DAY 2:
GROUPS 5 AND 6
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<td>Facilitator: Deanna Aubrey</td>
<td>Facilitator: Ljerka Crnković</td>
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<td>Expert: Kay Brown</td>
<td>Experts: Lewis Hawke, WB</td>
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<td>Sandy Young Min, WB</td>
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• Findings on discussions on Question 1

RESULTS ACHIEVED

All countries have implemented reforms:

• **Improved regulations** (legislation on budget, internal audit, public procurement, fiscal responsibility, right of access to information).

• **Improved accountability of public resource managers** (impact on cost reduction)
  
  ✓ CROATIA – procurement of official vehicles
  
  ✓ BiH – Statement of responsibility, every institution manager in their annual reports (use of funds, implementation of the plans, etc.).

• **Implementation of reforms of IT systems** for publishing of information and improvement of internal efficiency (electronic submission of requests for funds – BiH, internal audit report, CHU – Turkey).
• **Progress in transparency made**
  
  • Budget- all countries publish budget calendar, budgets and forecasts, supplementary budgets, budget execution reports.
  
  • Financial reports – no countries publish financial reports, accounting reform underway.
  
  • Audit – external (state) audit reports are published after they are submitted to the parliament; internal audit reports are published as well.
GOOD PRACTICE EXAMPLES

- Law on right of access to information
- Statement of fiscal responsibility
- Public procurement law
- Centralised payroll calculation

✓ SERBIA – local government – e-government, publishing of the public procurement process, **publishing of commitments** (suppliers, number of invoices, amounts, duration of delays)
✓ MONTENEGRO – Law on financing of political parties (weekly reporting)
✓ CROATIA – introducing of e-citizen portals, involving citizens in budget development (some cities)
✓ Albania – publishing information on all paid invoices at the end of each day.
CHALLENGES

• Further reform of legal framework
• Development of risk management
• Alignment of reporting standards in countries (complex job, inventory of state assets,...)
• Reforming IT systems for publishing of info and improvement of internal efficiency (electronic submission of requests for funds – BiH, internal audit report CHU – Turkey)
• Ongoing education
  • Of employees (internal and internal audit, financial management and control, accounting, budget preparation)
  • Of users of published information (citizens, civil society, journalists, politicians)
RISKS

- **How information published on the web is used**
- **Reliability of information** in terms of:
  - Sources of information comes from
  - Quality of information (incomplete information)
- **Creating uncertainty and confusion in public due as a result of:**
  - Urgent adoption of legislation/ not enough time for public hearing and consultation
  - Having to meet urgent requirements of the EC
  - Subsequent amendments and changes causing legal uncertainty and confusion of the public
- **Lack of financial resources for:**
  - IT applications and new IT systems
  - Capacity building and staff education
- **Low level of awareness on accountability among the managers** (political changes)
- **Non-aligned development strategies**
- **Lack of coordination in implementation of strategic goals and ensuring continuity of coordination.**
RECOMMENDATIONS FOR IMPROVEMENT

• Enable citizens to provide their suggestions in budget preparation (problem: everything is done in the last minute)

• Web portals should offer more information for citizens.
CONCLUSION

• Complete transparency may be abused, data can be misinterpreted as a result of insufficient knowledge, understanding. The need to protect the data (permanent data, personal information, internal audit reports).

• Focus should be on the quality of reports.

• Every country should implement reforms at their own pace, without external pressures.

• Right reforms are more important than the right tools.
Thank you!