



CONCEPT NOTE – FISCAL TRANSPARENCY AND ACCOUNTABILITY – PEMPAL CROSS-COP MEETING, RUSSIA 27-29 MAY 2014

Technical information on trends, issues and performance in fiscal transparency and accountability, prepared
for PEMPAL member countries



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BACKGROUND

The Public Expenditure Management Peer Assisted Learning network (PEMPAL) was established over six years ago in 2006. It currently has active participation of public finance professionals from 22 of the 30 World Bank classified Europe and Central Asia countries¹ and provides learning events, workshops, study tours and resource materials in accordance with member driven action plans in the thematic areas of budget, treasury and internal audit.

This peer learning approach has been effectively used in both the public and private sectors and is supported by research and independent evaluation results. An independent evaluation of PEMPAL completed in 2012 found that the individuals and countries in the network were learning from each other in ways that resulted in a direct demonstrable impact on public finance management systems. The Center of Excellence in Finance, Slovenia acts as the PEMPAL Secretariat and the current key financial and in-kind donors are the World Bank, Ministry of Finance of the Russian Federation, and the Swiss State Secretariat for Economic Affairs (SECO).

There are three distinct Communities of Practice i.e. the Budget Community of Practice (BCOP), the Treasury Community of Practice (TCOP) and the Internal Audit Community of Practice (IACOP). PEMPAL Cross-COP plenary meetings, whereby all members from the three Communities of Practice gather to discuss common issues, are held every two to three years. The last such meeting was held in January 2011. It was devoted to the theme of Managerial Accountability and Budget Execution and was attended by around 200 experts, international speakers and practitioners from more than 21 Europe and Central Asia countries. The meeting materials can be found at <http://www.pempal.org/event/read/28>.

The next such meeting will be hosted by the Russian Federation Ministry of Finance on May 27-29, 2014 and will be on the topic of **Fiscal Transparency and Accountability**. The topic of budget transparency was initially suggested by the Russian Federation and the members of the PEMPAL BCOP, but it was expanded to the broader concept of fiscal transparency and accountability by the PEMPAL's leadership. The leadership, consisting of elected representatives from over half of the 22 PEMPAL member countries, and the Steering Committee, discussed the choice of themes and sub-themes at their annual Cross-Cop Leadership Meeting on 1-3 July 2013. The meeting materials can be found at <http://www.pempal.org/event/read/86>.

The leadership examined a background paper on budget transparency, an update of which is provided at **Attachment A**, and held extensive discussions in cross-COP groups and within COP specific meetings on the proposed meeting's content, format and required preparations. An Organizing Committee was established to further develop the agenda with the final concept and agenda sent to all participants, in May 2014. The committee

¹ Countries represented include Albania, Azerbaijan, Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kosovo, Kyrgyz Republic, Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Tajikistan, Turkey, Ukraine and Uzbekistan. For IACOP only, Hungary is also a member.



comprised representatives of the World Bank, MoF Russian Federation, SECO, COP executive representatives, and the PEMPAL Secretariat (Center of Excellence in Finance in Slovenia). Each COP was also responsible for progressing specific sessions and a wiki was established to exchange and comment on information.

FISCAL TRANSPARENCY AND ACCOUNTABILITY

The topic was chosen given its importance in ensuring good governance, and its relevance to all COPs. Although more research is needed 'empirical evidence on the beneficial effects of fiscal transparency range from improved budgetary outcomes, to lower sovereign borrowing costs and decreased corruptions.'² Its importance is reflected in several global trends³:

- The IMF revised its Code of Good Practices in Fiscal Transparency in 2013-14 (copy translated and provided on USB stick distributed to all meeting participants).
- The OECD developed 'Draft Principles of Budgetary Governance' during 2013-14 (copy translated and provided on USB stick distributed to all meeting participants). OECD's 'Best Practice Guidelines in Budget Transparency' have been available since 2001 and can be downloaded in PEMPAL languages at:
http://www.pempal.org/data/upload/files/2013/03/oecd-best-practices-for-budget-transparency_eng.pdf (English)
http://www.pempal.org/data/upload/files/2013/03/oecd-best-practices-for-budget-transparency_rus.pdf (Russian)
http://www.pempal.org/data/upload/files/2013/03/oecd-best-practices-for-budget-transparency_bos.pdf (Bosnian-Croatian-Serbian)
- The Open Government Partnership, launched in 2011, has more than 50 member governments who have undertaken to promote transparency and openness including independent review of their efforts. The partnership seeks to achieve improvements in accountability and government performance by combining transparency with participation. This involves stakeholders contributing ideas and information to the public sector and forming collaborations with them, for decision-making and public policy implementation. This impacts on public expenditure management as it requires greater engagement of civil society throughout the budget process.
- Transparency initiatives have existed for some time in the sectors related to extractive industries and foreign aid.
- Since, 2006, the International Budget Partnership has conducted the biannual Open Budget Survey to produce the 'Open Budget Index' which currently assesses budget transparency in 100 countries around the world.⁴
- The Global Initiative on Fiscal Transparency (GIFT) was formed in 2010 and is a multi-stakeholder network. It aims to contribute to significant improvements in fiscal transparency, engagement, and accountability by advancing incentives, norms, technical assistance and new technologies. In 2012 it developed 'High Level

² Wehner and Renzio, 2011

³ Website links to further information can be accessed by clicking on the underlined words.

⁴ The number of countries assessed is increasing. There were 59 countries assessed in 2006, 85 in 2008 and 94 in 2010.



Principles’ which were endorsed by the UN in January 2013. These principles are provided at **Attachment B**.

- International Financing Institutions and the donor community support countries to assess their fiscal frameworks through the Public Expenditure and Financial Accountability Framework (PEFA) and the IMF Fiscal ROSCs.
- The G8 has a focus of ‘Transparency’ as one of the ‘Three T’s’. In 2013, the G8 met in Northern Ireland and signed the Lough Erne Declaration. Of specific interest is the 10th principle “Governments should publish information on laws, budgets, spending, national statistics, elections and government contracts in a way that is easy to read and re-use, so that citizens can hold them to account.” The declaration is provided at **Attachment C**.
- The G8 also signed the Open Data Charter on 18 June 2013 to promote transparency, innovation and accountability. The Open Data Charter sets out 5 strategic principles that all G8 members will act on.
- A number of studies were completed that identified good practices but also highlighted opportunities for significant improvement. Such studies included the World Bank’s ‘Financial Management Information Systems and Open Budget Data: Do governments report on where the money goes?’⁵ and ‘Global Stock-Take of Social Accountability Initiatives for Budget Transparency and Monitoring’. Case studies supported by the International Budget Partnership have also provided evidence of positive outcomes from civil society groups using available budget information in campaigns that have influenced and challenged government policies. International trends are also moving to participatory budgeting⁶ and social auditing⁷ amongst other accountability instruments and tools that can be used by PFM systems to strengthen accountability upwards to central agencies and the legislature and downwards to citizens.

Governments around the world are responding to calls for more transparency as illustrated by many of the above-mentioned global initiatives many countries have committed to. The challenge and benefits of transparency and accountability are to strengthen interaction between state and citizens in decision making through the budget process. Thus improving it entails establishing and maintaining partnerships with a wide range of key stakeholders such as Government, Parliament, SAs, judiciary, civil society organizations, and the media.

⁵ Dener and Min (2013) conclude that only a small number of governments provide opportunities to the citizens, civil society groups or oversight agencies for access to reliable, accurate, and meaningful open budget data from underlying FMIS solutions. However, the study demonstrates that selected cases exist that demonstrate that the innovative solutions to publish open budget data and improve budget transparency can be developed rapidly with a modest investment even in difficult settings, if there is a commitment from the government and a strong interest from the public. Refer to Attachment A.

⁶ The process was first developed in Brazil in 1989, but has spread to over 1,500 participatory budgets worldwide. Most are at the city level for the municipal budget and involve citizens directly deciding how to spend parts of the budget. Source: <http://www.participatorybudgeting.org/about-participatory-budgeting/what-is-pb/>

⁷ Social auditing is where citizens jointly and closely monitor project implementation and is being used in India, and many other countries at the local level. Source: <http://internationalbudget.org/wp-content/uploads/Social-Audits-as-a-Budget-Monitoring-Tool.pdf>



Central agencies such as Ministries of Finance and Treasuries, are key to this process given their lead role in the development of the government's budget and the management of public funds.

Standardised, independently audited and published financial reports on government activities indicate a commitment to more open government. Compliance with international statistical and accounting standards and the move to accrual financial reporting also contribute to transparency and accountability. The "Conceptual Framework" and Policy Guideline⁸ on harmonising IPSAS and GFS, both published by the IPSAS Board, provide further evidence of the potential contribution of financial reporting to open government through enhanced transparency and accountability.

Thus it was within this context, that the PEMPAL leadership identified a number of sub-themes of most relevance which are summarized below.

<p>Treasury COP would like the following sub-themes to be addressed:</p> <ol style="list-style-type: none"> 1) The role of IT 2) Accounting and reporting 3) Risks associated with budget transparency. Russia agreed to showcase its IFMIS under 1). TCOP will prepare a study on IT use in PEMPAL countries and organize a market place to share information. Cem Dener from the World Bank will also be invited to present the study of the impact of IT systems on budget transparency, with a focus on PEMPAL countries. 	<p>Budget COP would like the following sub-themes to be addressed:</p> <ol style="list-style-type: none"> 1) Transparency codes and standards 2) Comparative transparency assessment results 3) Analytical work by OECD/BCOP to be showcased. <p>PEMPAL will liaise with IMF and OECD on the revised transparency standards suggesting Russia as a case study, given they participated as a pilot for the revised IMF code. BCOP will also prepare transparency comparative assessments and present on citizen's guides to the budget and budget portals.</p>	<p>Internal Audit COP would like the following sub-themes to be addressed:</p> <ol style="list-style-type: none"> 1) Internal control, including internal audit as instruments to ensure budget transparency and accountability 2) Risk management, including assessment. IACOP can share its experiences in these areas but also recommends that an expert from a developed country be invited to the meeting. 3) Performance indicators <p>IACOP would also like a booth to showcase its work, its wiki and its knowledge products.</p>
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Given that all the requests cannot be accommodated in the limited time available, the broad outline of content provided above was considered by the Organizing Committee and the following meeting objectives and agenda were developed, with the scope prioritized to issues of direct relevance to central government budget agencies. In addition, requests from all COPs to have additional COP activities attached to the main event agenda have been accommodated.

MEETING OBJECTIVES, SCOPE AND METHODOLOGY/PROCESS

The overall objectives of the meeting are to a) share information about the concepts and tools of fiscal transparency and accountability and how these can be applied and b) to form a long term view of how the topic can be involved in the future work of the COPs.

⁸ The policy note has been translated and provided in the meeting's background materials. The conceptual note is available in English only.



The meeting is expected to be attended by PEMPAL members, who comprise public officials in the functional areas of treasury, budget and internal audit within central agencies of government from PEMPAL's 22 member countries. Experts will also be invited where needed to fulfill the requirements of the final agenda. It is estimated that around 200 participants in total will attend the meeting.

Over the course of the meeting's three days, it is proposed that participants be given a number of frameworks, guidelines, assessment tools, and country case studies – that combined could be called '**transparency and accountability tools**' – providing a menu of options for countries to consider as ways to improve fiscal transparency and accountability from a central agency perspective.

COP achievements and progress are also suggested to be showcased through COP booths and marketing materials advertising PEMPAL. This could include copies of knowledge products produced by the COPs. Country level initiatives could also be showcased (e.g. citizen guides to the budget) and other citizen engagement reforms, as well as web portals making available the budget and financial data to various audiences.

ATTACHMENT A

RESEARCH PAPER ON FISCAL TRANSPARENCY UPDATED FROM 2013

BACKGROUND

1. **This paper has been prepared for the PEMPAL Executive as a background briefing for its consideration of budget transparency as a cross-COP topic** for the proposed 2014 full plenary meeting of all COPs. The executive met to discuss options in early July 2013 as part of preliminary planning for the event and was provided this paper as background to those discussions. It has now been updated to ensure all participants at the proposed meeting, are aware of the current issues, trends, and terminology related to fiscal transparency and accountability in the official PEMPAL languages.
2. **Budget transparency and its broader fiscal transparency, have had increasing focus worldwide.** There is a general acknowledgement that they are key instruments to achieving good governance, thus facilitating development and fiscal sustainability.⁹ This growing international focus can be demonstrated by several initiatives aimed either directly or indirectly at enforcing or promoting transparency practices, including some targeted at specific sectors e.g. natural resources.¹⁰
3. **The rise of the civil society movement, global governance and internet technology, has also had an impact on public expectations and access to information.** Further, the political objective of joining and remaining in the EU and the regulatory requirements of accession are a strong driver for candidate

⁹ Refer to Kopits, G. and Craig, J, 1998, "Transparency in Government Operations," *IMF Occasional Paper 158*.

¹⁰ For example the Global Reporting Initiative, the Global Transparency Initiative, the Extractive Industries Transparency Initiative, the 'Open Government Partnership'. Refer www.opengovernmentpartnership.org



and member countries. In response to the financial crisis, many countries are also in the process of fiscal consolidation and improving the quality, efficiency and transparency of their public expenditures.

4. **IT solutions are not only a tool to improve reporting but an underlying driver for improved transparency.** Most ECA countries now publish reports on public websites and some are pursuing e-government strategies and integrated Financial Management Information Systems. Such integration is important to improve budget performance monitoring, produce reliable accounting records and timely, consistent reports with obvious positive impacts on improved transparency and accountability (Dener, 2011).¹¹ Some countries are struggling with budget comprehensiveness and the existence of too much detailed data which impedes the ability to make strategic decisions. Consolidation of data and the application of new accountant standards are also proving a challenge. The introduction of program budgeting reforms has also been a driver in providing information on results and objectives to facilitate information on policy choices.

HOW BUDGET TRANSPARENCY IS MEASURED

5. **International fiscal and budget transparency norms, standards and guidelines exist which provide a framework for budget classification and fiscal reporting.** These include the IMF Code of Good Practices on Fiscal Transparency (now revised), the IMF Manual on Fiscal Transparency; the IMF Guide on Resource Revenue Transparency, the OECD Best Practices for Budget Transparency, the IMF Government Finance Statistics manual (GFSM 2001), the European System of Accounts (ESA 95), the United Nations System of National Accounts (SNA), the International Public Sector Accounting Standards (IPSAS), and the International Organization of SAI Lime Declaration on Auditing Precepts.
6. **OECD's Best Practice Guidelines (2001)¹² define budget transparency as "the full disclosure of all relevant fiscal information in a timely and systematic manner."** The OECD provides guidance on seven budget related reports and the International Budget Partnership (IBP) also reproduce these recommendations, along with those from IMF (refer paragraph 10). OECD is also currently finalizing draft principles of budgetary governance. Similarly the IMF has recently updated its IMF Code of Good Practices in Fiscal Transparency, in light of the global fiscal crisis. The IMF also made a series of recommendations for renewing the global fiscal transparency effort in the wake of the crisis in a policy paper released in 2012.
7. **Several assessment measures exist although there are issues related to incomplete coverage of Europe and Central Asia (ECA) countries, available assessments being dated, and different methodological bases being**

¹¹ Dener C., Watkins J.A., and Dorotinsky W.L, 2011, "Financial Management Information Systems- 25 years of World Bank Experience on What Works and What Doesn't, World Bank Study, Washington, DC

¹² Source: Organization for Economic Co-operation and Development (OECD), 2001, *OECD Best Practices For Budget Transparency*, Public Management Service, Public Management Committee, PUMA/SBO(2000)6/FINAL, (May).



applied. According to Simone (2009),¹³ the limited but growing empirical research on transparency focuses more on the difficulty of measurement with several researchers constructing indices. Existing measures that have transparency aspects include Public Expenditure Financial Accountability (PEFA); the voluntary IMF's (Fiscal) Reports on Standards and Codes (ROSCs); the International Budget Project's Open Budget Index; the World Bank's Governance Indicators Dataset; amongst others. The Revenue Watch Index assesses transparency for countries with mineral, oil and gas reserves and there are other more specific indicators that aim to measure aspects of governance such as Transparency International's Corruption Perception Index and Freedom House's measure of political rights and civil liberties. Similarly, the Global Rights to information Index, which began in 2010, comprises a series of indicators to measure the right to information across the globe.

8. **Further useful tools that could be used to benchmark aspects of budget transparency include the OECD Surveys.** There are several surveys including the Budget Practices and Procedures Survey; the Performance-oriented budgeting survey; Accounting and Audit survey; and the Fiscal Councils and role of Legislature in Budgeting survey. The results of these surveys are used to maintain databases that assist countries in benchmarking and analyses are undertaken by OECD as part of participating in the survey process. The OECD Budget Practices and Procedures database covers 97 countries including 31 OECD member countries and 66 non-members from the Africa, Middle East, Eastern Europe, Asia, Latin America and Caribbean regions.¹⁴ More than 99 questions cover the entire budget cycle: preparation, approval, execution, accounting and audit, performance information, and aid management. The database aims to aid the development of common practices and standards; provides a free and searchable database that fosters mutual learning on budget practices and procedures; and enables comparative analysis of data and trends to support informed analysis and development of quantitative and qualitative measures.¹⁵ Thirteen PEMPAL member countries participated in the OECD Budget Practices and Procedures survey in 2013, 10 of which were facilitated through BCOP.

PERFORMANCE AND ACHIEVEMENTS

9. **Measurement of performance and achievements is constrained by available data** as mentioned above. Refer to **Tables 1A and 1B** for a listing of the type and dates of transparency related assessments undertaken in PEMPAL member countries. Fiscal transparency ROSCs exist for 18 of the 22 PEMPAL member countries although many of these are now dated. OECD/Sigma also provides a qualitative assessment of 7 EU candidate and potential candidate countries

¹³ Simone, D.S, 2009, "The Concept of Budget Transparency: Between Democracy and Fiscal Illusion", in *Public Choice E Political Economy*, available at <http://www-3.unipv.it/websiep/2009/200931.pdf>

¹⁴ The database contains results from the 2007 survey of OECD countries, and the 2008 World Bank/OECD survey in Asia and other regions; and the 2008 World Bank Collaborative Africa Budget Reform Initiative (CABRI)/OECD survey of Africa. Currently 16 PEMPAL member countries are also participating, 13 of those being facilitated through BCOP.

¹⁵ Source: OECD Budget Practices and Procedures Survey available at <http://www.oecd.org/dataoecd/30/45/39466141.pdf>



which has some transparency aspects. The most comprehensive framework to assess budget systems and institutions is PEFA which comprises 31 indicators but it does suffer weaknesses due to its incomplete coverage of countries and need for more assessments to be undertaken over a longer time period to identify trends.¹⁶ About 18 of the 22 PEMPAL member countries have had PEFA assessments although some are out of date and undertaken at different time periods.

10. **The most regular and comprehensive measure of budget transparency is the Open Budget Index which assesses public availability and quality of 8 budget reports.** This index is constructed by the International Budget Partnership (IBP)¹⁷ through its Open Budget Initiative and uses international standards and frameworks. The IBP actively engages 100 countries primarily in Asia, Africa and Latin America. The IBP also publishes a document providing examples of good practice reports and has produced a summary table on what should be the contents of each key budget report. This is reproduced in **Attachment D**.
11. **The 2012 survey results revealed that 77 of the 100 countries assessed failed to meet basic standards of budget transparency.** However, average scores for 40 countries that have comparable data for last four Open Budget Surveys shows increase in average from 47 in 2006 to 57 in 2012. The governments of 21 countries don't publish the Executive Budget Proposal, which IBP state is the most critical document for understanding exactly how governments plans to manage their country's finances. Results also indicated the widespread failure of governments to provide sufficient opportunities for citizens and civil society to engage in budget processes, which was examined by the survey for the first time. The average score on participation opportunities was 19 out of 100.
12. **Most participating PEMPAL countries have shown significant improvements since the first OBI in 2006 as shown in Table 2** in the annex.
 - a. **Russia** :improved score by 57% from 2006 and 23% from 2010.
 - b. **Bulgaria**: improved score by 38% from 2006 and 17% from 2010.
 - c. **Albania**: improved score by 89% from 2006 and 43% from 2010
 - d. **Kazakhstan**: improved score by 11% from 2006 and 26% from 2010Ten of the 15 PEMPAL countries participating scored above world average of 43 out of a possible 100 as shown in **Table 3** in the annex.
13. **The effects of FMIS on budget transparency was the subject of a recent study conducted by the World Bank.** 'Financial Management Information Systems and Open Budget Data: Do governments report on where the money goes?' by Cem Dener and Sandy Min was completed in June 2013. The findings

¹⁶ Source: Hedger, E., and P., de Renzio, 2010, "What do Public Financial Management assessments tell us about PFM reform?" *Overseas Development Institute Background Note*, July 2010.

¹⁷ The IBP has a number of programs: the Partnership Initiative, funded by Bill and Melinda Gates; the Open Budget Initiative funded by DFID, and the Civil Society Initiative funded by the Swedish International Development Cooperation Agency. IBP also receives institutional support from Ford Foundation, Open Society Institute and the Hewlett Foundation <http://internationalbudget.org/who-we-are/funding/>



of the study, based on an extensive data set, measures the current status of a country's web platforms for publishing open budget data from FMIS against a range of indicators. It provides guidance on the web publishing standards, highlighting good practices and summarizing the main findings based on the review of 198 public finance websites. Compared to other indicators and standards, such as PEFA, OBI, IMF Fiscal ROSCs, these indicators look at good practice in areas such as dynamic query options, visibility of FMIS, reliability of public finance data, presentation quality, and effective use of open budget data.

- 14. Findings of the study indicate that good practices in presenting open budget data from reliable FMIS solutions are highly visible in only 24 countries (12%), despite the widespread availability of 176 FMIS platforms used by 198 governments around the world.** In the study, 100 cases from various government web sites in 53 countries were summarized, to highlight some of the good practices in different areas of publishing open budget data from FMIS.

An extract of the dataset from this study has been reproduced at **Table 4** and the full EXCEL dataset has been distributed on a USB stick. An explanation of the information in the table has been provided in the table column headings; however a more detailed explanation of these indicators can be found in the study report and dataset. Table 4 provides website links to key government information including for Ministries of Finance, citizen budgets, public finance regulations and other information, and budget classification/chart of accounts details for a subset of the 198 countries covered by the study.¹⁸ The survey results have been provided for questions related to whether annual budget plans, the MTEF, investment plans, budget execution results, and external audit reports are published regularly. A collation of the most recent PEFA performance indicators and United Nations e-gov 2012 indices and associated country rankings are also provided. The last three columns of Table 4, provide an aggregated score for each country derived from various measurements used as part of the study. This score rates current government practices in publishing open budget data from FMIS as highly visible (scoring an A) to minimal visibility (scoring a D).

- 15. In terms of current PEMPAL member good practices in publishing open budget data from FMIS, two countries scored 'highly visible' (Russia Federation and Turkey), 12 countries scored 'visible',¹⁹ 6 countries scored 'limited visibility', (Azerbaijan, Belarus, Hungary, Kazakhstan, Kosovo, Tajikistan) and 2 countries showed 'minimal visibility' (Uzbekistan and Montenegro).** However, as a PEMPAL region, the total average score of 53.85 was above the world average of 45.14. Further all PEMPAL countries publish their annual budget plans except for two although three of these countries do not publish them regularly. All PEMPAL countries publish their budget execution

¹⁸ The table provides information on all 22 PEMPAL member countries and a sample of countries from other regions extracted from the full dataset. The results are based on the external review of existing government websites publishing public finance information until January 2013. Therefore, some of the developments in these country specific websites since the completion of this study (in June 2013) may not be visible in the dataset. Access to the weblinks can be made through the excel distributed version of the dataset.

¹⁹ Albania, Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kyrgyz Republic, Macedonia, Moldova, Romania, Serbia and Ukraine



results, although 5 of them do not do it on a regular basis. Eleven PEMPAL countries do not publish external audit reports, and of the 11 who do, four of these do not publish them regularly. All countries provided some public finance information which could be useful for citizens. The following countries were assessed as providing good quality information (ie informative and easy to read): Belarus, Georgia, Macedonia, Moldova, Russian Federation, Serbia and Turkey.²⁰ However, only Armenia and Kyrgyz Republic were assessed as presenting budget results that were easy to understand especially for citizens.

16. From the study, guiding principles to encourage governments to improve their practices in publishing budget data have been developed. According to Dener and Min,²¹ based on the observations of the full study, the lessons learned from good practice cases and the experiences gained in the development of FMIS solutions and open budget data portals, the following guiding principles were developed (these guidelines are described in detail in the study):

- Availability of timely and comprehensive budget information;
- Disclosure of details about underlying information systems;
- Availability of user defined (dynamic) query and reporting capabilities;
- Publishing reliable and interlinked open budget data;
- Authentication of the sources of public finance data;
- Improving the quality of presentation; and
- Promoting the effective use of open budget data.

17. Dener and Min conclude from the study results that only a small number of governments from the 198 countries examined provide opportunities to the citizens, civil society groups or oversight agencies for access to reliable, accurate, and meaningful open budget data from underlying FMIS solutions. However, the study demonstrates that selected cases exist that demonstrate that the innovative solutions to publish open budget data and improve budget transparency can be developed rapidly with a modest investment even in difficult settings, if there is a commitment from the government and a strong interest from the public. Dener and Min conclude that :

‘While many governments publish substantial information on their public finance web sites, the contents are frequently insufficient to provide adequate answers to the question “where does the money go?” Therefore, the main conclusion of the study is “What You See Is (Not Always) What You Get” in government web sites. Additional efforts are needed in many economies to

²⁰ According to the OBI 2012 report, the only country publishing formal citizen guides to the budget from the PEMPAL region is Kazakhstan (refer page 52-53 of <http://internationalbudget.org/wp-content/uploads/OBI2012-Report-English.pdf>), This is due to the narrower definition used of citizen guides which is a simplified version of the Executive’s Budget Proposal or the Enacted Budget to be released at the same time for the benefit of citizens, using non-technical language and accessible formats (p.14, p.46)

²¹ Source: <http://blog-pfm.imf.org/pfmblog/2013/07/now-you-see-it-now-you-dont.html>



build confidence in the source, reliability, quality and timeliness of the budget data disclosed by the governments. (IMF Blog July 23, 2013) '

The study can be found at the following link:
<https://openknowledge.worldbank.org/handle/10986/15897> Multiple language versions including English and Russian are available from the FMIS Community of Practice web site: <https://eteam.worldbank.org/FMIS> (accessible to the members).

CONCLUSIONS

18. Although more research is required regarding the impacts of fiscal transparency and accountability, international trends and case studies are providing increasing evidence of its potential value to achieve positive development results for government and citizens. Key tools and assessment mechanisms are available and central agencies can play an important role as one of the key stakeholders, to promote and facilitate improvements in this area.
19. Governments around the world are responding to calls for more transparency as illustrated by the global initiatives many countries have committed to. The impact of transparency on accountability depends on many actors thus improving it will entail establishing and maintaining partnerships with a range of key stakeholders such as Government, Parliament, SAs, judiciary, civil society organizations, and the media.

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TABLE 1: TRANSPARENCY RELATED ASSESSMENTS IN PEMPAL MEMBER COUNTRIES: TYPE AND DATE

1A: PEFA Assessments by Country²²

Country	1st PEFA	Lead Agency	2nd PEFA	Lead Agency
Albania	2006	WB	2011	WB
Armenia	2008	WB		
Azerbaijan	2008	WB	TBC	WB~
Belarus	2009	WB		
Bosnia and Herzegovina	TBC	WB~		
Georgia	2008	GOVT	2013	WB
Kazakhstan	2009	WB		
Kosovo	2007	WB	2009 ²³	GOVT
Kyrgyz Republic	2006	DFID	2009	SECO
Macedonia, FYR	2007	WB		
Moldova	2006	EC	2008	WB
Montenegro	2009	WB		
Romania	TBC	WB~		
Russian Federation	2007	GOVT		
Serbia	2007	WB	2010	GOVT
Tajikistan	2007	WB	2012	WB
Turkey	2009	WB		
Ukraine	2007	WB	2011	WB

²² Source: World Bank (WB). * In progress. ~ Planned, date to be confirmed (TBC) see <https://www.pefa.org/en/dashboard> Also see <http://web.worldbank.org/WBSITE/EXTERNAL/PEFA/0,,contentMDK:22687152~menuPK:7313203~pagePK:7313176~piPK:7327442~theSitePK:7327438,00.html>

²³ Kosovo had third PEFA assessment 2011



1B: IMF and OECD Assessment Mechanism

Country	IMF Fiscal ROSCs ²⁴	IMF Accounting and Audit ROSCs	OECD Budget Practices and Procedures Survey	OECD SIGMA Assessments ²⁵
Albania	2003	2006	2012/13	2011, 2012, 2013
Armenia	2002	2008		
Azerbaijan	2000, 2003	2006	2013	
Belarus	2004	2009	2013	
Bosnia and Herzegovina	-	2004, 2010	2013	2011, 2012, 2013
Bulgaria	2000, 2001, 2005	2002, 2009		
Croatia	2004	2002, 2007	2013	2010, 2011
Georgia	2003	2007		
Hungary	2001, 2002, 2003, 2004, 2007	2004		
Kazakhstan	2003	2007		
Kosovo		2006, 2012		2011, 2012, 2013
Kyrgyz Republic	2002, 2008	2008	2013	
Macedonia	2006	2003	2013	2011, 2012, 2013
Moldova	2004	2004		
Montenegro	-	2007	2013	2011, 2012, 2013
Romania	2002	2003, 2009		
Russia	2004	-	2012/13	
Serbia	2009	2005	2013	2011, 2012, 2013
Tajikistan	2007	2009	2013	
Turkey	2000, 2003, 2006	2007	2012/13	2011, 2012, 2013
Ukraine	1999, 2004	2003, 2008		
Uzbekistan		2008	2013	

²⁴ Source: IMF Fiscal ROSCs <http://www.imf.org/external/NP/rosc/rosc.aspx?sortBy=Topic&sortVal=Fiscal%20Transparency> Accounting and Audit ROSC http://www.worldbank.org/ifa/rosc_aa.html#ctry

²⁵ Source: <http://www.oecd.org/site/sigma/publicationsdocuments/sigmaassessmentreports.htm> Assessments undertaken every year for countries in accession to EU. Assessments of European Union 2007 entrants Bulgaria and Romania were conducted between 1999 and 2006. Assessments of the following eight European Union 2004 entrants were conducted between 1999 and 2003: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.



TABLE 2: OPEN BUDGET INDEX SCORES 2006-2012

Country	2006	2008	2010	2012	% Δ 2006	% Δ 2010
Albania	25	37	33	47	89	43
Azerbaijan	30	37	43	42	40	-3
Bosnia and Herzegovina		44	44	50	13	13
Bulgaria	47	57	56	65	38	17
Croatia	42	59	57	61	44	7
Georgia	34	53	55	55	63	1
Kazakhstan	43	35	38	48	11	26
Kyrgyz Republic		8	15	20	140	31
Macedonia		54	49	35	-36	-28
Romania	66	62	59	47	-29	-20
Russia	47	58	60	74	57	23
Serbia		46	54	39	-15	-27
Turkey	42	43	57	50	20	-12
Tajikistan				17		
Ukraine		55	62	54	-2	-13

Source: Data constructed from OBI country profiles <http://survey.internationalbudget.org/#profile>
For those countries that did not have 2006 data, the 2010 data was compared with 2008.

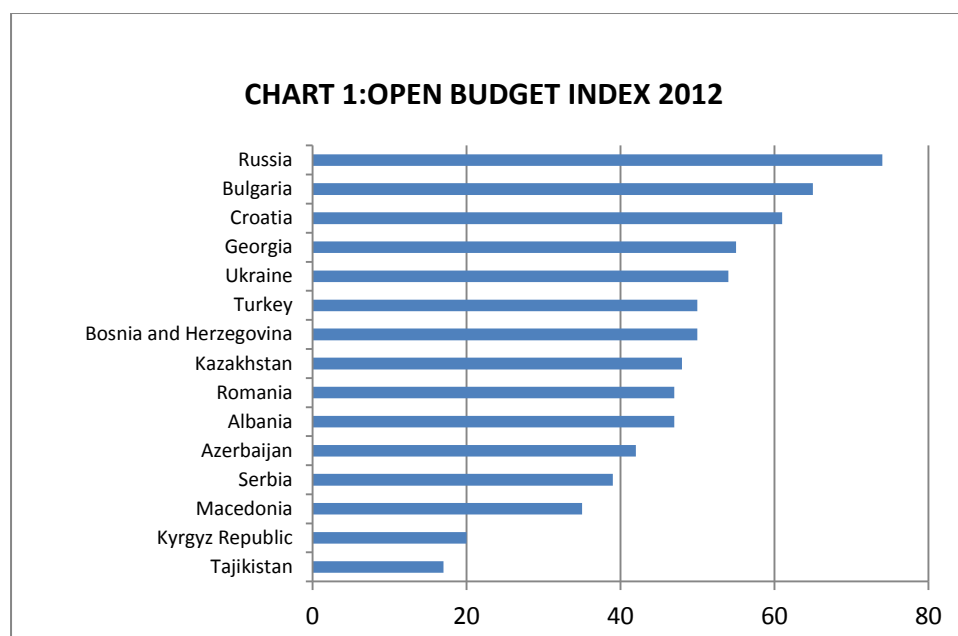




TABLE 3: BENCHMARKING OF PEMPAL COUNTRIES

	Number of Countries Surveyed	Countries	PEMPAL Country Results
Extensive information (OBI 2012 score of 81-100)	6	France (83/100), New Zealand (93/100), Norway, South Africa, Sweden, United Kingdom	
Significant information (OBI 2012 score of 61-80)	17	Brazil, Bulgaria , Chile, Croatia , Czech Republic, Germany, India, Indonesia, Mexico (61/100), Portugal, Russia , Slovakia, Slovenia, South Korea, Spain, Uganda, United States (79/100)	Russia (74/100) Bulgaria (65/100) Croatia (61/100)
Some information (OBI 2012 score of 41-60)	36	Afghanistan, Albania , Argentina, Azerbaijan , Bangladesh, Bosnia and Herzegovina , Botswana, Colombia, Costa Rica, El Salvador, Georgia , Ghana, Guatemala, Honduras, Italy (60/100), Jordan, Kazakhstan , Kenya, Liberia, Malawi, Mali, Mongolia, Mozambique, Namibia, Nepal, Nicaragua (42/100), Pakistan, Papua New Guinea, Peru, Philippines, Poland, Romania , Sri Lanka, Tanzania, Turkey , Ukraine	Georgia (55/100) Ukraine (54/100) Turkey, Bosnia & Herzegovina (50/100) Kazakhstan (48/100) Romania and Albania (47/100) Azerbaijan (42/100)
Minimal information (OBI 2012 score of 21-40)	15	Angola, Burkina Faso (23/100), Dominican Republic, Ecuador, Lebanon, Macedonia , Malaysia, Morocco, São Tomé e Príncipe, Serbia , Sierra Leone (39/100), Thailand, Timor-Leste, Trinidad and Tobago, Venezuela	Serbia (39/100) Macedonia (35/100)
Scant or no information (OBI 2012 score 0-20)	26	Algeria, Benin, Bolivia, Cambodia, Cameroon, Chad, China, Democratic Republic of Congo, Egypt, Equatorial Guinea (0/100), Fiji, Iraq, Kyrgyz Republic , Myanmar (0/100), Niger, Nigeria, Qatar (0/100), Rwanda, Saudi Arabia, Senegal, Tajikistan , Tunisia, Vietnam, Yemen, Zambia, Zimbabwe (20/100)	Kyrgyz Republic (20/100) Tajikistan (17/100)

Source: First three columns: International Budget Project Partnership, Open Budget Survey 2012 (Table 1, page 13) from <http://internationalbudget.org/wp-content/uploads/OBI2012-Report-English.pdf>. Countries scoring the largest and smallest score per category are provided. According to the IBP for countries in “some information” category should aim to move to “significant information” category (above 60/100) by improving the comprehensiveness of existing budget documents; promoting more citizen engagement in budget processes and ensuring that legislatures and SAs have necessary resources to carry out oversight function effectively. Significant improvements in scores could be achieved, at little or no cost, if existing internal documents were published on the internet (eg Executive’s Budget Proposal). All countries should develop innovative participation mechanisms and publish all budget documents in easy read formats on the internet that facilitates understanding and analysis.

TABLE 4: EXTRACT FROM WORLD BANK FMIS AND OPEN BUDGET DATA SURVEY RESULTS

#	Economy	Q1 > Does the Finance Ministry/Dept have a web site or portal dedicated to publish Public Finance (PF) information?		Q2 > Is there a web site / doc on FMIS solution?	Q3 > What is the source of information for publishing PF information?	Q4 Is the PF information meaningful to citizens or budget entities? Q4.1- 0 not informative, 1 some useful data, 2 good quality Q4.2 Is there sufficient details 0-No 1-Yes Q4.3 Citizens Budget easy to understand 0-No 1-Yes basic info 2- Yes comprehensive info				Q5 > Is the data str/list of BC/CoA published?	Q6 > Annual budget plans published 6.1 - 0/1: No/Yes 6.2 - 0/1: Not regular/Regular		Q7 > MTEF published 7.1 - 0/1: No/Yes 7.2 - 0/1: Not regular/Regular		Q8 > Investment plans published 8.1 - 0/1: No/Yes 8.2 - 0/1: Not regular/Regular		Q9 > Budget execution results published 9.1 - 0/1: No/Yes 9.2-1 weekly 2 monthly 3 quarterly 4 annually 9.3 - 0/1: Not regular/Regular		
		Q1.1 MoF URL	Q1.4 PF Data URL	Q2.2 FMIS URL	Q3.4 Open Data	Q4.1	Q4.2	Q4.3	Q4.4 Ctz Budget	Q5.2 BC/CoA	Q6.1	Q6.2	Q7.1	Q7.2	Q8.1	Q8.2	Q9.1	Q9.2	Q9.3
2	Albania	http://www.minfin	http://www.minfin	http://www.minfin	http://www.minfin	1	1	0	-	http://www.minfin.gov	1	1	1	1	0		1	2	1
8	Armenia	http://www.minfin	http://www.minfin	http://www.minfin	http://www.minfin	1	1	2	https://www.e-g	-	1	1	1	1	0		1	4	1
9	Australia	http://www.finance	http://www.budget	http://www.finance	http://www.com	2	1	0	-	http://www.abs.gov.au	1	1	1	1	1	1	1	4	1
10	Austria	http://www.bmf.gv	https://www.bmf.gv	http://english.bmf	https://www.bmf	2	1	0	-	http://www.rechnung	1	1	1	1	0		1	4	1
11	Azerbaijan	http://www.maliyy	http://www.maliyy	http://www.maliyy	-	1	1	0	-	http://www.maliyye.g	1	1	0		0		1	4	0
16	Belarus	http://www.minfin	http://www.minfin	http://www.minfin	http://www.siteresource	2	1	0	-	-	0		0		0		1	2	1
22	Bosnia and Herzegovina	http://www.fmf.gov	http://www.fmf.gov	http://www.fiscalr	-	1	1	0	-	http://www.fmf.gov.ba	1	1	1	1	0		1	4	0
24	Brazil	http://www.fazenda	http://www.stn.faz	https://www.tesouro	https://www.tesouro	2	1	2	http://www.port	http://www.stn.fazenda	1	1	1	1	1	1	1	2	1
26	Bulgaria	http://www.minfin	http://www.minfin	http://www.minfin	http://www.minfin	1	1	0	-	-	1	1	1	1	0		1	2	1
31	Canada	http://www.fin.gc	http://www.fin.gc	http://www.freeba	-	2	1	0	-	-	1	1	1	1	0		1	4	1
43	Croatia	http://www.mfin.hr	http://www.mfin.hr	http://www.mfin.hr	http://www.mfin.hr	1	1	0	-	http://www.mfin.hr	1	1	1	1	0		1	4	1
47	Denmark	http://uk.fm.dk	http://uk.fm.dk/publicat	http://www.oes.dk	http://www.oes.dk	2	1	0	-	http://fm.dk/publikat	1	1	1	1	0		1	3	1
56	Estonia	http://www.fin.ee	http://www.fin.ee	http://www.mindw	http://www.fin.ee	2	1	0	-	http://www.fin.ee/in	1	1	1	1	0		1	2	1
59	Finland	http://www.vm.fi	http://www.valtiok	http://www.valtiok	http://www.valtiok	1	1	0	-	http://www.vm.fi/vm	1	1	1	1	0		1	4	1
60	France	http://www.economi	http://www.perfor	http://www.perfor	-	2	1	1	http://www.cyber	http://www.perfor	1	1	1	1	0		1	4	1
63	Georgia	http://www.mof.ge	http://www.mof.ge	http://fas.ge/en/Cc	-	2	1	1	http://www.mof	http://www.mof.ge/s	1	1	1	1	1	1	1	2	1
64	Germany	http://www.bunde	http://www.bunde	http://www.zivit.d	http://www.bunde	2	1	1	http://www.fina	http://www.bundesfi	1	1	1	1	0		1	2	1
75	Hungary	http://www.kormai	http://www.kormai	http://www.wds.w	-	1	1	0	-	-	1	1	0		0		1	4	1
81	Ireland	http://www.finance	http://budget.gov.i	http://www.finance	http://www.irela	2	1	1	http://budget.gc	http://govacc.per.gov	1	1	1	1	1	1	1	2	1
87	Kazakhstan	http://www.minfin	http://www.minfin	http://www.wds.w	http://www.minf	1	1	0	-	-	1	1	1	0	0		1	2	1
91	Korea, Rep.	http://www.mosf.g	http://www.mosf.g	https://www.digita	https://www.dig	2	1	2	http://www.mos	http://www.mosf.go	1	1	1	1	1	1	1	4	1
92	Kosovo	http://mf.rks-gov.n	http://mf.rks-gov.n	http://www.mfe-ks	-	1	1	0	-	http://mf.rks-gov.net	1	0	1	0	0		1	2	0
94	Kyrgyz Republic	http://www.minfin	http://www.minfin	http://www.kazna	http://www.kazn	1	1	2	http://map.okme	http://www.minfin.kg	1	0	1	0	0		1	2	0
105	Macedonia	http://www.finance	http://www.finance	http://www.ultra.c	-	2	1	0	-	http://www.finance.g	1	1	1	0	1	1	1	2	1
117	Moldova	http://www.mf.gov	http://www.mf.gov	http://www.mf.gov	-	2	1	0	-	http://www.mf.gov.m	1	1	1	1	0		1	4	1
120	Montenegro	http://www.mf.gov	http://www.mf.gov	http://www.questi	-	1	0	0	-	-	0		0		0		1	4	1
127	Netherlands	http://www.govern	http://www.rijksbe	http://www.oecd.o	http://opendata	2	1	1	http://www.beg	http://www.rbv.minfi	1	1	1	1	0		1	4	1
128	New Zealand	http://www.treasu	http://www.treasu	http://www.treasu	http://www.trea	2	1	2	http://www.trea	http://www.treasury	1	1	1	1	1	1	1	2	1
141	Poland	http://www.mf.gov	http://www.mf.gov	http://www.mf.gov	-	1	1	2	http://centrumc	http://www.mf.gov.p	1	1	0		0		1	2	1
144	Romania	http://www.mfinar	http://www.mfinar	http://discutii.mfin	-	1	1	0	-	http://discutii.mfinan	1	1	1	0	1	1	1	2	1
145	Russian Federation	http://www.minfin	http://www.budget	http://www1.minfi	http://www.bud	2	1	0	-	http://www1.minfin.r	1	1	1	1	0		1	2	1
155	Serbia	http://mfp.gov.rs	http://mfp.gov.rs/p	http://www.trezo	-	2	1	0	-	-	1	1	1	1	0		1	2	1
170	Sweden	http://www.swede	http://www.swede	http://www.esv.se	http://www.esv	2	1	0	-	-	1	1	1	1	0		1	4	1
171	Switzerland	http://www.efv.ad	http://www.efv.ad	http://www.efv.ad	http://www.efv	2	1	0	-	-	1	1	1	1	0		1	4	1
174	Tajikistan	http://www.minfin	http://minfin.tj/ind	http://minfin.tj/ref	-	1	1	0	-	-	1	1	1	1	0		1	3	1
182	Turkey	http://www.maliye	https://portal.muha	https://www.kbs.g	https://ebutce.b	2	1	1	http://www.bun	https://portal.muha	1	1	1	1	1	1	1	2	1
186	Ukraine	http://www.minfin	http://www.minfin	http://www.minfin	http://www.minf	1	1	0	-	http://www.minfin.g	1	1	1	0	0		1	2	1
188	United Kingdom	http://www.hm-tre	http://www.hm-tre	http://data.gov.uk/	http://www.hm	2	1	2	http://www.who	http://webarchive.na	1	1	1	1	1	0	1	4	1
189	United States of America	http://www.whiteh	http://www.treasu	http://www.fms.tre	http://usaspendi	2	1	1	http://www.whi	http://www.whitehou	1	1	1	1	1	1	1	2	1
191	Uzbekistan	http://www.mf.uz	http://www.mf.uz	http://pid.adb.org/	-	1	0	0	-	-	1	0	0		0		1	4	0

TABLE 4 (CONTINUED): EXTRACT FROM WORLD BANK FMIS AND OPEN BUDGET DATA SURVEY RESULTS

#	Economy	Q10 > External audit of budget published 10.1 - 0/1: No/Yes 10.2 - 0/1: Not regular/Regular		Q12 > Is there an Open Gov/Data web site?	Q16 > Is there a web site on Access to Info / Std?	Q17 > PFM regulations published?	PEFA Performance Indicators																PEFA Averages		Other indicators		UN e-Gov 2012 Indices EGov12 column- country ranking from 193 countries eGov column - index out of total of 0.100		Results: Current Govt practices in publishing open budget data from FMIS A Highly Visible B Visible C Limited Visibility D Minimal Visibility (from analysis of full dataset)	
		Q10.1	Q10.2				PEFA Yr	Stat	PI-5	PI-6	PI-10	PI-12	PI-22	PI-23	PI-24	PI-25	PI-26	D-2	Avg10	Avg	OBI_12	OBI_10	eGov12	eGov	Score	Group				
2	Albania	1	1	http://open.data.al	http://www.minfin.gov.al	http://www.minfin.gov.al	Jan 2012	Public	A	B	B	C+	A	C	C+	A	C+	D+	2.90	2.95	47	33	86	0.52	61.54	B				
8	Armenia	1	0	https://www.e-gov.am	-	http://www.minfin.am	Oct 2008	Public	A	A	A	B	A	C	C+	D+	D+	A	3.05	3.03	-	-	94	0.50	61.54	B				
9	Australia	1	1	http://data.australia.gov.au	http://www.finance.gov.au	http://www.finance.gov.au	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	0.84	76.92	A				
10	Austria	0	-	http://data.gv.at/	http://english.bmf.gv.at	http://english.bmf.gv.at	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21	0.78	57.69	B				
11	Azerbaijan	0	-	-	http://opendata.az	http://www.maliyye.gov.az	Jan 2008	Final	X	X	X	X	X	X	X	X	X	X	2.10	2.63	42	43	96	0.50	34.62	C				
16	Belarus	0	-	-	-	http://www.minfin.gov.by	Apr 2009	Public	A	A	C	D+	A	B	B+	C+	D+	NU	2.89	3.09	-	-	61	0.61	34.62	C				
22	Bosnia and Herzegovina	1	0	-	-	http://www.fmf.gov.ba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50	44	79	0.53	50.00	B				
24	Brazil	1	1	http://dados.gov.br	http://www.fazenda.gov.br	http://www.fazenda.gov.br	Dec 2009	Public	A	A	A	B	A	A	A	C+	C+	NU	3.56	3.52	73	71	59	0.62	100.00	A				
26	Bulgaria	0	-	http://parliament.bg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65	56	60	0.61	53.85	B				
31	Canada	1	1	http://www.data.gc.ca	http://www.fin.gc.ca	http://www.fin.gc.ca	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	0.84	61.54	B				
43	Croatia	0	-	http://www.moj.gov.hr	http://www.mfin.hr	http://www.mfin.hr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61	57	30	0.73	53.85	B				
47	Denmark	0	-	http://digitaliser.dk	http://fm.dk/om-og	http://fm.dk/om-og	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	0.89	65.38	B				
56	Estonia	1	0	http://pub.stat.ee	-	http://www.fin.ee/in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	0.80	65.38	B				
59	Finland	1	1	http://www.suomi.fi	http://www.vmi.fi/vmi	http://www.vmi.fi/vmi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	0.85	73.08	B				
60	France	1	1	http://data.gouv.fr	http://www.budget.gouv.fr	http://www.economie.gouv.fr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83	87	6	0.86	69.23	B				
63	Georgia	0	-	-	-	-	Nov 2008	Public	B	A	B	C+	A	D	B+	D+	D+	C	2.60	2.63	55	55	72	0.56	73.08	B				
64	Germany	1	1	https://www.govd.de	http://www.bfdi.de	http://www.bundesfinanzministerium.de	-	-	-	-	-	-	-	-	-	-	-	-	-	-	71	68	17	0.81	80.77	A				
75	Hungary	1	1	-	-	http://www.kormanyhivatal.hu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31	0.72	46.15	C				
81	Ireland	1	1	http://www.statce.ie	-	http://per.gov.ie/orgs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34	0.71	76.92	A				
87	Kazakhstan	0	-	-	-	http://www.minfin.gov.kz	Jun 2009	Final	X	X	X	X	X	X	X	X	X	X	2.78	3.05	48	38	38	0.68	46.15	C				
91	Korea, Rep.	1	1	http://www.data.go.kr	http://www.mosf.go.kr	http://www.mosf.go.kr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75	71	1	0.93	100.00	A				
92	Kosovo	0	-	-	-	-	May 2009	Public	A	B	B	C	B+	D	B+	A	B	D	2.80	2.77	-	-	-	-	38.46	C				
94	Kyrgyz Republic	1	0	http://budget.ogni.kg	http://budget.ogni.kg	http://www.minfin.kg	Dec 2009	Public	B	B	C	C+	A	D	C+	D+	D+	D+	2.25	2.05	20	15	99	0.49	61.54	B				
105	Macedonia	0	-	-	-	http://www.finance.gov.mk	Aug 2007	Public	A	NU	C	NU	A	C	C+	C+	B	C	2.75	2.83	35	49	70	0.56	61.54	B				
117	Moldova	1	1	http://data.gov.md	-	http://www.mf.gov.md	Oct 2011	Final	X	X	X	X	X	X	X	X	X	X	3.35	3.19	-	-	69	0.56	69.23	B				
120	Montenegro	0	-	http://www.gov.me	http://www.mf.gov.me	http://www.mf.gov.me	Jul 2009	Public	B	B	A	C+	A	A	C+	C+	C+	C	3.00	2.72	-	-	57	0.62	23.08	D				
127	Netherlands	1	1	http://data.overheid.nl	http://www.government.nl	http://www.rijksoverheid.nl	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	0.91	76.92	A				
128	New Zealand	1	1	http://www.data.govt.nz	http://www.treasury.govt.nz	http://www.treasury.govt.nz	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93	90	13	0.84	92.31	A				
141	Poland	1	1	http://sejm.gov.pl	-	http://www.finance.gov.pl	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59	64	47	0.64	61.54	B				
144	Romania	1	1	-	-	http://www.mfinante.ro	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47	59	62	0.61	57.69	B				
145	Russian Federation	1	1	http://opengovdata.ru	http://www.garant.ru	http://www1.minfin.ru	Jan 2007	Draft	X	X	X	X	X	X	X	X	X	X	2.39	2.48	74	60	27	0.73	80.77	A				
155	Serbia	1	1	-	http://www.rjp.gov.rs	http://mfp.gov.rs/page	Nov 2010	Public	B	B	A	C	A	A	A	C	D	D	3.10	2.79	39	54	51	0.63	61.54	B				
170	Sweden	1	1	http://www.opengov.se	http://www.swedbank.se	http://www.minfin.se	-	-	-	-	-	-	-	-	-	-	-	-	-	-	84	83	7	0.86	73.08	B				
171	Switzerland	1	1	-	http://www.admin.ch	http://www.efd.admin.ch	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	0.81	65.38	B				
174	Tajikistan	0	-	-	-	http://minfin.tj/index	Jun 2007	Public	D	A	D	D+	B	C	C+	D+	D+	D+	1.95	2.07	17	-	122	0.41	42.31	C				
182	Turkey	1	0	http://www.turkiyegov.net	http://www.maliye.gov.tr	http://www.bumko.gov.tr	Dec 2009	Final	X	X	X	X	X	X	X	X	X	X	3.22	3.05	50	57	80	0.53	88.46	A				
186	Ukraine	1	1	-	http://www.kmu.gov.ua	http://www.minfin.gov.ua	Jul 2011	Draft	X	X	X	X	X	X	X	X	X	X	2.80	2.55	54	62	68	0.57	61.54	B				
188	United Kingdom	1	1	http://data.gov.uk	http://www.justice.gov.uk	http://webarchive.nationalarchives.gov.uk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	88	87	3	0.90	88.46	A				
189	United States of America	1	1	http://www.data.gov	http://fms.treas.gov	http://www.treasury.gov	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79	82	5	0.87	88.46	A				
191	Uzbekistan	0	-	-	-	http://www.mf.uz	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91	0.51	23.08	D				

ATTACHMENT B

The Global Initiative on Fiscal Transparency: High-Level Principles on Fiscal Transparency, Participation, and Accountability

The Parties to these Principles.

Recognizing that fiscal policies – taxing, borrowing, spending, investing, and managing public resources – have critical impacts on economic, social and environmental outcomes in all countries at all levels of development,

Believing that access to high quality information, meaningful public participation, and effective accountability mechanisms:

- enhance the integrity, quality and implementation of fiscal policies,
- reduce corruption,
- increase the legitimacy of and trust in government,
- increase willingness to pay taxes and provide financing,
- strengthen the effectiveness of development assistance,
- and thereby strengthen the efficiency, equity, effectiveness, stability and sustainability of fiscal policies and enhance the likelihood that fiscal policies have positive economic, social and environmental impacts,

Recognizing that the public has the right to information on fiscal policies and effective opportunities to participate in the design and implementation of fiscal policies,

Recognizing also the critical contribution that greater fiscal transparency, participation and accountability can play in facilitating more effective international cooperation in the pursuit of financial stability, poverty reduction, equitable economic growth, and stewardship of the environment and the global commons,

Recognizing the important role in setting norms and standards played by initiatives such as the International Monetary Fund's *Code of Good Practices on Fiscal Transparency*, the Organisation for Economic Cooperation and Development's *Best Practices in Budget Transparency*, the International Budget Partnership's *Open Budget Index*, *International Public Sector Accounting Standards* promulgated by the International Public Sector Accounting Standards Board, *International Standards of Supreme Audit Institutions* promulgated by the International Organization

of Supreme Audit Institutions, and the multi-agency *Public Expenditure and Financial Accountability* program,

Acknowledging that while the range of consensus has grown, there remain gaps and inconsistencies in the existing norms and standards,

Recalling that international instruments, both those that are universally applicable, such as *The Universal Declaration of Human Rights*, *The International Covenant on Civil and Political Rights*, and *The International Covenant on Economic, Social and Cultural Rights*, as well as regional instruments, address issues of free speech, access to information, independence of the Supreme Audit Institution, participation, and anti-corruption among others that are relevant to fiscal policy,

Affirming the reciprocal relationship between citizens and government, in which citizens provide resources to and entrust governments with stewardship over public resources, and, in turn, expect to receive information on public finances and fiscal policies and to have opportunities to participate in fiscal policy-making,

Recognizing that developments in information and communication technologies have greatly lowered the costs of compiling and disseminating information, and facilitate new forms of citizen - government interactions,

Recognizing that these Principles will need to be implemented in a manner that is consistent with diverse country circumstances while promoting progress in all countries towards the common goal of transparent, participatory and accountable management of fiscal policies,

Recognizing the need for cooperation and information sharing between all stakeholders to assist states to build capacity and learn from experience in the transparent, participatory and accountable management of fiscal policies,

Inviting all states and non-state actors, including individuals, civil society groups, non-governmental organizations, community-based organizations, professional associations and the private sector to work together to promote the progressive achievement of these Principles,

Recognizing also the desirability of transparency, participation and accountability in all branches of government and inviting legislative and judicial bodies to implement these Principles in their proceedings,

Declare these High-Level Principles to guide policy makers and all other stakeholders in fiscal policy in their efforts to improve fiscal transparency, participation and accountability and to help promote improvements in the coverage, consistency and coherence of the existing standards and norms for fiscal transparency:

Access to Fiscal Information

1. Everyone has the right to seek, receive and impart information on fiscal policies. To help guarantee this right, national legal systems should establish a clear presumption in favour of the public availability of fiscal information without discrimination. Exceptions should be limited in nature, clearly set out in the legal framework, and subject to effective challenge through low-cost, independent and timely review mechanisms.
2. Governments should publish clear and measureable objectives for aggregate fiscal policy, regularly report progress against them, and explain deviations from plans.
3. The public should be presented with high quality financial and non-financial information on past, present, and forecast fiscal activities, performance, fiscal risks, and public assets and liabilities. The presentation of fiscal information in budgets, fiscal reports, financial statements, and National Accounts should be an obligation of government, meet internationally-recognized standards, and should be consistent across the different types of reports or include an explanation and reconciliation of differences. Assurances are required of the integrity of fiscal data and information.
4. Governments should communicate the objectives they are pursuing and the outputs they are producing with the resources entrusted to them, and endeavour to assess and disclose the anticipated and actual social, economic and environmental outcomes.

The Governance of Fiscal Policy

5. All financial transactions of the public sector should have their basis in law. Laws, regulations and administrative procedures regulating public financial management should be available to the public, and their implementation should be subject to independent review.
6. The Government sector should be clearly defined and identified for the purposes of reporting, transparency, and accountability, and government financial relationships with the private sector should be disclosed, conducted in an open manner, and follow clear rules and procedures.

7. Roles and responsibilities for revenue raising, incurring liabilities, consuming resources, investing, and managing public resources should be clearly assigned in legislation between the three branches of government (the legislature, the executive and the judiciary), between national and each sub-national level of government, between the government sector and the rest of the public sector, and within the government sector itself.
8. The authority to raise taxes and incur expenditure on behalf of the public should be vested in the legislature. No government revenue should be raised or expenditure incurred or committed without the approval of the legislature through the budget or other legislation. The legislature should be provided with the authority, resources, and information required to effectively hold the executive to account for the use of public resources.
9. The Supreme Audit Institution should have statutory independence from the executive, and the mandate, access to information, and appropriate resources to audit and report publicly on the use of public funds. It should operate in an independent, accountable and transparent manner.
10. Citizens should have the right and they, and all non-state actors, should have effective opportunities to participate directly in public debate and discussion over the design and implementation of fiscal policies.

Source: <http://fiscaltransparency.net/wp-content/uploads/2012/09/GIFT-High-Level-Principles-2012-08-ENG.pdf>

ATTACHMENT C

Lough Erne Declaration

Private enterprise drives growth, reduces poverty, and creates jobs and prosperity for people around the world. Governments have a special responsibility to make proper rules and promote good governance. Fair taxes, increased transparency and open trade are vital drivers of this. We will make a real difference by doing the following:

1. Tax authorities across the world should automatically share information to fight the scourge of tax evasion.
2. Countries should change rules that let companies shift their profits across borders to avoid taxes, and multinationals should report to tax authorities what tax they pay where.
3. Companies should know who really owns them and tax collectors and law enforcers should be able to obtain this information easily.
4. Developing countries should have the information and capacity to collect the taxes owed them – and other countries have a duty to help them.
5. Extractive companies should report payments to all governments - and governments should publish income from such companies.
6. Minerals should be sourced legitimately, not plundered from conflict zones.
7. Land transactions should be transparent, respecting the property rights of local communities.
8. Governments should roll back protectionism and agree new trade deals that boost jobs and growth worldwide.
9. Governments should cut wasteful bureaucracy at borders and make it easier and quicker to move goods between developing countries.
10. Governments should publish information on laws, budgets, spending, national statistics, elections and government contracts in a way that is easy to read and re-use, so that citizens can hold them to account.

Source: <http://www.whitehouse.gov/the-press-office/2013/06/18/lough-erne-declaration>

ATTACHMENT D

IBP'S Summary Table on Transparency in Key Budget Reports

Source: Annex at page 44 of IBP 'Guide to Transparency in Government Budget Reports: Why are Budget Reports Important, and What Should They Include?' <http://www.oecd.org/gov/budgeting/49941624.pdf>

IMPORTANCE	KEY CONTENTS	PUBLICATION TIMEFRAME
PRE-BUDGET STATEMENT		
<ul style="list-style-type: none"> • Strengthens link between policies and budget allocations • Identifies government's basic strategy for the medium term • Improves the rationality of the budget formulation process • Calibrates expectations for the budget • Allows legislators and the public to provide input on broad budget themes 	<ul style="list-style-type: none"> • Macroeconomic forecast over the medium term • Government's fiscal objectives over the medium term • Broad sectoral allocations • Expectations for broad categories of taxes and revenues • Description and cost of new policy measures 	<p>Ideally, in the fourth or fifth month of previous budget year</p> <p>Sometimes combined with midterm evaluation of the previous year (seventh month)</p> <p>At least one month before publication of the Executive's Budget Proposal</p>
EXECUTIVE'S BUDGET PROPOSAL		
<ul style="list-style-type: none"> • Most important economic policy instrument and expression of executive's priorities • Determines tax burden on citizens • Determines the distribution of resources among different segments of the population • Determines costs/debt to be borne by future generations • Key opportunity for civil society and legislators to influence policy 	<ul style="list-style-type: none"> • Minister of Finance's budget speech and budget summary • Budget bill on revenues and appropriations • Macroeconomic forecast • Assessment of sustainability of current policies • Forecast and explanation of revenues • Estimates and classification of expenditures • Financing of deficit • Composition of debt • Other fiscal activities (such as social security) • Overview of financial position 	<p>At least three months before the start of the budget year</p>

IMPORTANCE	KEY CONTENTS	PUBLICATION TIMEFRAME
CITIZENS BUDGET		
<ul style="list-style-type: none"> • Budget is technical and difficult to understand • Makes the budget “accessible” and not just available • Facilitates wide and informed debate on fiscal priorities • Demonstrates the government’s commitment to the public and fosters trust in government 	<ul style="list-style-type: none"> • Objectives of the document, description of budget process, and institutional coverage of budget • Economic outlook and government policy objectives • Government’s accounts and budget prospects • New measures • Delivery of services 	At the same time as its corresponding document
ENACTED BUDGET		
<ul style="list-style-type: none"> • Law of the land • Provides baseline information against which actual budget results can be compared • Enables an assessment of changes made by the legislature to the budget proposal 	<ul style="list-style-type: none"> • Listing and brief commentary on major expenditures and revenues • Nonfinancial performance data • Reconciliation of deviations between the budget proposal and the Enacted Budget • Overall debt situation • Revised economic forecast (if there is a major delay between the budget proposal and the Enacted Budget) • Impact on government’s financial assets and liabilities, contingent liabilities, etc. 	As soon as the budget is approved by the legislature and no later than three months after it has been enacted
IN-YEAR REPORTS		
<ul style="list-style-type: none"> • Snapshot of budget implementation • Periodic measure of revenue and expenditure trends • Helps in fine-tuning budget implementation • Builds capacity and systems that improve budget management 	<ul style="list-style-type: none"> • Progress in implementing budget • Actual revenues collected and expenditures incurred in each month and year-to-date and comparison with plans • Government’s borrowing activities • Initial identification of deviations from budget 	At least one month after the end of the reporting period (i.e., monthly report for June should be published no later than 31 July)

IMPORTANCE	KEY CONTENTS	PUBLICATION TIMEFRAME
MID-YEAR REVIEW		
<ul style="list-style-type: none"> • Enables comprehensive assessment of actual spending and revenue collection against original estimates at midpoint of budget year • Assesses the impact of changes in the macro-economy on the budget • Identifies the need for changes in budget allocations, including need for supplementary budgets • Takes stock of progress in realizing specific performance targets 	<ul style="list-style-type: none"> • Revisions in economic assumptions and their impact on budget estimates • Comprehensive identification and explanation of deviations in budget spending and revenues and estimates • Exploration of policy adjustments • Details on policy decisions taken and policy developments since presentation of budget 	<p>OECD recommends publication within at least six weeks of the end of the reporting period</p> <p>IMF recommends publication within at least three months of the end of the reporting period</p>
YEAR-END REPORT		
<ul style="list-style-type: none"> • Enables comprehensive assessment of actual spending and revenue collection against original estimates at the end of the budget year • Takes stock of government's performance in realizing its targets and performance indicators • Informs future policy direction 	<ul style="list-style-type: none"> • Overall budgetary outcomes • Overall position of government's assets and liabilities (balance sheet) • Expenditures by functional and economic classification and listing of actual revenues collected under different categories • Summary of government spending by sector and programs • Deviations and explanation of deviations between macroeconomic forecast and actual results • Narrative on strengths and weaknesses in performance of ministries/agencies • Nonfinancial information on government's performance in realizing its targets and performance indicators 	<p>OECD recommends publication within at least six months of the end of the reporting period</p> <p>IMF recommends publication within at least one year of the end of the reporting period</p>

IMPORTANCE	KEY CONTENTS	PUBLICATION TIMEFRAME
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AUDIT REPORT

<ul style="list-style-type: none"> • Independent and authoritative assessment of budget execution • Assesses the degree to which the government has complied with the budget law • Provides commentary on the accuracy and reliability of government financial statements • Closes the accountability loop • Valuable resource for legislative, civil society, and media analyses of government performance 	<ul style="list-style-type: none"> • Comments on the accuracy and fairness of government financial statements • Comments on the adequacy of government's control systems for managing public finances • Identifies cases in which the government has breached the budget and other related laws on public finances • Provides the SAI's opinion (qualified, unqualified, disclaimer, etc.) on the accounts audited • Lists recommendations for rectifying problems identified by audit • Tracks status of previous audit recommendations 	<p>Best practice as per the OECD is publication within six months of the end of the budget year</p> <p>IMF recommends publication within at least one year of the end of the reporting period</p>
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