to be proper attendance of public especially local affected group while forming and public hearing requirements must be made a mandatory and should have a legal binding to make this model effective.
- The interest of public and their participation in every aspect should be made clear to all stakeholders.

## Findings of the Meetings

- Policy and Legal Aspect should be made clear and uniform across the board
- PPMO, PAC, OAG and Line Ministry should carry out this advocacy in continuous manner to improve the current scenario and situation of user group work model
- People Participation and investment participation should be clear on the guidelines.
- The PPMO federal guideline will act as the model for every local and provincial government and will bring uniformity in operation and other procedures.
- The variations among various departments while working through user group should be changed and uniformity should be maintained.
- Changes in public procurement acts, public procurement guidelines, other related acts and legal aspects should be done to bring uniformity.
- The case of advance and its volume should be clearly need in the new guidelines.
- Federal PAC and Provincial PACs along with OAG need to discuss and carry forward the recommendations set by OAG report to be implemented from respected line ministry.
- The affective implementation of PPMO new proposed guidelines is very essential and all the stakeholders from PACs, OAG, CSOs and media should voice and advocate for its implementation.
- The constant advocacy for changes and effective modification after guideline implementation is also necessary to promote accountability in future. z