

## PEMPAL STUDY VISIT REPORT ON ROLE OF PARLIAMENT IN AUSTRIA

This document provides a report prepared for PEMPAL members on the study visit to Austria in January 2014. It provides information on the objectives of the study visit and an overview of the information shared as part of the study visit. The report will also form the basis for sharing of approaches adopted in participating PEMPAL member countries and will be posted on the PEMPAL website for the benefit of other members. Before the study visit, for background reading, some materials provided by the Austrian Parliament were translated and distributed in addition to the IMF technical note and manual, on the Role of the Legislature in Budget Processes.<sup>1</sup>

### Objectives of the Study Visit

PEMPAL Budget Community of Practice members meet once a year to discuss common reform issues and to decide on topics for study visits and the types of knowledge products to be developed over the coming two years. Through this process, this study visit was planned for the following countries (Albania, Armenia, Belarus, Kyrgyz Republic and the Russian Federation). Twelve people participated in total from these five countries. All participants were from Ministries of Finance except one participant from the Kyrgyz Parliament. Representatives from the PEMPAL Secretariat and the World Bank BCOP resource team also attended.

PEMPAL participants were interested in getting an overview of the budget planning process in Austria and the role of Parliament in monitoring and approving the government's budget. Thus within this context, the objectives of the peer learning visit were:

- Improved knowledge of the role of Parliament in Austria through PPT presentations, and more effectively through discussions with peers from Government, Parliament and other relevant institutions.
- Had the opportunity to consider and discuss with peers and experts how the approaches outlined during the study visit could be applied to their own country contexts (if appropriate) and how their own experiences could be meaningful for other countries.

### Overview of Agenda

The agenda included seven key sessions which are summarized below:

- Session 1 – Fiscal Governance in Austria (Head of Parliamentary Budget Office)
- Session 2 – The Austrian Federal Budget Reform (Parliamentary Budget Office)
- Session 3 – The Budget Process and the Role of MoF (Budget Directorate, MoF)
- Session 4 – The role of Parliament in the Budget Process (Head of Scientific Support and Coordination in Parliamentary matters, Head of Parliamentary Budget Office).
- Session 5 – The Parliamentary Budget Office –role, function and staffing (Parliamentary Budget Office)
- Session 6 – Other Institutions in the Budget Cycle (Federal Chancellery, Fiscal Advisory Council, Austrian Court of Audit, Austrian National Bank)
- Session 7 – New Parliamentary Procedures in the Context of EU Fiscal Governance

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<sup>1</sup> IMF, 2010 by Ian Lienert. Refer to <http://www.pempal.org/event/read/101> for copies in English, Bosnian-Croatian-Serbian and Russian (the official languages of PEMPAL).

The full agenda is attached and the List of Participants and presentations are available at <http://www.pempal.org/event/read/101>. All logistical and administrative tasks were organized by Ziva Lauter, of the PEMPAL Secretariat at the Center of Excellence in Finance in Slovenia ([ziva.lauter@cef-see.org](mailto:ziva.lauter@cef-see.org)) and technical content support provided by Maya Gusarova, PEMPAL BCOP Resource Team Coordinator, Public Sector Specialist from the World Bank ([mgusarova@worldbank.org](mailto:mgusarova@worldbank.org)) and Deanna Aubrey, BCOP Resource Team ([deanna\\_aubrey@hotmail.com](mailto:deanna_aubrey@hotmail.com)). The study visit was hosted by the Parliamentary Budget Office of the Republic of Austria.

### Background information on the Government and Parliament in Austria

According to the IMF, Parliament's active engagement in the budget process is essential to promote fiscal transparency and good governance.<sup>2</sup> The World Bank Institute also notes its role in curbing corruption. In most countries Parliament has a constitutional mandate to both oversee government and to hold government to account. They can also play a key role in amplifying the voices of citizens through such mechanisms as public hearings and parliamentary commissions which promote 'horizontal accountability.'<sup>3</sup>

The general government sector in Austria comprises four sub-sectors: federal government, 9 state governments, 2,359 local governments and social security institutions (not included in the system of fiscal equalization). According to constitutional law, the federal and the 9 Länder governments are autonomous with respect to administration and legislation.<sup>4</sup>

The bicameral Federal Assembly or Bundesversammlung consists of a **Federal Council** or Bundesrat (62 seats; delegates appointed by state parliaments with each state receiving 3 to 12 seats in proportion to its population; members serve five- or six-year terms) and the **National Council** or Nationalrat (183 seats; members elected by popular vote for a five-year term under a system of proportional representation with partially open party lists). National Council elections were last held on 29 September 2013 (next to be held by September 2018).<sup>5</sup>

For Austria, in accordance with Article 4(2) of Regulation (EU) 473/2013, "draft budgetary plans" have to be annually prepared by 15 October. These documents should contain the Federal (central) Government's draft budget for the forthcoming year as well as the main parameters of the draft budgets for all the other subsectors of the general government

The Federal Government's strategy for the period 2013 to 2017 was launched under the headline "Sound public finances by pursuing reforms. Economic growth by implementing proactive measures." and is based on three targets:

- Achieving a balanced budget by 2016, ensuring long-term sustainability and reducing the debt ratio to 60% of GDP
- Strengthening investments in the areas of education, universities, R&D and infrastructure to support growth and employment

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<sup>2</sup> Ibid, Ian Lienert, IMF, 2010.

<sup>3</sup> Source Stapenhurst, Johnston, Pelizzo (ed), World Bank Institute, 2006, The Role of Parliament in Curbing Corruption, <http://wbi.worldbank.org/wbi/Data/wbi/wbicms/files/drupal-acquia/wbi/The%20Role%20of%20Parliament%20in%20Curbing%20Corruption.pdf>

<sup>4</sup> Source: <https://english.bmf.gv.at/budget-economic-policy/Fiscal-Federalism.html>

<sup>5</sup> Source: CIA World Factbook <https://www.cia.gov/library/publications/the-world-factbook/geos/au.html>

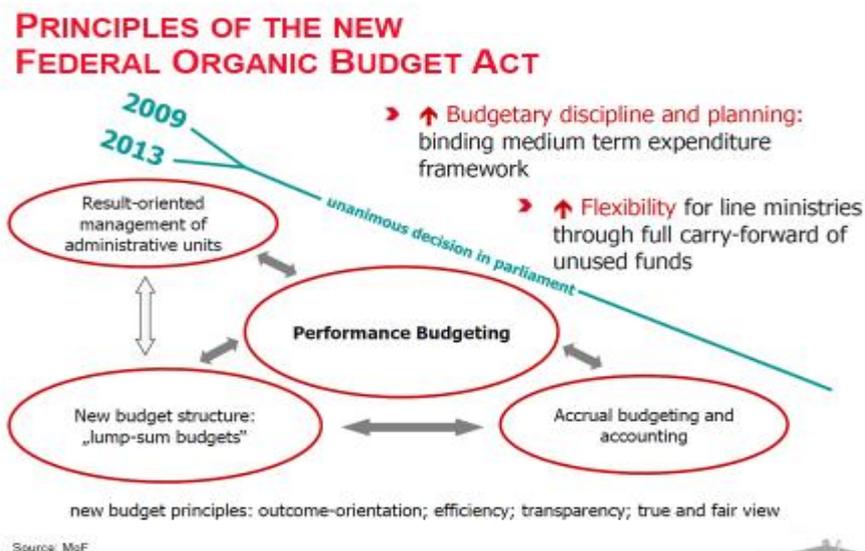
- Proceeding structural reforms in the field of pensions, health policy, public administration, subsidies and labour markets.<sup>6</sup>

Due to parliamentary elections on September 29th, 2013 and the subsequent formation of a new government, the “draft budgetary plan 2014” was endorsed by the current government subject to the condition that the incoming government will present a new and adapted draft budgetary plan (including drafts for a Federal Budget Law and a Federal Budget Framework Law 2015-2018) in spring 2014.

## Summary of presentations delivered according to the agenda

### Budget reform

There has been significant reform in the Constitution in both 2009 and 2013 which established national objectives for public finances (macroeconomic stability, sustainable public finances and gender equality); and new budget principles (focus on outcomes, efficiency, true and fair view, transparency). There is also a new Federal Organic Budget Act which is illustrated below:



Source: Kristina Fuchs, Parliamentary Budget Office, ‘The Austrian Federal Budget Law Reform’, presentation to PEMPAL, January 2014 available at <http://www.pempal.org/event/read/101>

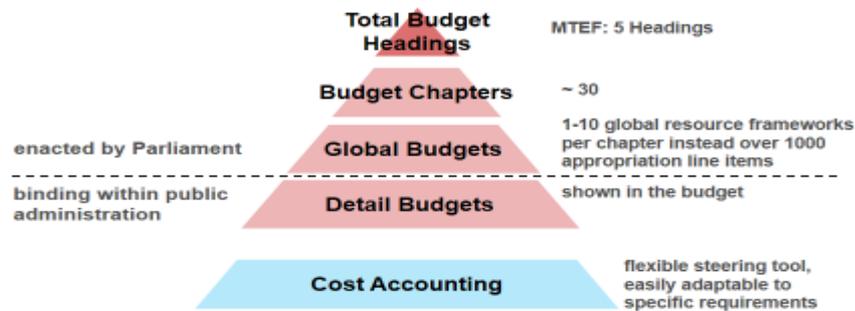
The budget cycle is as follows: the Government presents the Federal MTEF Act together with the strategy report up until April 30 at the latest. Parliament debates the MTEF every year, and may modify expenditure ceilings. Once approved, the MTEF law sets legally binding expenditure ceilings for 4 years in advance on a rolling basis (n+4 is added annually) for the following: for 5 main budgetary headings<sup>7</sup> (covering several ministries) and for 30 budget chapters (ministry specific), as illustrated in the slide below. The MTEF also sets ceilings for staff capacity for each line ministry and is binding for budget planning and execution. There are two types of expenditure ceilings: 75 percent of expenditure is nominally fixed and the remainder is variable according to predefined indicators for

<sup>6</sup> Source [https://english.bmf.gv.at/budget-economic-policy/DBP\\_2014.html](https://english.bmf.gv.at/budget-economic-policy/DBP_2014.html)

<sup>7</sup> These are 1. General Government Affairs, Court and Security 2. Employment, Social Services, Health and Family 3. Education, Research, Art and Culture; 4. Economic Affairs, Infrastructure and Environment and 5. Financial management and interest. Refer to slide titled New Budget Structure sourced from presentation by Kristina Fuchs (ibid).

expenditure areas with high sensitivity to business cycles. The MTEF was an important step to make the budgetary process more predictable and to foster fiscal discipline.

## NEW BUDGET STRUCTURE



**Transparent budget structure as a prerequisite for other reform elements**

Source: MOF



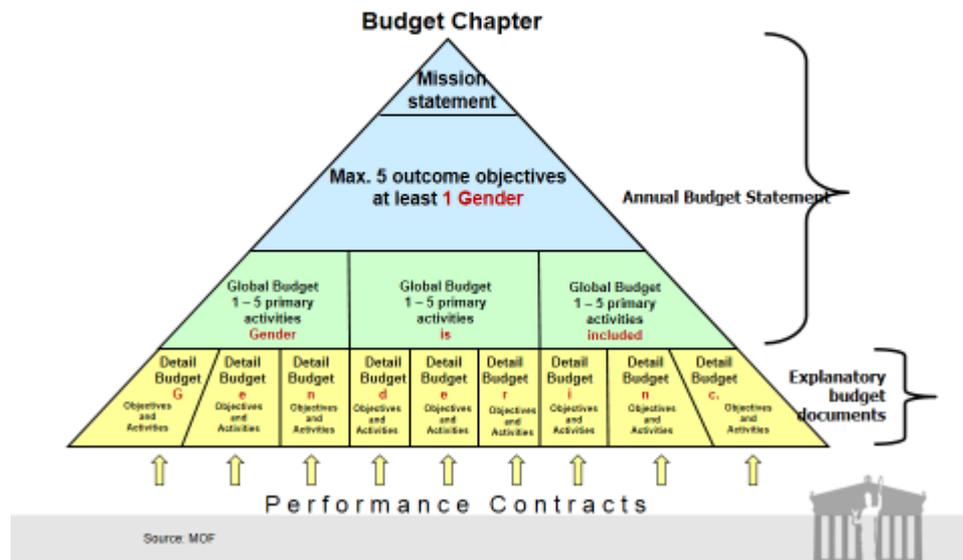
Source: Kristina Fuchs, Parliamentary Budget Office, 'The Austrian Federal Budget Law Reform', presentation to PEMPAL, January 2014 available at <http://www.pempal.org/event/read/101>

In addition, Austria introduced regular long-term fiscal projections, to be presented every three years (starting from 2013). Although these projections are not legally binding for the MTEF, they provide a long-term perspective to be taken into consideration.

Austria has implemented aspects of accrual accounting and budgeting with an objective to use relevant financial information as a management instrument. The Federal budget consists of a cash flow statement and operating statement. Cash perspective is still very dominant but new accrual information is part of decision making (eg investment/depreciation, provisions, tax receivables, bad and doubtful debts). Having an accrual perspective has added a new level of complexity, and has posed challenges to public administration, who have to provide additional explanatory comments, and to Parliament who has to get used to the new information.

Reforms in performance budgeting have also been implemented with performance information provided in the annual budget bill on the level of budget chapter, global and detailed budgets. Management also have performance mandates in respect of achieving aims and achievements with resources allocated. The performance information required at the different budget levels is illustrated below:

## PERFORMANCE INFORMATION ON DIFFERENT BUDGET LEVELS



Source: Kristina Fuchs, Parliamentary Budget Office, 'The Austrian Federal Budget Law Reform', presentation to PEMPAL January 2014 available at <http://www.pempal.org/event/read/101>

Performance information has led to increased transparency by the provision of outcome information through all the levels of the budget (global budget, detail budget). It has also changed the character of the budget from not only decision on resources (who gets what?) but to steering resources and results (who gets what for which results?). The budget now provides Parliament and the Public with information on resources; outputs/outcomes; and recommendations of the Court of Audit. The Parliament now decides on outcomes and outputs as part of annual budget bill, which has entailed a cultural change on the political level (ie need to set priorities, have transparent decision-making etc).

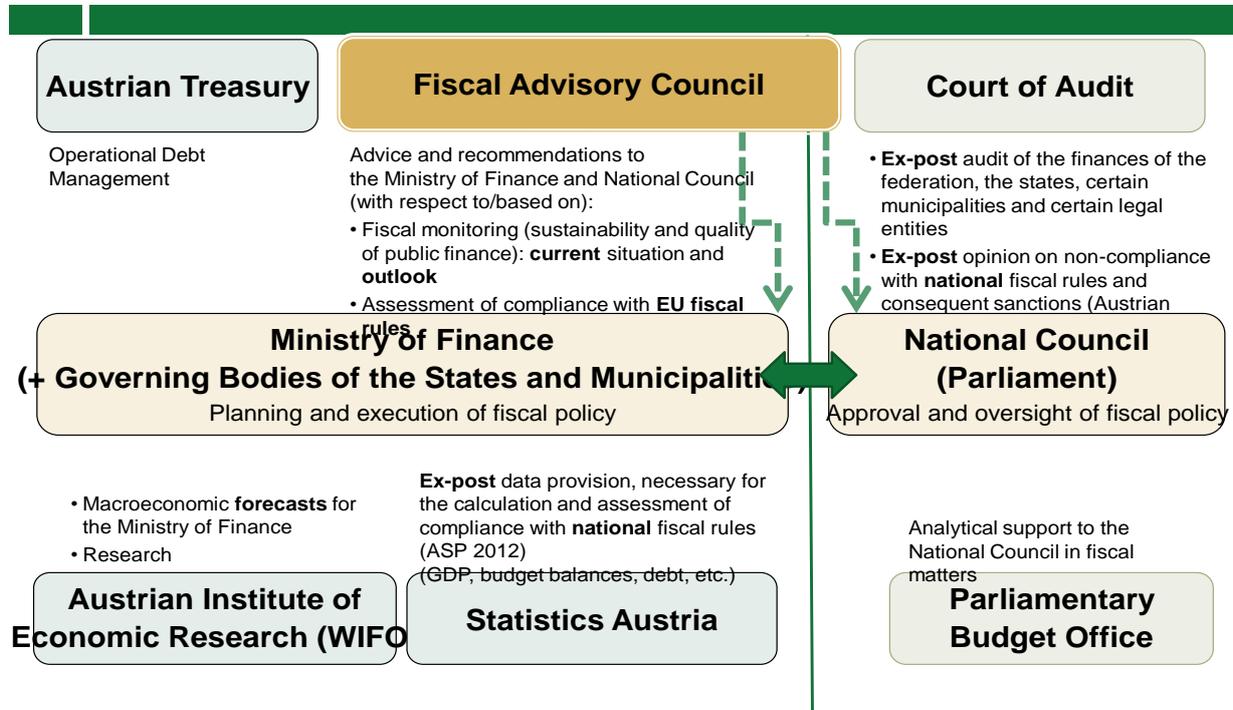
Lessons learnt from this reform process have been an increased appreciation of information relating financial to outcomes and an increased appreciation for the improved transparency that has been achieved through all levels of the budget. There has been improved budgetary decision-making and stronger involvement of Parliament in objective setting. However, further work could be done in more clearly defining objectives, adopting more ambitious targets, improved coordination between Ministries and more general overviews on cross departmental targets (eg research, gender).

### Role of key fiscal institutions

Beyond Ministry of Finance, the key fiscal institutions of the executive branch in Austria include Treasury, Fiscal Advisory Council, Austrian Institute of Economic Research and Agency "Statistics Austria". The key stakeholders for legislative approval and oversight of fiscal policy include Parliament's National Council, supported Parliamentary Budget Office, and external audit institution Court of Accounts.

The fiscal institutional framework for Austria is illustrated below.

## FISK Austrian Fiscal Institutional Framework



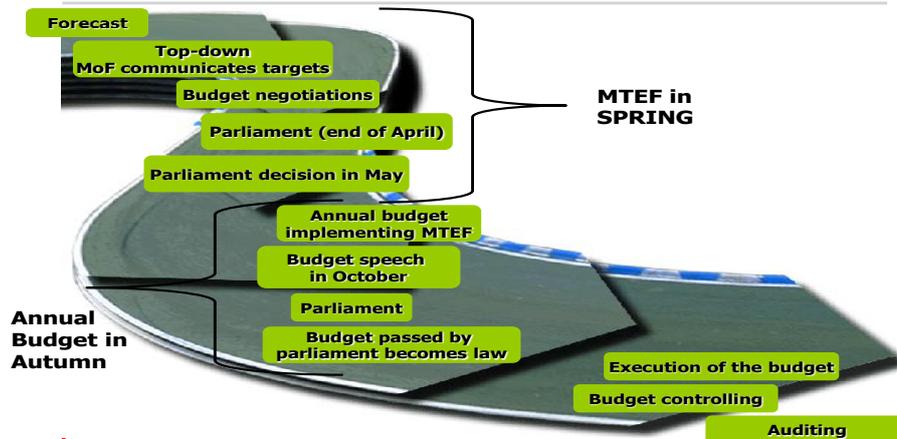
Source: Jarmila Urvova, Office of the Fiscal Advisory Council, 'Austrian Fiscal Advisor Council' presentation to PEMPAL January 2014 available at <http://www.pempal.org/event/read/101>

The presenter from the **Ministry of Finance** (MoF) gave an overview of the role of MoF and the budget process from the MoF perspective. MoF plays a central role in all budgetary matters in terms of budget preparation, implementation, supervision and enforcement of the federal budget and MTEF, in cooperation with line ministries. It is also responsible for financial and tax policies, and has shared responsibility for wage policy for federal civil servants (with the Federal Chancellery). MoF also plays a key role in negotiation of Intergovernmental Fiscal Relations Act, with state and local governments and provides external representation of Austria in budget affairs (especially in relation to the EU).

The budget process has a number of fiscal EU and national rules that have to be complied with. In terms of EU rules, there is the Stability and Growth pact (including the Sixpack), the Fiscal compact, and the Maastricht treaty. National rules include the Austrian Stability Pact, the MTEF, and the debt brake. The annual budget process is illustrated in the slide below:



## Budget process



Source: Daniela Sommer, Ministry of Finance, 'The Budget Process and the Role of the Ministry of Finance', presentation to PEMPAL in January 2014 available at <http://www.pempal.org/event/read/101>

Within the Austrian government, there is a **Federal Performance Management Office** which focuses on the cross-ministerial performance budgeting/management process. From 2013, public administration at the Federal level is managed according to an outcomes focus. Every spring each Ministry elaborates a multi-annual strategic plan which is laid down within the Strategy Report of the MTEF. This broad strategy is specified each financial year in the annual Federal Budget by means of an outcome and output statement. The implementation of these priorities are ensured by means of performance contracts. The annual budget includes a summary of these performance contracts. Due to these reforms, the Members of Parliament are better informed when debating the Budget and in a better position to demand that Government and public administration achieve objectives.<sup>8</sup> The role of the Performance Management Office in this process is illustrated in the slide below.

BUNDESKANZLERAMT ÖSTERREICH

## Annual Federal Performance Report



31.1.2014 | Federal Performance Management Office

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Source: Monika Gepl, Federal Performance Management Office, 'The Federal Performance Management Office', presentation to PEMPAL in January 2014 available at <http://www.pempal.org/event/read/101>

<sup>8</sup> Source: Federal Chancellery, Performance Management at the federal level of government in Austria [https://www.oeffentlicherdienst.gv.at/wirkungsorientierte\\_verwaltung/dokumente/Folder\\_Wo\\_Steuerung\\_EN.pdf?40xutc](https://www.oeffentlicherdienst.gv.at/wirkungsorientierte_verwaltung/dokumente/Folder_Wo_Steuerung_EN.pdf?40xutc) provided by Monika Gepl to PEMPAL Tirana meeting.



Presenters from the **Parliamentary Budget Office (PBO)** outlined PBO's role, products and services, input to parliamentary discussions and relations with other institutions. The rationale for establishing such an office was to improve the political decision making process through raising the quality of debate and scrutiny, reducing the information asymmetries between government and parliament, and providing independent expertise for Parliament, in particular the Budget Committee in budgetary matters (and public discourse more generally). The office was established without a specific legal basis but it was agreed that it would work according to the following principles:

- Work independently and ensure high-quality expertise
- Submit analysis to all political parties
- Ensure transparency and publish results on Parliament's homepage.

Its overall mandate is to support Parliament in the budgetary process, in consulting and enacting budget laws and exercising its oversight role. It does this through supporting the Budget Committee in the form of written expertise, analysis and short studies on budgetary reports presented by the government in accordance with the Federal Organic Budget Act; preparing brief information upon request of members of the Budget Committee; supporting other parliamentary committees regarding impact assessment of new legislation; and consulting the Parliament on performance budgeting and the effective equality of women and men (gender budgeting).<sup>9</sup>

There are a total of 8 employees in the PBO comprising 6 academic experts and 2 assistants. The PBO is a unit of the Parliamentary Administration, but supports the Budget Committee directly and takes part in their meetings. PBO prepares a draft catalogue of deliverables and related services for the budget speakers of the parliament groups for the upcoming legislative period which, once agreed, forms its work program.

The PBO has the following relationships with the other institutions involved with fiscal management:

- The PBO has a permanent contact within the MoF on presented documents and the PBO and MOF periodically make mutual presentations on budgetary issues or developments.
- The PBO participates with meetings held between the Federal Performance Management Office (Federal Chancellery) and line ministries.
- The PBO participates in networking meetings of senior budget officials and there is a mutual exchange of information on key budgetary issues.
- The PBO feeds Fiscal Council recommendations into Parliamentary debate; and also participates in an advisory function (without a vote) in the Fiscal Council.

The current challenges for the PBO include finalizing the catalogue of products and services with the Budget Committee; developing working relations and procedures with the Budget Committee and other committees; developing working relations and procedures with governmental units; creating a database on fiscal and economic issues, and ensuring knowledge transfer in both directions.

The presenter from **the Austrian Fiscal Advisory Council** (which was the former Government Debt Committee) provided information on the role of fiscal councils in general and within the context of the new EU fiscal framework. According to the requirements of the European Union, the compliance with country-specific numerical fiscal rules shall be monitored and supported by national independent institutions. Information was drawn from a 2013 IMF study on the functions and impact of fiscal

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<sup>9</sup> Source: Presentation to PEMPAL made by Helmut Berger, titled The Austrian Parliamentary Budget Office, January 2014

councils.<sup>10</sup> This study found that fiscal councils can promote stronger fiscal discipline as long as they are well-designed. The analysis points to a number of key features of effective fiscal councils: a strict operational independence from politics, the provision or public assessment of budgetary forecasts, a strong presence in the public debate (notably through an effective communication strategy), and an explicit role in monitoring fiscal policy rules.<sup>11</sup>

The Austrian Fiscal Advisory Council has 15 members who are independent fiscal experts appointed for 6 years. The Council provides advice and recommendations to the MoF and National Council (of Parliament) on fiscal monitoring including the current and future status of sustainability and quality of public finance. It also provides an assessment of compliance with EU fiscal rules.

The **Austrian Court of Audit (ACA)** is an independent body of the federal government, the nine Laender (provinces) and the municipalities.<sup>12</sup> The Austrian Federal Constitution lays down the tasks, function, organizational set-up and position of the ACA. The ACA is headed by its President which is elected by the National Council of Parliament for a term of office of 12 years. The general tasks of the ACA include:

- Performance audits of the federal government, the Laender and municipalities (greater than 10,000 inhabitants)
- Performance audits of other legally defined legal entities (chambers and social security institutions)
- Audit of the Federal Financial Statements and publication of the Report on the Federal Financial Statements
- Participation in drawing up the federal budget with regard to outcome orientation
- Providing ongoing information about budget execution and overruns in budget allocations.
- Special tasks: report on average incomes

Audits are conducted on the criteria of economy, efficiency and effectiveness. Section 9 Court of Audit Act stipulates that all Line Ministers have to submit the prepared Financial Statements to the ACA, which then audits them. The ACA must comply with national and international standards (eg International Standards of Supreme Audit Institutions and International Standards on Auditing).<sup>13</sup> The ACA submits its reports to the National Council and reports on its homepage. The reports of the ACA are dealt with in the Court of Accounts Committee (CAC). The president of the ACA has the right to participate and take floor in the sessions of the CAC. Afterwards the reports of the ACA are discussed in the plenary sessions of the National Council. The National Council then adopts the Report, which has the force of federal law, and is published. The ACA describes the findings in the report and sends requests to remedy deficiencies to the responsible Line Ministers.

The ACA prepares a report on the Federal Financial Statements as illustrated by the slide below.

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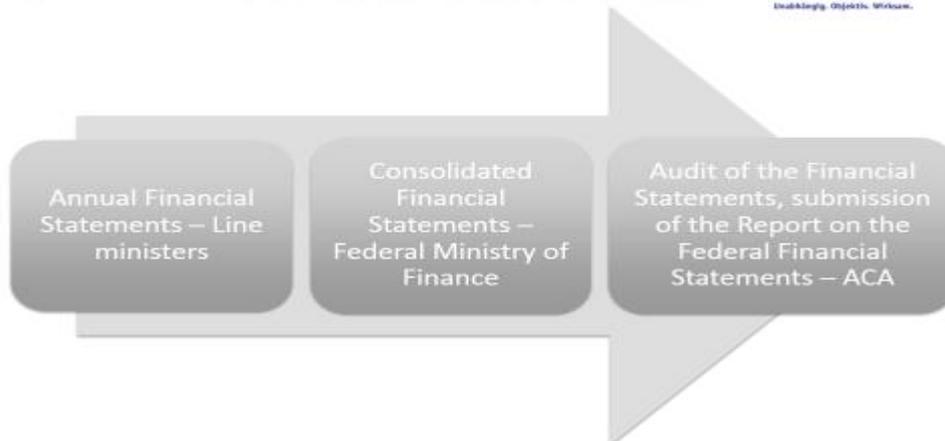
<sup>10</sup> IMF report can be sourced at <http://www.imf.org/external/np/pp/eng/2013/071613.pdf>

<sup>11</sup> Ibid

<sup>12</sup> Source: Presentation to PEMPAL from Gunter Bauer, Fiscal Institutions: Austrian Court of Audit and the Federal Financial Statements, January 2014

<sup>13</sup> These include the following ISSAI standards for audit planning: 1300, 1315, 1320, 1330

## Report on the Federal Financial Statements



Source: Gunter Bauer, Austrian Court of Audit, 'Fiscal Institutions: Austrian Court of Audit and the Federal Financial Statements', presentation to PEMPAL in January 2014 available at <http://www.pempal.org/event/read/101>

In regards to the Federal Budget Statement, the president of the ACA has the right to place notes/recommendations derived from relevant performance audits with regard to outcome targets of the Federal Budget Statement. The ACA has to submit the comparative calculations of the Federal Budget Statement of the previous financial year by April 30. These calculations serve the National Council as a basis for its decision on the Federal MTEF Act. In addition, all financial debt instruments must be countersigned by the president of the ACA, and the Federal MoF must report to the ACA any overruns of approved budget allocations.

## Status of Reforms in Participating Countries

### Albania

Albania is a parliamentary democratic republic, governed by a unicameral 140-seat chamber, the People's Assembly, elected every 4 years. In Albania the Parliament legally has a large freedom to amend the budget of the executive within the aggregates<sup>14</sup>, however de facto amendments are minor, as MPs are not economists and they are more focused on local budgets of the territories they represent. There is interest to enhance professional support to the legislature in budget decision making through establishing a Parliamentary Budget office. In 2004, a Parliamentary Budget Office was operating for a short period of time, but it stopped functioning after government elections. The key lessons learnt from that short experience, revealed that to implement its mission of improving quality of decision making over the budget, it is essential that the office is staffed by professional budget experts.

### Armenia

Armenia is a presidential sovereign democratic and social republic with unicameral Parliament (National Assembly) and a multi-party system. The state power is exercised based on the principle of separation of powers through legislative, executive and judicial branches. The Government submits to the Parliament draft budget, comprised of the budget address, draft budget law and official opinion of

<sup>14</sup> OECD – PEMPAL Budget Practices and Procedures Survey 2014

the Central Bank on the draft budget law. The Parliament has power to amend the budget proposal of the executive, however the amendments should be made without affecting the budget balance. There is no Parliamentary Budget Office. The role of legislature is important in the second reading, when fractions and MP groups provide their positions on the draft budget law. Armenia has introduced program budgeting, however program classification needs to be further streamlined to allow the National Assembly and the broader public to better understand strategic government priorities and budget resource allocations.

### **Belarus**

Belarus is a presidential republic. Its bicameral Parliament consists of 110-member House of Representatives (the lower house) and the 64-member Council of the Republic (the upper house). Being a legislative body, there is no permanent expert support to the Parliament on the budget issues, therefore the Ministry of Finance usually takes a more active role in explaining and clarifying the draft annual budget law to MPs. The dialogue between the Government and the Parliament on the budget issues happens through parliamentary hearings on the draft budget law, special workshops on the budget process and responses to MPs queries. MPs also participate in the budget development at the stage of discussion of the Main Directions of the Budget Policy (pre-budget statement). The external audit institution – the State Control Committee - is accountable to the President. It provides an opinion on the annual draft budget law to the President (before submission of the draft law to the Parliament) and audits the budget execution at the central level and selected regions on an annual basis.

### **Kyrgyz Republic**

Kyrgyz Republic has been functioning as a parliamentary republic since adoption of the new Constitution in July 2010, which reduced power of the President and shifted the power to the Parliament. The unicameral Parliament consists of 120 members, elected using a party list system. The Parliament has “unrestricted” power to amend the budget proposed by the executive, including key budget parameters. There is no independent Parliamentary Budget Office, Budget Committee is supported only by the Budget and Finance Unit of the Parliamentary Apparatus. Its objectives and functions include organizational, legal, analytical, information and documentary support to the Budget Committee. The Accounting Chamber, accountable to the President and the Parliament, provides analysis and opinion on the draft budget law. The Central Bank together with the Government formulates monetary policy of the country. However, given the fact that the Budget Committee is headed by the opposition, similar to Austria, there might be a need in the future to reduce information asymmetry on the budget issues by establishing an independent advisory service on budget issues within the Parliament.

### **Russian Federation**

Russia is a federative state with semi-Presidential governance structure. The Federal Assembly of the Russian Federation is bicameral, consisting of 450-member State Duma and the 166-member Federation Council. The Federal Assembly does not have “unrestricted” power to amend the budget proposal; both chambers of the Federal Assembly have power to approve or decline the draft federal budget law. There is no special Budget Office in the Parliament, but the State Duma Budget Committee is supported by technical apparatus and there is a perception in the Ministry of Finance that the requirements for technical competence of staff in the apparatus has increased in the Parliament elected in 2011. The Accounting Chamber, in addition to external audit function, implements advisory function and provides opinion on the draft budget law to the State Duma. Given semi-Presidential

governance structure, there is an Expert Directorate in the Office of President, which supports authorities of the President of the Russian Federation in the budget process.

### **Key Learnings of Participants**

The review of the Austrian fiscal governance system has stimulated participants of the peer-learning visit to look broader on the budget reforms and better understand the increased role of the legislature in the budget process. The following lessons were specifically mentioned by the participants:

- Parliamentary Budget Office is an important resource for improving quality of legislative discussion on the budget. To achieve this objective, it is essential, and the Austrian case confirmed it, that the office should be staffed by qualified professionals - experts in economics and public finance. The experience of Albania in 2004 revealed that if staff in Parliamentary Budget Office lacks professional expertise and analytical skills, the Office is not making any difference on the quality of budget discussion and it is not sustainable.
- The role and functions of the Parliamentary Budget Office acquire a special importance in countries with parliamentary form of governance. In many of these PEMPAL countries the Parliament has “unrestricted” amendment power, while MPs are not experts in economic and fiscal policy and the budget process and need professional support in budget debate.
- Increased fiscal transparency envisages simplification of budget information to make it understandable for the public and before for the MPs. Parliamentary Budget Office can be helpful in simplifying budget information which can be then used in Citizens’ Budgets.
- The participants found Fiscal Advisory Council a useful partner in fiscal policy development. It can help to take into account perspectives of different stakeholders and improve public trust in government policy.
- Adoption of the program budget structure, where “global” budgets are separated from “detailed” budgets, can be a practical starting point for improved budget presentation to the MPs and to the public at large.



## **PEM PAL Budget Community of Practice (BCoP)**

### **“The Role of Austria's Parliament in Budgeting”**

Vienna, 30-31 January 2014

## AGENDA

### **Wednesday, 29 January 2014**

*Arrival and registration of BCoP Participants*

*19:30 PEM PAL Welcome Reception, Hotel Rathaus Wein & Design*

### **Thursday, 30 January 2014**

*Parliament, Lokal VIII*

- 08:00 Departure towards the Austrian Parliament, Registration
- 09:00 Welcome Speeches**  
Harald Dossi, Secretary General  
Introduction to the seminar and of PEM PAL participants, Maya Gusarova, Coordinator of BCoP Resource Team, World Bank  
Introduction of the Agenda, Helmut Berger, Head of the Austrian Parliamentary Budget Office
- 09:30 First Session – Fiscal Governance in Austria**  
Helmut Berger, Head of Parliamentary Budget Office



- Context, Overview
  - Fiscal Equalization in the Federal State
  - New elements in the Austrian Fiscal Framework
  - The Austrian Stability Pact
  - Other Institutions in the Budget Cycle
  - Challenges for Parliament
- 10:30 Group photo
- 10:45 Coffee break
- 11:00 Second Session – The Austrian Federal Budget Reform**  
*Kristina Fuchs, Parliamentary Budget Office*
- Budget Structure
  - Multi-Annual Budgetary Planning
  - Performance Budgeting
  - Accrual Budgeting and Accounting
- 12:15 Lunch  
*at “Justizcafe”*
- 13:45 Third Session – The Budget Process and the Role of the Ministry of Finance**  
*Bernhard Schatz, Budget Directorate, MoF*
- Budget preparation, execution and audit
  - Budget controlling
  - Budget reporting
  - The Role of the Ministry of Finance
- 15:15 Coffee break
- 15:30 Fourth Session – The Role of Parliament in the Budget Process**  
**Christoph Konrath, Head Scientific Support and Coordination in Parliamentary Matters and Helmut Berger, Head of Parliamentary Budget Office**
- Budget approval
  - Procedures for budget review



- Budgetary Control
- Role of Committees, the Plenary
- New elements and challenges

17:30 Departure to Dinner restaurant

18:30 Dinner at Café Central

## Friday, 31 January 2014

*Parliament, Lokal VIII*

### 09:00 Fifth Session – The Parliamentary Budget Office

*Helmut Berger and Paul Eckerstorfer, Parliamentary Budget Office*

- Role, Function, Staffing
- Analytical work: Products and Services
- Relations with other Institutions
- Challenges

10:30 Coffee break

### 10:45 Sixth Session – Other Institutions in the Budget Cycle

10:45 Federal Performance Management Office  
*Monika Geppi, Federal Chancellery*

11:30 The Austrian Fiscal Council (former Austrian Debt Committee)  
*Jarmila Urvova, Fiscal Advisory Council, Austrian National Bank*

12:15 Lunch



*at Abgeordneten Sprechzimmer*

- 13:20      Tour of the Austrian Parliament
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- 14:15      Sixth Session (contd.) – Other Institutions in the Budget Cycle**
- Austrian Court of Audit and the Federal Financial Statement  
*Günter Bauer, Austrian Court of Audit*
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- 15:00      Seventh Session – New Parliamentary Procedures in the Context of EU Fiscal Governance**
- The European Semester Cycle  
*Andreas Friedrich, Parliamentary Budget Office*
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- 16:15      Conclusions, Farewell
- 
- 17:00      Free time



**Saturday, 1 February 2014**

*Parliament, Pressezentrum*

**9:00-11:00          Wrap-up meeting for participants**

- Reflections on the findings from the study visit.
- Preparation of the report

**12:00                  Check-out from the hotel**