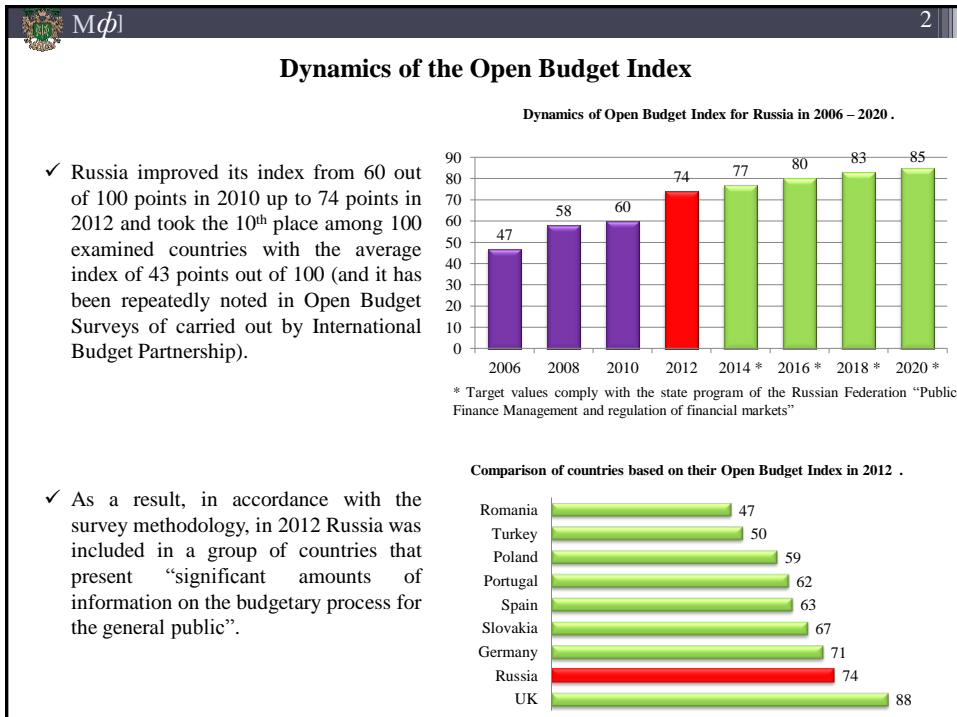


# Open Budget Index of the Russian Federation: goals and achievements

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### Analysis of growth factors of Open Budget Index

| Period   | List of information submitted additionally   |
|--|--|
| 2006 - 2008<br><b>Index increment is 11 points</b> | <ul style="list-style-type: none"> <li>On federal budget expenditures by types of departmental and functional classifications</li> <li>On contributions to statutory capital of state owned corporations</li> <li>On interrelation between federal budget expenditures and goals of activities of the Government of the Russian Federation</li> </ul>  |
| 2008 - 2010<br><b>Index increment is 2 points</b>  | <ul style="list-style-type: none"> <li>On sources of tax and non-tax revenues of the federal budget</li> <li>Recording in the Law on the Budget of medium-term expenditures</li> <li>Explanation of reasons for deviations between approved values (including changes during the year) and final values for budget revenues and expenditures in the composition of the annual report on execution of the budget</li> </ul> |
| 2010 - 2012<br><b>Index increment is 14 points</b> | <ul style="list-style-type: none"> <li>On federal budget expenditures by the economic classification</li> <li>Recording in the Law on the Budget of medium-term expenditures</li> <li>Presentation of analytical allocation of federal budget expenditures by state programs</li> </ul>  |

### Dynamics of the volume of provided information on eight key documents related to the budget

| Section of the Questionnaire                                      |   | 2006                  | 2008 | 2010 | 2012 |
|---|---|-----------------------|------|------|------|
| Document  | Corresponding document in the Russian Federation  | points                |      |      |      |
| 1. Pre-Budget Statement (main directions of the budgetary policy) | 1. Main provisions of the budget policy   | 67                    | 89   | 89   | 78   |
| 2. Executive's Budget Proposal (Draft of the Federal Budget)      | 2. The draft of the federal budget for the next fiscal year and planning period (hereinafter referred to as the Law on the Budget)    | 34                    | 56   | 56   | 82   |
| 3. Enacted Budget   | 3. The Law on the Budget  | Has not been assessed | 100  | 100  | 100  |
| 4. Citizens Budget  | 4. Main provisions of the Law on the Budget in the format accessible for citizens   | 0                     | 100  | 0    | 0    |
| 5. In-Year Reports  | 5. Quarterly reports on execution of the federal budget   | 89                    | 96   | 96   | 96   |
| 6. Mid Year Review  | 6. The explanatory note to the report on execution of the federal budget for the 1 <sup>st</sup> half year of the current fiscal year | 67                    | 0    | 0    | 0    |
| 7. Year-End Report  | 7. The report on execution of the federal budget during the year  | 50                    | 27   | 57   | 70   |
| 8. Audit Report   | 8. The opinion of the Chamber of Accounts of the Russian Federation on the report on execution of the federal budget                  | 83                    | 83   | 67   | 67   |

## Measures aimed at improving the rating of Russia in terms of the Open Budget Index over the medium term

 The strategic goal of the government program of the Russian Federation “Public Finance Management and Regulation of Financial Markets” is to reach 85 % of the value of the Open Budget Index at 85% by 2020.

The Russian Federation will become a member of the group of countries which “provide extensive information to citizens on the budget” (comparative data for year 2012 is presented in the table below) when it achieves the Index value of 81.

| Document                    | New Zealand | South Africa | UK        | Sweden    | France    | Norway     | Russian Federation |
|-----------------------------|-------------|--------------|-----------|-----------|-----------|------------|--------------------|
| Place in Rating             | 1           | 2            | 3         | 4         | 5         | 6          | 10                 |
| Pre-Budget Statement        | 100         | 100          | 100       | 100       | 100       | 0          | 78                 |
| Executive's Budget Proposal | 93          | 92           | 93        | 85        | 83        | 89         | 82                 |
| Enacted budget              | 100         | 100          | 33        | 100       | 100       | 100        | 100                |
| <b>Citizens' budget</b>     | <b>67</b>   | <b>58</b>    | <b>42</b> | <b>92</b> | <b>25</b> | <b>75</b>  | <b>0</b>           |
| In-Year Reports             | 83          | 97           | 90        | 93        | 87        | 90         | 97                 |
| <b>Mid-Year Review</b>      | <b>92</b>   | <b>100</b>   | <b>75</b> | <b>0</b>  | <b>67</b> | <b>100</b> | <b>0</b>           |
| Year-End Report             | 97          | 83           | 90        | 87        | 90        | 53         | 70                 |
| Audit report                | 95          | 76           | 76        | 100       | 81        | 95         | 67                 |

Assessments of completeness of information are made based on average points obtained on the sub- group of questions from the survey of the “Open Budget Index 2012”. The average score between 0-20 (scant or no information); 21-40 (minimal information); 41-60 (some information); 61-80 (significant information); 81 – 100 (extensive information).

## Potential for growth of the Index [1]. The Citizens' Budget

Recommendation of the International Budget Partnership: *To prepare and publish the Citizen's Budget.*

### Citizens' Budget

(questions 109-112 of the Open Budget Survey for 2012)

**To ensure the highest possible points on questions of the questionnaire the following is needed:**

- The Citizens' Budget has to include information 6 on topics (the budgetary process, revenue collection, priority expenditures and their allocation, special information on expenditures by sectors and target programs, contact information for citizens' feedback, economic forecasts);
- To disseminate the Citizens' Budget in more than three ways (using Internet, billboards, radio, TV, etc.);
- The executive power body has to ensure broad interaction with different target groups of the population for the purpose of identifying their needs in order to record them in the citizens' budget;
- The Citizens' Budget has to be published at all four stages of the budgetary process: planning and approving the Law on the Budget, its execution and verification).

## Potential for growth of the Index [2]. The Mid-Year Review

Recommendation of the International Budget Partnership: *To publish the Mid-Year Review.*

### Mid-Year Review

(questions 73-76 of the Open Budget Survey for 2012)

**To ensure the highest possible points on questions of the questionnaire it is necessary to improve the explanatory note to the report on execution of the federal budget for the 1<sup>st</sup> half year of the current fiscal year in the following areas:**

- to supplement the contents with reporting data related to monitoring of implementation of state programs of the Russian Federation for the 1<sup>st</sup> six months;
- To include analysis of the macroeconomic situation based on actual data and materials prepared for elaboration of the semiannual report on execution of the federal budget;
- to supplement the contents with verified forecast of expenditures and revenues for the whole fiscal year;
- to supplement the contents with the information on economic problems and proposed measures to solve them, and proposals regarding the budget policy;
- to supplement the contents with verified economic forecast for the whole fiscal year prepared based on analysis of actual current economic indicators and also based on the updated forecast.

## Activities stipulated by the Action Plan of the Ministry of Finance of Russia for years 2014-2018

| #  | Long term goal 03.<br>Ensuring openness and transparency of public finance management  | 2014                      | 2015                                  | 2016                                  | 2017                          | 2018                      |
|----|--|---------------------------|---------------------------------------|---------------------------------------|-------------------------------|---------------------------|
| 1. | The single portal of the budgetary system of the Russian Federation has been put into commercial operation.  |                           | 01.01.2015                            |                                       |                               |                           |
| 2. | Information has been published on the Single Portal of the budgetary system of the Russian Federation by the RF entities and by municipal unit formations.   |                           | 83 entities of the Russian Federation | 300 largest municipal unit formations | All municipal unit formations |                           |
| 3. | Main provisions of the Federal Law on the Federal Budget for the next fiscal year and planning period have been published in the format of the "Citizens' Budget".   | 15.12.2014                | 15.12.2015                            | 15.12.2016                            | 15.12.2017                    | 15.12.2018                |
| 4. | The illustrated edition related to execution of the federal budget for the reporting year has been placed on the web site of the Ministry of Finance of Russia.  | April, September          | April, September                      | April, September                      | April, September              | April, September          |
| 5. | The annual report on the best practices of development of the "Citizens' Budget" in entities of the Russian Federation has been published on the web site of the Ministry of Finance of Russia.  | 20.11.2014                | 20.11.2015                            | 20.11.2016                            | 20.11.2017                    | 20.11.2018                |
| 6. | The explanatory note to the semiannual report on execution of the federal budget has been published on the web site of the Ministry of Finance of Russia.  | not later than 01.10.2014 | not later than 01.10.2015             | not later than 01.10.2016             | not later than 01.10.2017     | not later than 01.10.2018 |
| 7. | Methodological recommendations for the Russian Federation entities and municipal unit formations concerning the procedure for publishing financial and other information on the budget and the budgetary process subject to open access from a single portal of the budgetary system of the Russian Federation have been approved. | 01.12.2014                |                                       |                                       |                               |                           |
| 8. | The procedure for annual preparation, discussion, publication of the main provisions of the federal law on the budget for the next fiscal year and planning period in the format "Citizens' Budget" has been approved.   | 01.12.2014                |                                       |                                       |                               |                           |