



**International
Budget
Partnership**

Open Budget Survey 2019:
Latest Findings and Developments in the ECA Region

The enduring case for open budgets

- Budgets are key to the actual implementation of a government's stated policies, particularly for underserved communities.
- States are responding to the COVID outbreak and its economic fallout with unprecedented fiscal decisions.
- During crises as well as in periods of stability, **open** budgets are crucial: they support more efficient resource allocation, improve service delivery, and contribute to better governance.
- Especially during a crisis, transparency, public engagement, and strong oversight are critical for earning public trust.

The Open Budget Survey

- Evidence-based assessment of **transparency** of how public resources are raised/spent; opportunities for **participation** in the budget process, and **oversight** by independent legislatures and audit institutions.
- Based on a questionnaire completed in each country by an independent budget expert and reviewed by an anonymous (also) independent expert, and – in 94 of the **117** surveyed countries – a representative of the Ministry of Finance.
- Only documents published and events, activities, or developments that took place through **31 December 2018** were assessed in the OBS 2019.

ECA countries evaluated in OBS 2019

1. Albania
2. Azerbaijan
3. Bosnia and Herzegovina
4. Bulgaria
5. Croatia
6. Georgia
7. Kazakhstan
8. Kyrgyz Republic
9. Moldova
10. North Macedonia
11. Poland
12. Romania
13. Russia
14. Serbia
15. Tajikistan
16. Turkey
17. Ukraine

Despite gains, current levels of transparency remain limited (global / **ECA**)

45 / **55**

Average budget transparency score

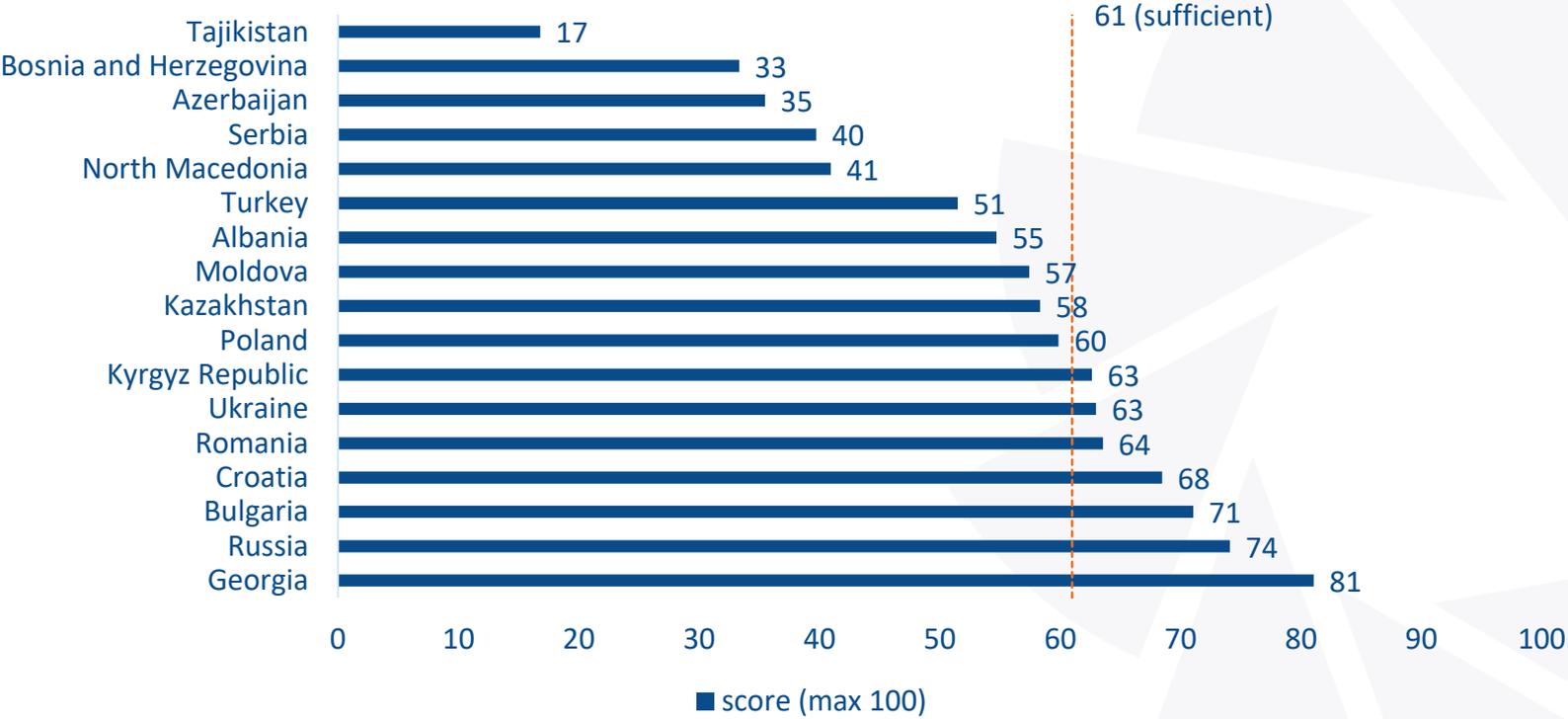
74% / **59%**

Percent of countries that fail to provide sufficient levels of budget information.

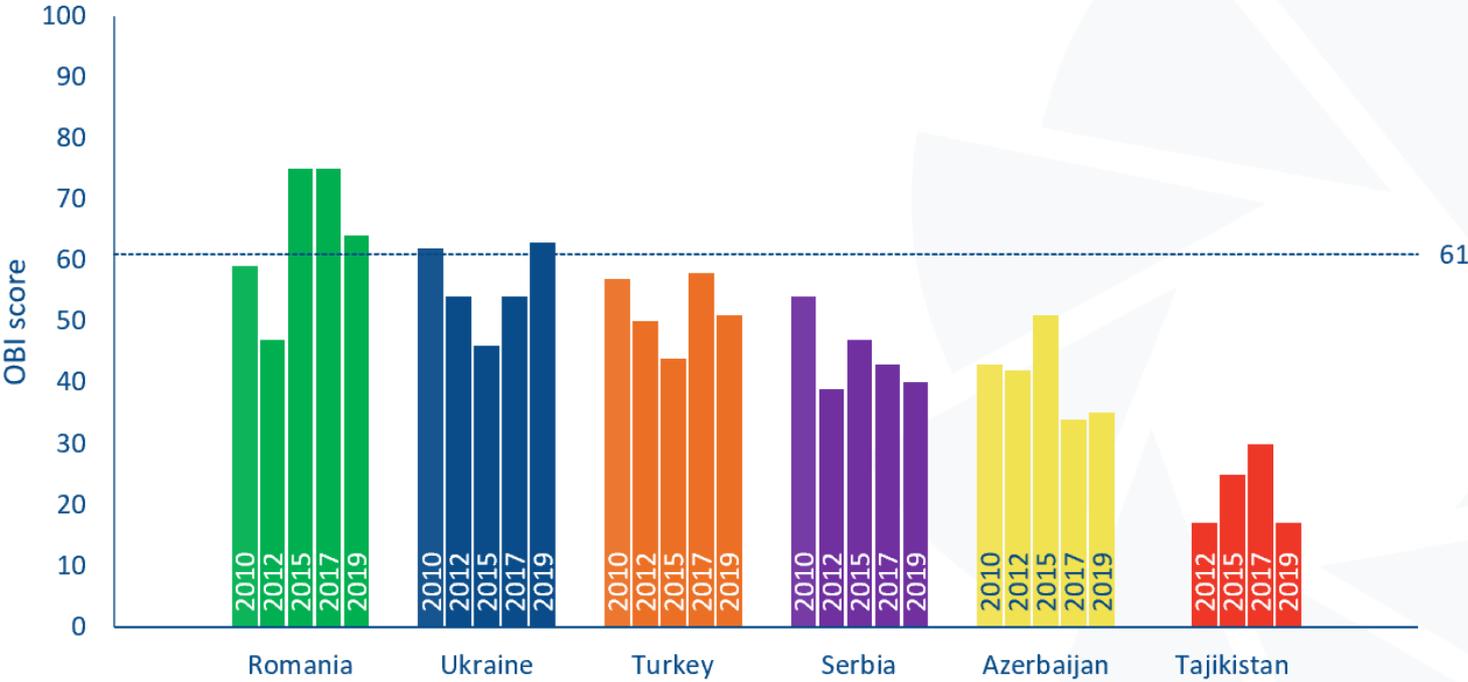
1 in 3 / **1 in 6**

Key budget documents are not made available to the public.

2019 ECA budget transparency (OBI) scores



For some ECA countries, volatility remains a challenge



However, faster progress is possible

Rapid improvements seen in some countries demonstrate that **meaningful change is possible** in a short timeframe when countries are committed to open budgeting reforms.

Measuring levels of public participation

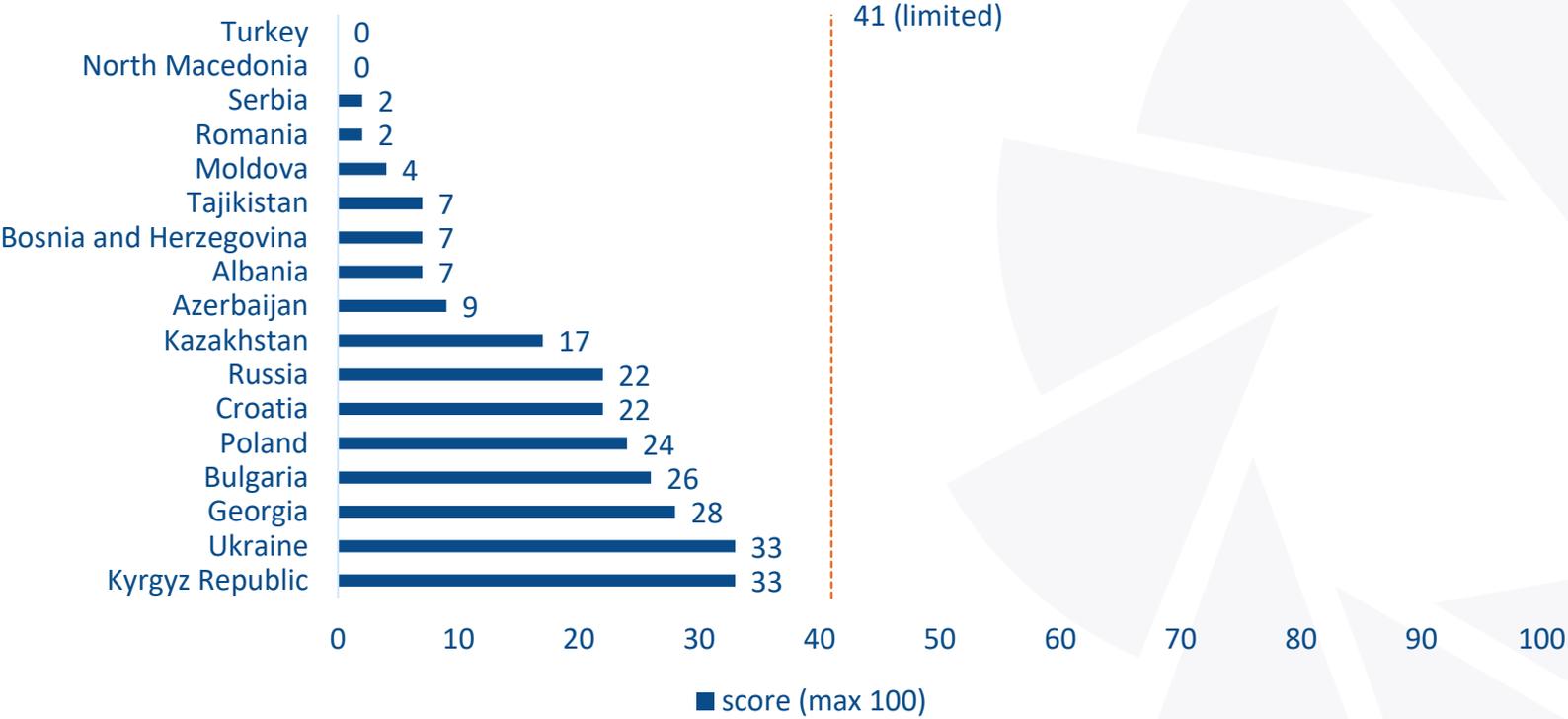
- The OBS assesses public participation on the basis of GIFT's Principles of Public Participation in Fiscal Policies.
- Researchers evaluate the formal participation opportunities available to individuals and organizations to directly engage with their country's executive, legislative, and audit institutions during the budget process.
- Scores are calculated via a simple average of 18 questions covering seven different mechanisms in three government bodies.

Room for innovation

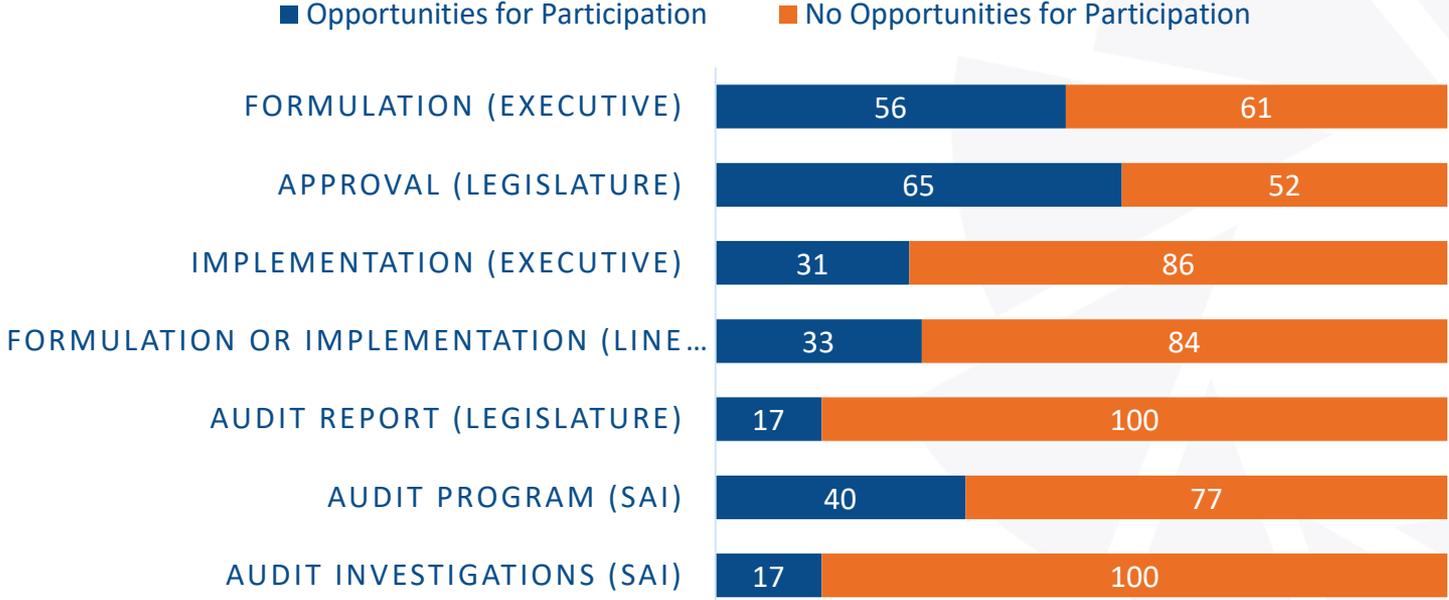
Few countries currently provide meaningful opportunities for the public to participate in the budget process, which **undermines the public's ability** to effectively use budget information.

However, **emerging and innovative practices** in some countries – among them, ECA countries – demonstrate how governments can initiate and strengthen public engagement mechanisms.

2019 ECA public participation scores

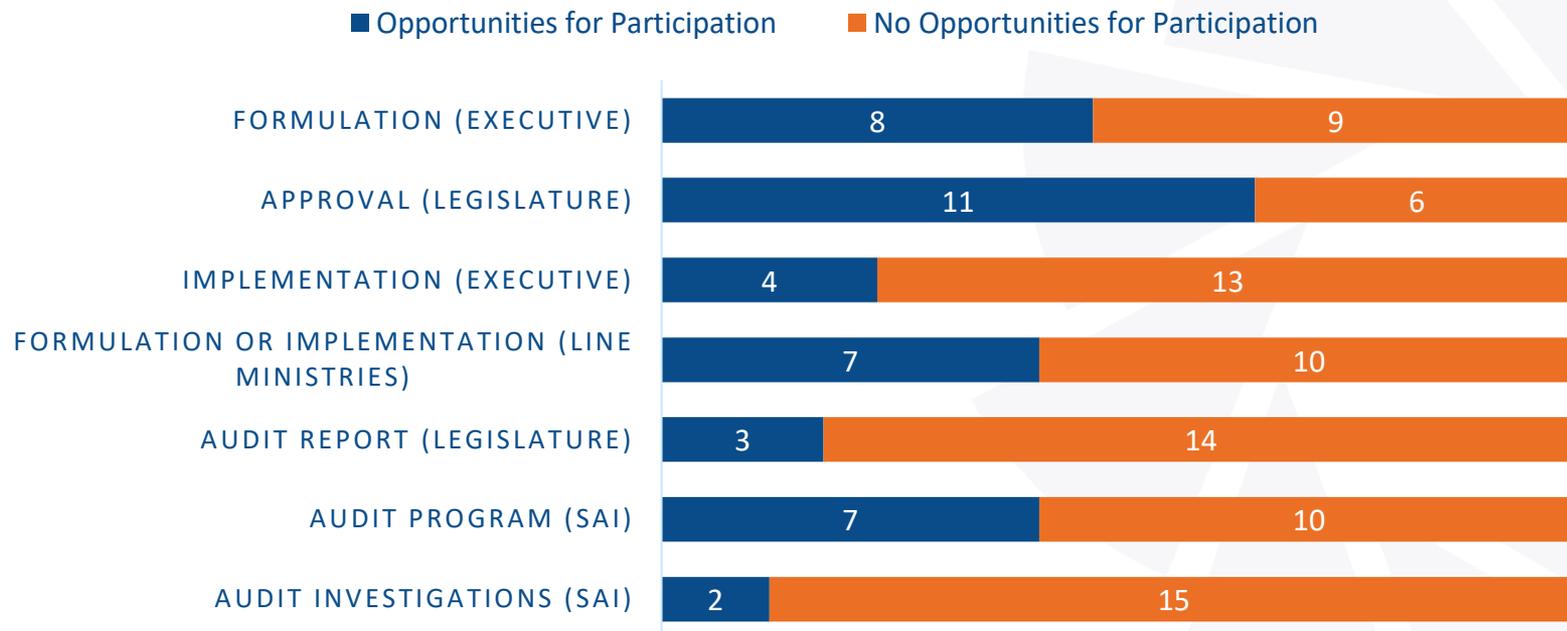


Globally, participation mechanisms are most common during budget formulation and approval

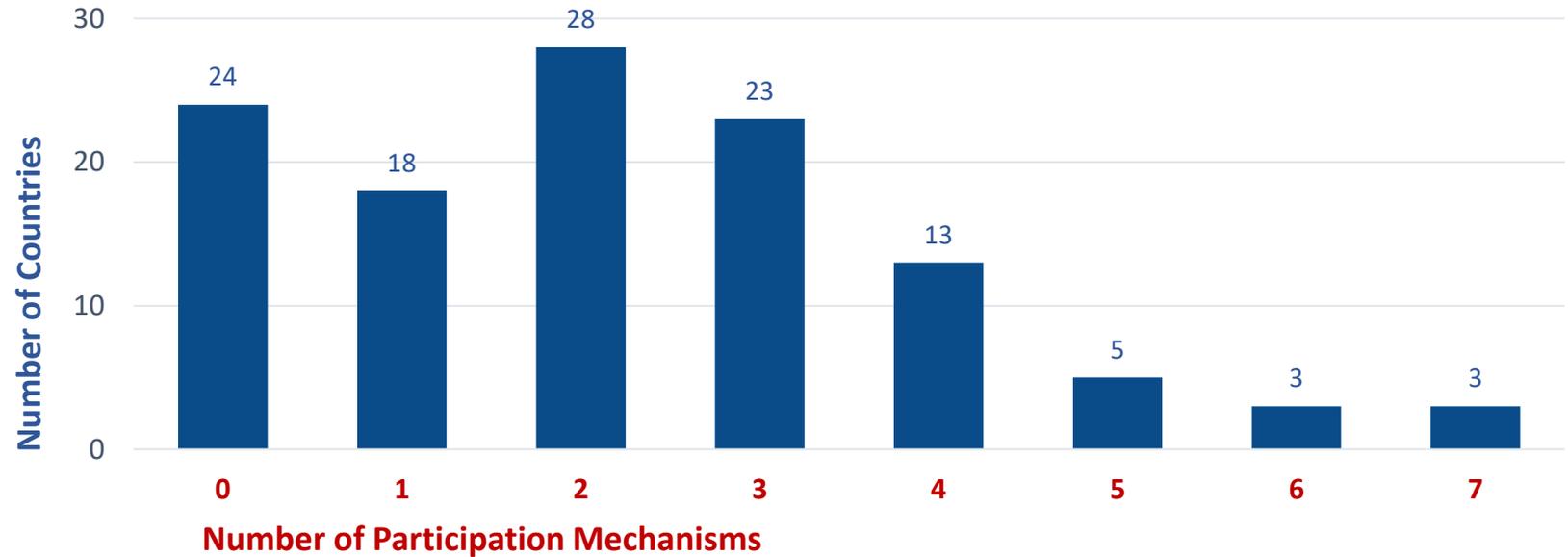


Participation findings across ECA countries

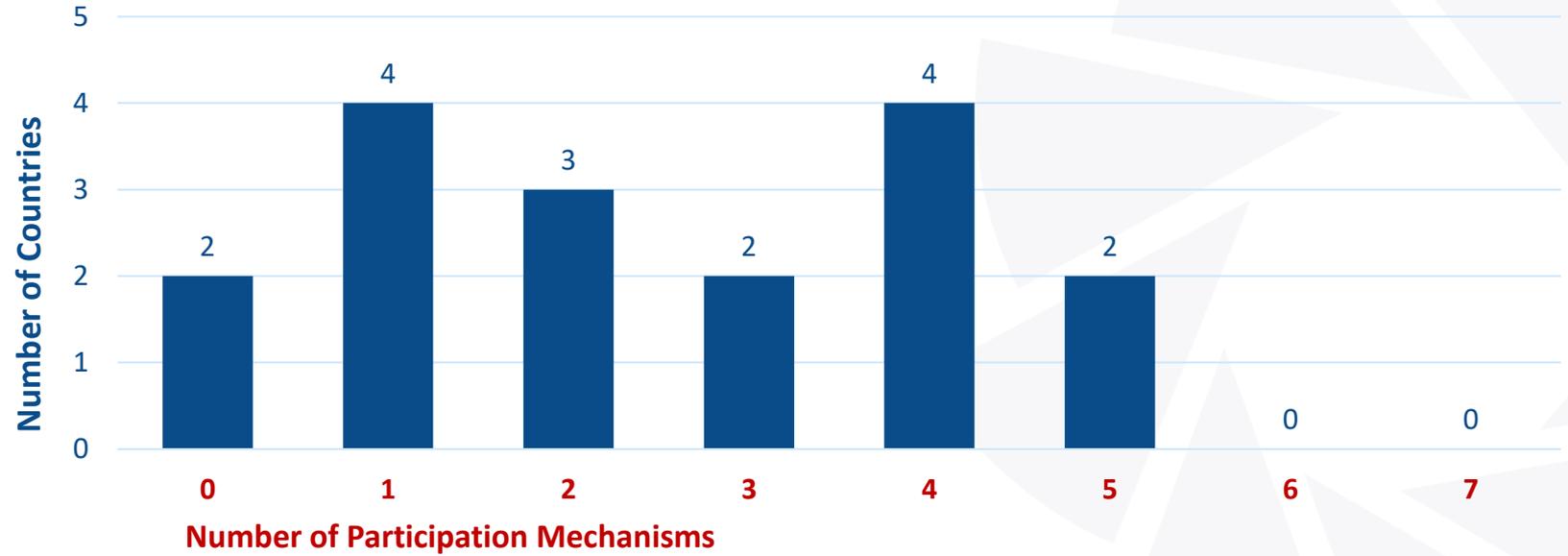
Echoing the global trend, more opportunities are available during formulation & approval than execution



A majority of survey countries have no more than two mechanisms



Meanwhile, 9 of 17 evaluated ECA countries provide 2 mechanisms or fewer



Public participation in the budget process takes many different forms across a diverse set of countries



In the **Kyrgyz Republic**, the Ministry of Finance publishes materials in advance of open public hearings.



In **Mexico**, the government established a mechanism called Social Comptrollers: social programs are monitored by committees of beneficiaries.



Pre-Budget hearings are held by **New Zealand's Parliament**, which solicits written submissions and oral testimony from members of the public.



In **Ukraine**, a 'public expertise' mechanism within the Ministry of Economy & Trade allows members of civil society to provide feedback to, and exchange views with, ministry officials.

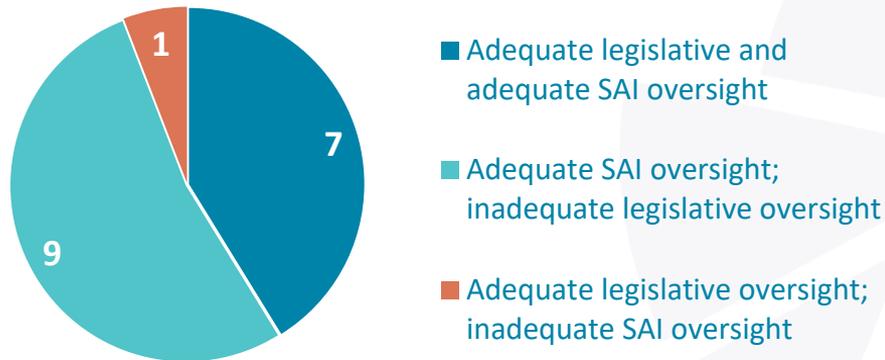
Recommendations for future improvements in public participation

- Continue to institutionalize newly-introduced mechanisms to avoid volatility and regression.
- Focus on implementing more opportunities to participate in the legislature's review of the Audit Report, and to contribute to investigations by the SAI.
- Make greater outreach efforts to include vulnerable and/or under-represented members of the public (e.g. individuals living in poverty, and religious or ethnic minorities).

Stronger oversight is needed to ensure budgets are fully implemented

Gaps in budget oversight by legislatures and supreme audit institutions compound accountability problems.

ECA countries with adequate SAI oversight often lack sufficient legislative oversight



- Approximately 40% of ECA countries score at adequate levels of oversight from both legislative and audit institutions.
- Of the 16 countries with adequate SAI oversight, 9 have only inadequate legislative oversight, which weakens the checks and balances in the overall accountability system.

A call to action to open budgets

<https://www.internationalbudget.org/open-budget-survey/call-open-budgets>

Within the next five years, we call on governments to:

- 1. Provide sufficient levels of budget transparency**
(achieve a score of 61 and above)
- 2. Increase public participation in the budget**
(achieve a score of 41 and above)
- 3. Strengthen monitoring and oversight of budget execution**
- 4. Sustain and institutionalize improvements in open budgeting**

Thank you!

We look forward to your questions during the Q&A session.

