BUDGET PRACTICES AND PROCEDURES IN AFRICA 2015

UNDERSTANDING FISCAL MANAGEMENT PRACTICES IN AFRICA

CABRI

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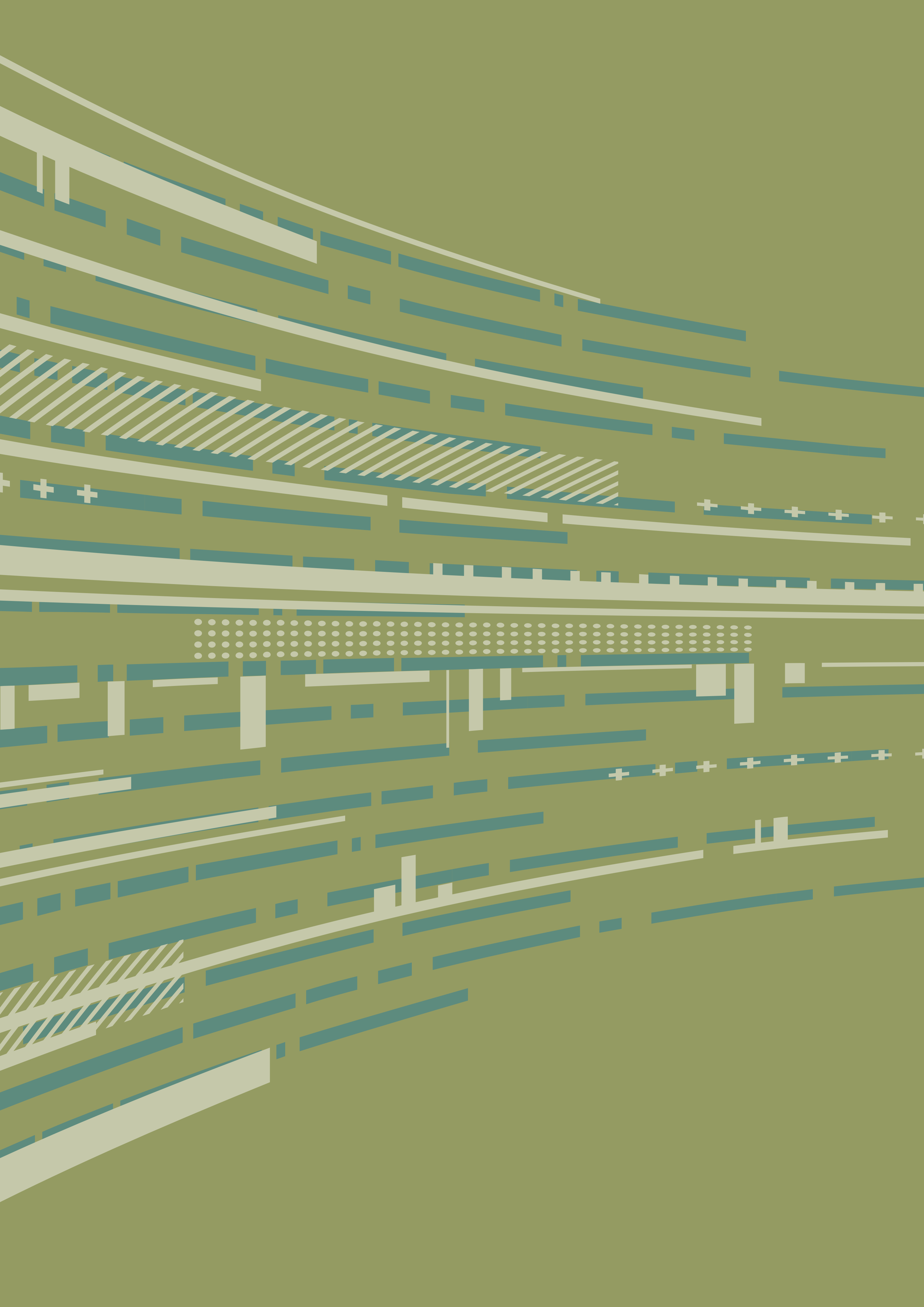


ABOUT THIS SURVEY

The Collaborative Africa Budget Reform Initiative (CABRI) is an intergovernmental organisation that provides a platform for peer learning for African finance and planning ministries. The availability of comparative information on how budget systems work across the African continent enriches this knowledge exchange.

The Budget Practices and Procedures (BPP) survey provides CABRI with an overall picture of the state of budgeting in Africa. It contributes to CABRI's PFM Knowledge Hub, through which the organisation is building an evidence base on public finance management in Africa.

The first BPP survey took place in 2008, when CABRI partnered with the Organisation for Economic Cooperation and Development to survey 26 African countries. CABRI undertook a second survey in 2015, adapting the 2008 survey to relate it more closely to the African context.

The survey, conducted from January to September 2015, involved 23 participants: Benin, Botswana, Burkina Faso, Burundi, Central African Republic, Comoros, Côte d'Ivoire, Ghana, Guinea, Kenya, Lesotho, Madagascar, Mali, Mauritius, Namibia, Niger, Seychelles, Sierra Leone, South Africa, Tanzania (Zanzibar), The Gambia, Tunisia and Uganda. This group forms 60 percent of the countries that actively participate in CABRI activities.

The survey was completed by senior officials within each country's ministry of finance. On completion, a team of independent reviewers verified the country responses.[1] Comments made by the reviewers were shared with the responding countries before a validation workshop, which was held in July 2015. Countries that did not attend the workshop were able to discuss the reviewers' comments via email. This series of papers reflects data reported and agreed to by the responding countries, unless otherwise noted.

While the sample of 23 countries allows us to compare country practices and identify correlations between indicators of fiscal performance, there is limited scope for using statistical regressions. The correlations highlighted in the reports do not necessarily establish causal relationships between budget practices and fiscal outcomes. More detailed research could shed more light on the relationship between budget practices and procedures, and budget policies and outcomes.

THE SURVEY ANALYSIS IS REPORTED IN SEVEN BRIEFS:

1. The executive budget process: Longer, but better?
2. Understanding fiscal management practices in Africa
3. Insights into expenditure practices in Africa
4. The legislatures' dilemma: Powers without information, information without powers
5. Probing finance ministry powers and size
6. Managing aid in an environment of data scarcity
7. Cross-country analysis on PFM system status and reforms

[1] Mokoro Limited assisted with the administration of the survey, cleaning the data and providing preliminary analysis of the results.

UNDERSTANDING FISCAL MANAGEMENT PRACTICES IN AFRICA

Over the last 20 years, countries around the world have introduced a range of reforms and innovations to strengthen fiscal discipline and achieve macro-economic stability. Key among these are fiscal rules and responsibility laws; fiscal risk management; medium-term fiscal frameworks; and changes to the coverage and timing of fiscal reporting (Cangiano, Currestine & Lazare, 2013). These management instruments can complement macro-fiscal targeting, tax and expenditure policy (Hemming, 2013). Modern fiscal management increasingly includes analyses of the sustainability of debt.

It is widely recognised that budget process institutions affect fiscal outcomes.[2] While many countries now use specific management instruments such as numeric rules and medium-term frameworks to support fiscal discipline, just as important are the core public financial management practices of controlling, accounting, reporting and auditing expenditure, and managing assets and liabilities.

The 2015 CABRI BPP survey investigated the degree to which African countries have budget institutions in place that support fiscal discipline. It included questions on who is responsible for key fiscal management functions; whether countries analyse fiscal sensitivity and debt sustainability and the extent of these analyses; whether information on off-budget items is available as part of managing risk; whether the medium-term budget framework includes numerical fiscal rules and/or targets; and how transparent countries are about their fiscal commitments and analyses. This brief, the second in a series of seven, examines countries' responses to these questions.

CABRI's analysis reveals that most African finance ministries have modern fiscal management institutions in place:

- Most countries have medium-term fiscal frameworks and use rules and targets, which are sometimes embedded in these frameworks.
- Almost all countries reported either setting fiscal rules through legal frameworks or convergence targets, or setting "rolling" rules as part of the budget process for the short to medium term.
- African finance ministries are well placed to manage fiscal risk insofar as they have the mandate to set fiscal policy and analyse fiscal risk, and in many cases have management authority over most key risk factors.

[2] For example, see Von Hagen's seminal 1992 paper on centralisation of the budget process and overcoming the common pool problem; Alesina and Perotti's work on budget institutions and fiscal discipline (Alesina & Perotti, 1996); and Krogstrup and Wyplosz's study of the effects of fiscal rules and delegation on the budget deficit bias (Krogstrup & Wyplosz, 2007).

- Fiscal sensitivity analysis has become far more common. All but two countries reported that they undertook some form of fiscal sensitivity analysis. More than two-thirds reported that a comprehensive analysis was done.

- Debt sustainability analysis is most commonly conducted at least once a year, often covering domestic and external debt.

- Many reported strong practices around the management of off-budget items.

- Most countries reported including information on fiscal policy objectives and the macro-economic assumptions in the budget proposal. However, less than half the countries reported disclosing information on fiscal sensitivity analysis, subnational government fiscal aggregates or fiscal implications of governments off-budget activities.

INSTITUTIONS TO ASSESS AND MANAGE FISCAL RISK

Identifying fiscal risk is a key step in managing it. Along with ensuring that finance ministries have the authority and capacity to analyse general macro-economic and large, specific fiscal risks, routine procedures also need to be designed to gather comprehensive data on risk exposures. These procedures should be supported by adequate accounting, disclosure, budgeting and auditing rules (Petrie, 2013).

The CABRI survey asked three sets of questions relating to ministries' capacity to manage fiscal risk: first, about how fiscal management responsibilities are assigned between central government ministries, departments and agencies, including responsibility for macro-economic and fiscal forecasting, fiscal risk analysis, liability and asset management, aid management[3] and the financial management of public enterprises (as a source of fiscal risk); second, about the kind of analyses that are routinely undertaken as part of the budget process; and third, about the availability of information on off-budget expenditures.

CENTRALISATION OF KEY FISCAL RISK MANAGEMENT RESPONSIBILITIES

The importance of appropriately centralising fiscal functions for policy coherence and coordination is well recognised, for example by Petrie (2013). At a simple level, the centralisation of information and management responsibilities prevents the issuance of guarantees across government by diverse entities that would result in a widening of exposure. At a more complex level, it ensures that the risk characteristics of assets and liabilities are considered across government's portfolio.

Table 1 maps countries' responses on whether the finance ministry is responsible for analysing fiscal risk and managing key risk factors such as debt, contingent liabilities, financial assets and the finances of state-owned enterprises.[4] The table groups the countries according to the number of functions tested that are managed by the finance ministry (a grey cell indicates that the finance ministry has full control over the management of that function; a blank cell indicates that it is managed elsewhere or shared).

In nine of the 23 responding countries, ministries of finance are responsible not only for fiscal risk analysis, but also for the management of five common risk drivers. In seven countries, finance ministries manage all but one function. In only two countries are three of the six functions managed jointly or elsewhere.

Finance ministries commonly share or do not have responsibility for managing financial assets and setting a financial management framework for public enterprises. In South Africa, the finance ministry shares responsibility for setting a financial management framework for public enterprises, while in Seychelles the responsibility lies with an agency of the ministry of finance. In the other six cases, this function is managed elsewhere in government.

Overall, it appears that African finance ministries are well placed to manage fiscal risk insofar as they have the mandate to analyse fiscal risk, and in many cases have management authority over most key risk factors.

[3] Because aid flows are unpredictable, they are included as a risk factor. The more a country depends on aid, the greater the risk of budget shortfalls.
[4] State-owned enterprises were asked who is responsible for managing their financial framework.

TABLE 1 Central government fiscal risk management functions

FUNCTION		Fiscal risk analysis	Debt management	Contingent liability management	Management of financial assets	Financial framework for state-owned enterprises	Aid management
All functions managed jointly or by the finance ministry (9 countries)	Benin	■	■	■	■	■	■
	Botswana	■	■	■	■	■	■
	Burkina Faso	■	■	■	■	■	■
	Kenya	■	■	■	■	■	■
	Madagascar	■	■	■	■	■	■
	Mali	■	■	■	■	■	■
	The Gambia	■	■	■	■	■	■
	Tunisia	■	■	■	■	■	■
	Zanzibar	■	■	■	■	■	■
1 function managed jointly or elsewhere (7 countries)	Comoros	■	■	■	■	■	
	Côte d'Ivoire	■	■	■	■	■	
	Guinea	■	■	■		■	■
	Lesotho	■		■	■	■	■
	Mauritius	■	■	■	■		■
	Sierra Leone	■	■	■		■	■
	Uganda		■	■	■	■	■
2 functions managed jointly or elsewhere (5 countries)	Burundi	■	■	■	■		
	Ghana	■	■	■			■
	Namibia	■	■	■	■		
	Niger		■	■	■		■
	Seychelles	■	■	■			■
2+ functions managed jointly or elsewhere (2 countries)	CAR	■	■	■			
	South Africa	■	■				■
Number of countries where function lies with finance ministry		21	22	22	17	15	20

ROUTINE FISCAL SENSITIVITY AND DEBT SUSTAINABILITY ANALYSES

Fiscal sustainability analysis involves assessing the sensitivity of the budget and medium-term fiscal forecasts in relation to variations in the key assumptions on which the forecasts are based. Public debt sustainability analysis assesses countries' ability to service public debt and offers a means to detect, prevent and evaluate alternatives to resolve debt crises. These two kinds of analysis allow policy makers to judge whether fiscal adjustments will be necessary to sustain macro-economic stability and facilitate growth.

FISCAL SUSTAINABILITY ANALYSIS

All countries except for Mali and Sierra Leone reported that they undertook some form of fiscal sensitivity analysis. Countries that reported undertaking a full analysis had to specify three or more variables, while those that reported a partial analysis had to specify up to two. Seventeen

TABLE 2 Depth of fiscal sustainability analysis

COUNTRIES REPORTING COMPREHENSIVE ANALYSIS							
Botswana	■	■	■	■	■	■	
Burkina Faso	■	■		■			
Burundi	■	■	■				
Comoros	■	■					Remittances
Côte d'Ivoire	■	■				■	
Ghana	■			■	■		
Kenya	■	■	■		■		
Lesotho	■	■					Imports
Madagascar	■	■	■	■	■	■	
Niger	■	■		■			
Seychelles	■	■	■				
South Africa	■	■	■				
Tunisia	■		■	■			
Zanzibar	■	■	■				
The Gambia	All variables, but little depth of analysis						
CAR	No information on variables provided						
Uganda	No information on variables provided						
COUNTRIES REPORTING PARTIAL ANALYSIS							
Benin	■	■					
Guinea	■	■					
Mauritius	■	■					
Namibia	■	■					
VARIABLES	GDP	Inflation	Exchange rate	Commodity prices	Aid inflows	Interest rate	Other

[5] Benin was moved to the category of partial analysis as only two variables were specified.

countries reported that a full analysis was done.[5] The table below reflects countries by level of analysis reported and variables used.

The variables most often used are GDP growth and inflation. All countries reported using GDP growth, and only Ghana and Tunisia did not specify inflation as a variable. Exchange rate is the third most frequently named variable. Six countries look at commodity prices (of oil, gold and country-specific exports) and four at aid inflows. Only three countries specified interest rates.

Fiscal sensitivity analysis has become far more common. One-third of the 15 countries that completed the BPP survey in 2008 and 2015 have introduced fiscal sensitivity analysis since 2008, while a further eight countries have sustained their practices. Three of the countries that have introduced fiscal sensitivity analysis – South Africa, Kenya, and Lesotho – now report conducting comprehensive analyses. Benin reported an improvement in its analysis, while Mali reported not conducting any analysis in 2015 (having reported a partial analysis in 2008).

DEBT SUSTAINABILITY ANALYSIS

The survey also probed whether countries undertake debt sustainability analysis, and if so, what its key parameters are.

Twenty of the 23 responding countries undertake some form of debt sustainability analysis (see Table 3). The table's top left section shows those countries with strong practices, which were deemed to include longer horizons, more frequent analysis and analysis of external and domestic debt. Analysis is most commonly conducted annually (12 countries), often covering domestic and external debt (14 countries). Four countries reported that they conduct analysis more than once a year. There is a fairly even spread between countries working with a 10-year horizon (seven countries) and those working with a horizon of 20 years or more

TABLE 3 Debt sustainability analysis practices

Scope	Both external and domestic debt (14 countries)				External debt only (5 countries)			
Horizon of analysis	20+ years (3 countries)	10 years (6 countries)	5 years and less (3 countries)	Horizon not specified (2 countries)	20+ years (3 countries)	10 years (1 country)	5 years and less	Horizon not specified (1 country)
More than once a year (4 countries)	Mali	Burkina Faso, Lesotho, Niger						
Annually (12 countries)	Ghana, Uganda	Kenya, South Africa	Benin, Mauritius, Seychelles	Madagascar	Guinea, Sierra Leone, The Gambia	Côte d'Ivoire		
At less frequent intervals (3 countries)		Namibia		Central African Republic				Comoros
No details specified (1 country)	Tunisia							
No analysis (3 countries)	Botswana, Burundi, Zanzibar							

TREATMENT OF OFF-BUDGET ITEMS

Finance ministries are better able to manage fiscal risks when they have information about off-budget items. Reflecting this information in budget documents and fiscal reports in turn incentivises governments to practice sound fiscal decision-making. The core principle here is that "a full national overview of the public finances … and a perspective on the whole public sector … [provides] an essential context for a debate on budgetary choices" (OECD, 2014). This principle is included in all international fiscal transparency and accountability frameworks, which underlies the attention that is paid in some of these frameworks to off-budget items, and has driven public financial management improvements in fiscal reporting and accounting.

The BPP survey defined off-budget expenditure items as transactions that are not part of the annual appropriations or budget law. It asked countries to report on whether these expenditures exist, whether they are formally appropriated in the country's practices, and whether they are reflected in the documentation accompanying the annual budget appropriations law (or the executive budget proposal).

Table 4 shows the types of expenditure that were probed and the number of countries reporting them (see Table 7 in the Annex for responses by country). Many countries reported having frequent off-budget expenditure items but treat these as on-budget expenditures and reflect them in budget documentation. In 22 percent of cases in which the off-budget expenditure existed, countries reported that it is not approved as a part of the appropriations act or the budget law. In 20 percent of cases it is not reflected in the executive budget proposal.

Expenditure items that are most likely to be off budget are associated with public-private partnerships (PPP), social security funds and overseas development assistance (ODA) loans managed outside of country processes. These items are also least likely to be reflected in the executive budget proposal.

TABLE 4 Practices for common off-budget expenditure items

	No. of countries reporting existence of this practice (out of total that answered the sub-question)	Treated as off-budget item (% of responding countries)	Not reflected in budget proposal (% of responding countries)
Expenditure associated with PPPs	13 out of 20	38%	38%
Expenditure associated with social security funds	17 out of 20	56%	53%
Expenditure associated with stabilisation funds	7 out of 18	14%	14%
Expenditure associated with ODA grants	19 out of 20	11%	17%
Expenditure associated with ODA loans managed outside of country processes	15 out of 20	36%	47%
Expenditure financed by concessional loans, such as ODA loans, managed through country processes	15 out of 19	0%	0%
Expenditure associated with loan guarantees	18 out of 19	27%	11%
Expenditure associated with public-sector pensions	19 out of 19	21%	13%
Expenditure from special accounts managed by the ministry of finance (or equivalent)	16 out of 20	20%	13%
Military expenditure	20 out of 20	5%	0%
For all types listed	-	22%	20%

INSTITUTIONS TO TARGET AND MANAGE FISCAL AGGREGATES

For finance ministries worldwide, an important part of fiscal policy is to set targets for fiscal aggregates and manage their achievement. This is often done through fiscal rules, medium-term frameworks and transparent commitment to targets.

The survey probed the extent to which African countries use these instruments, as well as the degree to which key fiscal policy functions for managing fiscal targets fall under the mandate of finance ministries.

FISCAL POLICY MANDATES

For 17 of the 22 countries, setting fiscal policy is the mandate of the finance ministry. In Lesotho it is a joint function of the finance ministry and central bank. In Central African Republic, Mali, Niger and Tanzania it is the responsibility of an economic planning ministry.

FISCAL POLICY INSTRUMENTS

Notwithstanding the responsibility for fiscal policy, all countries reported having fiscal rules and/or medium-term frameworks in place.

Medium-term frameworks

Of the 22 countries[6] that responded to questions on medium-term frameworks, only the Comoros and Central African Republic reported not having some form of framework in place, reflecting how common these have become in Africa. Of the 20 countries undertaking medium-term budgeting, 17 have developed frameworks for forward estimates beyond fiscal aggregates to provide medium-term projection of the distribution of expenditure. Table 5 shows which countries use medium-term frameworks and make their use transparent in budget documentation.

TABLE 5 Use of medium-term frameworks

Countries using a medium-term framework and publishing it in the budget proposal	Benin, Burkina Faso, Burundi, Côte d'Ivoire, Ghana, Kenya, Lesotho, Madagascar, Mauritius, Namibia, Niger, Seychelles, Sierra Leone, South Africa, Uganda
Countries using a medium-term framework but not publishing it as part of the executive budget proposal	Botswana, Guinea, Tanzania, The Gambia, Tunisia

[6] Mali did not respond to the questions.

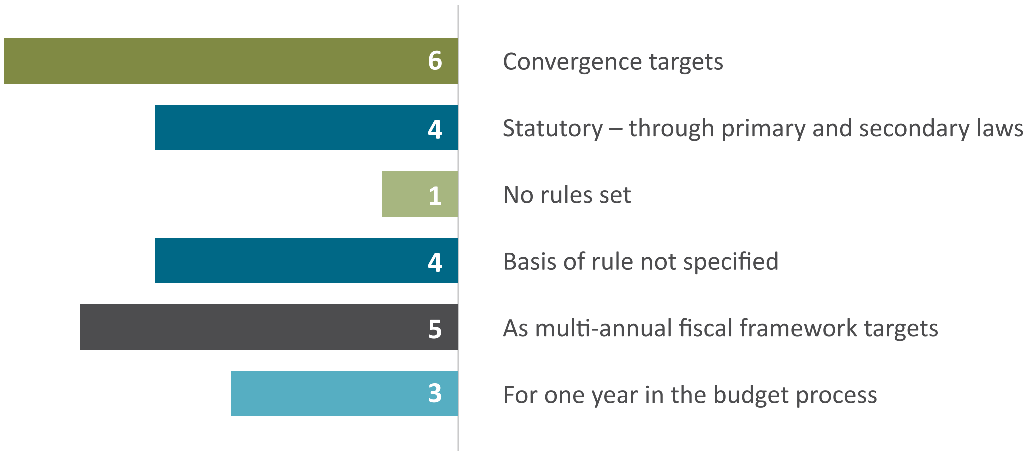
Fiscal rules

Well-designed and effectively implemented fiscal rules may increase the predictability of fiscal policy by helping to contain deficit bias, reducing the time inconsistency of budgetary policies, strengthening the credibility of a government's commitment to fiscal sustainability, and facilitating countercyclical fiscal management (Corbacho, 2013). The survey defined fiscal rules as quantitative hard constraints on fiscal aggregates, which are used to determine budgetary policy and discipline budget implementation. In probing different bases for fiscal rules, the survey recognised permanent rules set through convergence targets and legislation as well as rules set for a specific period through the budget process and framework. This broad definition meant that, with the exception of Sierra Leone, all countries reported having fiscal rules. Figure 1 provides a snapshot of the basis for these rules. Ten countries use fiscal convergence targets or legislation, while eight depend on annual or multi-annual budget frameworks.[7]

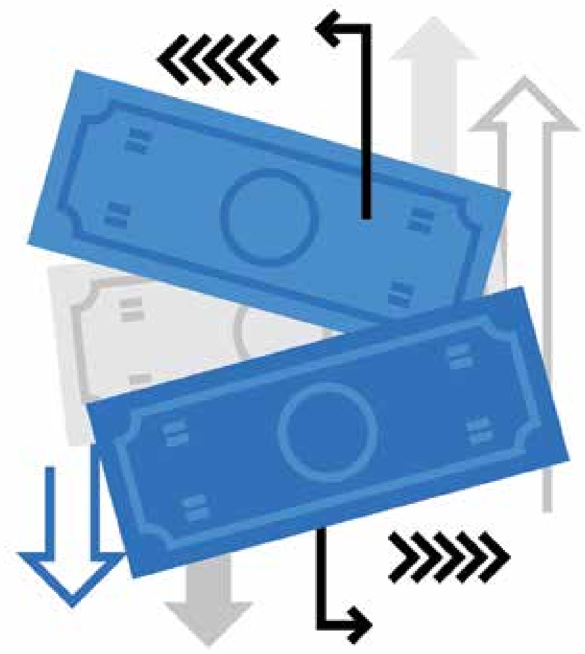
The 2008 survey also included a question on the use of fiscal rules, enabling an analysis of how practices have changed in the intervening years to the 2015 survey. However, a direct comparison with the 2008 data is not possible as the 2008 survey did not probe the basis for the rule, instead asking which institution defines the rule. Furthermore, the options provided in 2008 were different to those provided in 2015 to define the base. For example, in 2008 neither convergence agreements nor annual or multi-annual budget frameworks were specified as a base. Additional categories that were provided included fiscal rules as political commitment and through an agreement among parties in government.

For the purposes of comparison, then, we draw a distinction in both sets of data between hard, more permanent constraints (such as those set through laws or legally binding agreements), and softer, more short-term constraints (such as those set in budget frameworks or through political commitments). Another

FIGURE 1 Basis of fiscal rules



[7] For the purposes of this brief, responses by Benin, Burkina Faso, Côte d'Ivoire, Mali and Niger were edited to reflect the convergence targets for debt and the budgetary balance that they are subject to as members of the West African Economic and Monetary Union. The country responses also indicated expenditure and revenue rules, and for some not as convergence targets but as part of a multi-annual budget framework. Botswana's response was edited too: its statutory roles sets expenditure below a threshold of GDP. See Bova, Kinda, Muthoora and Toscani (2015). The responses of Kenya, Tanzania and Uganda were not edited (all indicating that they set targets as part of the budget process) to reflect that they are subject to convergence targets set in the East African Community Monetary Union protocols signed in November 2013, possibly not influencing the 2014 fiscal year, which is the basis for the answers in the survey.



complication is that the 2008 data allowed the nature of each rule (expenditure, revenue, debt) to be specified separately, with the result that some rules in 2008 were more restrictive (i.e. closer to permanent, hard constraints) and others less so. To manage that in difference, we have taken the most restricting basis across rules in 2008 to compare with the 2015 data, insofar as at least one rule of that nature was in place.

Using this approach, an analysis of the two sets of data for the sample of 15 African countries shows that there has been some change in the use of fiscal rules, but with no discernible trend. Twelve countries had some form of fiscal rules in 2008, compared to 13 in 2015. While some countries introduced fiscal rules or tightened the base for them, others reported softening the base for rules or dropping them altogether.

- South Africa and Lesotho, which reported no rules in 2008, had implemented some constraints (annual and multi-annual budget frameworks) by 2015. Sierra Leone reported having no rules in 2015, unlike in 2008.
- Of the countries reporting hard fiscal rules in 2008, Madagascar reported shifting to a softer, more short-term rule in 2015 and Mauritius reported a shift in the opposite direction. Others did not report a shift or did not specify the definitional source or base for either.

These shifts suggest that practices in Africa around the use of fiscal rules – particularly statutory numerical rules – may be less well understood than in developed countries, where significant analysis of rules and their impact has been done. If one excludes countries that have fiscal rules as a result of regional convergence targets and those that set rules as part of the budget process, then there are only eight countries of the analysis pool that have fiscal rules. Of these, four (Botswana, Burundi, Mauritius and The Gambia) specified that rules are set by law. The remainder did not report the basis for the law.

Type and coverage of fiscal rules
Countries have different types of rules (expenditure, revenue, budget balance, or debt rules), with different coverage. Table 6 sets out the survey results according to rule type and basis. Given that the effectiveness of fiscal rules is often undermined by moving expenditure items off budget, it is noteworthy that eight countries reported that the rule covered central government and extra-budgetary funds and agencies. Although not reflected in the table, of these eight countries, six reported also including some or all of subnational government expenditure in the calculation of the rule.

The degree to which these countries can implement the rules effectively would be a function of their ability to track and timeously report the expenditure, revenue and debt – as is required – of extra-budgetary funds and/or agencies, and monitor and report on the rules and sanctions. The survey did not include questions on whether the reported rules are implemented effectively, only whether they exist and with what parameters. Understanding in more detail how and why fiscal rules with different bases and coverage are used could help budgetary actors in Africa's emerging economies exercise greater fiscal discipline. This is a topic for further investigation by CABRI.

TABLE 6 **Fiscal rule practices by country**

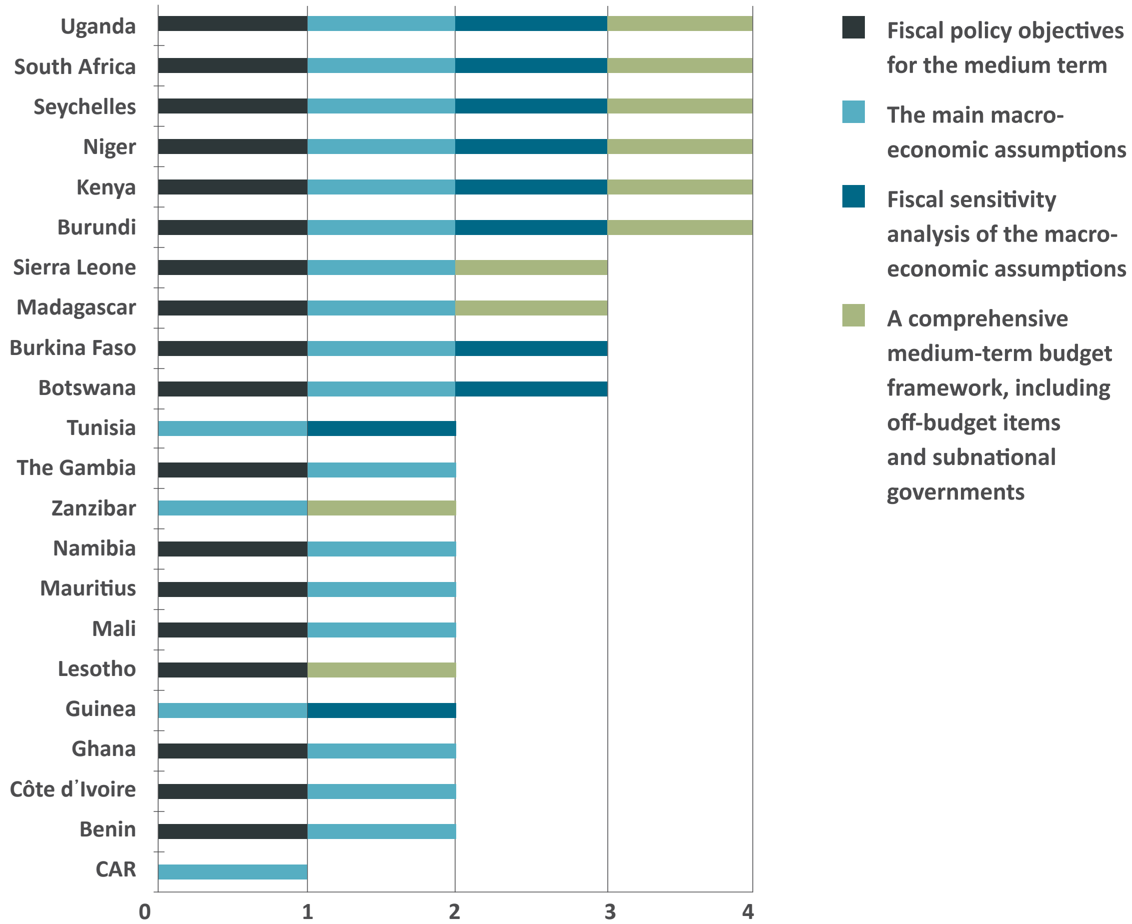
Central government coverage	Country	Types of rules	Basis for rules
All of central government	Burkina Faso	Budget balance, debt	Convergence targets
	Côte d'Ivoire	Budget balance, debt	Convergence targets
	Mali	Budget balance, debt	Convergence targets
	Madagascar	Budget balance, debt	Set for one year in budget process
	Mauritius	Debt	Statutory: rules set in law
	Tunisia	Expenditure, revenue, budget balance	Basis not specified
	Kenya	Expenditure, revenue, budget balance, debt	Set for one year in budget process
	Ghana	Expenditure, revenue, budget balance, debt	Set in multi-annual fiscal framework
Central government, but excluding either agencies or extra-budgetary funds, or both.	Benin	Budget balance, debt	Convergence targets
	Niger	Budget balance, debt	Convergence targets
	Seychelles	Debt	Basis not specified
	South Africa	Expenditure	Set in multi-annual fiscal framework
	Lesotho	Expenditure, budget balance, Debt	Set in multi-annual fiscal framework
	Zanzibar	Expenditure, revenue	Set for one year in budget process
	Guinea	Expenditure, revenue, budget balance, debt	Set in multi-annual fiscal framework
	Namibia	Expenditure, revenue, budget balance, debt	Set in multi-annual fiscal framework
	Burundi	Expenditure, revenue, debt	Statutory: rules set in law
	The Gambia	Expenditure, revenue, debt	Statutory: rules set in law
	Uganda	Expenditure, revenue, debt	Basis not specified
Not specified	Central African Republic	Budget balance, debt	Convergence targets
	Botswana	Expenditure	Statutory: rules set in law
	Comoros	Expenditure, revenue, budget balance, debt	Basis not specified

TRANSPARENCY ON FISCAL RISK AND FISCAL TARGETS

The transparent reflection of fiscal risk is a key part of a transparent commitment to fiscal policy targets. The survey included questions on the coverage of the executive budget proposal document, including whether it has information on fiscal policy objectives for the medium term; on the main macro-economic assumptions underlying the fiscal estimates; on fiscal sensitivity analysis of these assumptions; and on the medium-term framework for general government, including subnational governments and off-budget items.[8] Countries' responses are reflected in Figure 2.

[8] The last element – a medium-term framework for general government – was stipulated separately to a medium-term framework for central government. Responses to the latter question are reflected in the above discussion of medium-term frameworks as a fiscal policy instrument.

FIGURE 2 **Macro-fiscal elements covered in the budget documentation**



Only 10 of the 22 countries that answered the question[9] about the coverage of budget documents reported including three or all four of the macro-fiscal elements specified in the question. A further 11 reported including at least two elements. Only the Central African Republic reported reflecting just one element.

Most countries reported including information on fiscal policy objectives and the macro-economic assumptions underlying the budget. Far fewer reported publishing the results of fiscal sensitivity analyses, or a more comprehensive budget framework that includes subnational government fiscal aggregates and the fiscal implications of government's off-budget activities.

[9] Comoros did not answer this question.

ANNEX

TABLE 7 Country responses on off-budget expenditure

The table below provides countries' responses to questions about types of off-budget expenditure.

a positive answer | a negative answer | no response

	Niger	Mali	Guinea	South Africa	The Gambia	Benin	Namibia	Lesotho	Côte d'Ivoire	Tunisia	Comoros	Burundi	Central African Republic	Burkina Faso	Madagascar	Botswana	Mauritius	Seychelles	Kenya	Sierra Leone	Ghana
Expenditure associated with PPPs																					
Does it exist?	positive	positive	positive	positive	negative	negative	positive	negative	positive	positive	no response	negative	negative	positive	negative	positive	negative	positive	positive	positive	positive
Is it included in the executive budget proposal?	negative	positive	negative	positive	negative	negative	positive	negative	negative	negative	no response	no response	negative	positive	no response	positive	negative	positive	positive	negative	positive
Does it require legislative authorisation in appropriations/ budget law?	positive	positive	negative	positive	negative	negative	positive	negative	negative	negative	no response	no response	negative	positive	no response	positive	negative	positive	negative	negative	positive
Expenditure associated with social security funds																					
Does it exist?	positive	positive	positive	positive	negative	positive	positive	positive	positive	positive	no response	positive	negative	positive	negative	positive	positive	positive	positive	positive	positive
Is it included in the executive budget proposal?	negative	positive	negative	positive	negative	negative	negative	positive	negative	negative	no response	negative	negative	negative	positive	positive	positive	positive	negative	negative	positive
Does it require legislative authorisation in appropriations/ budget law?	positive	positive	negative	positive	negative	negative	negative	positive	negative	negative	no response	no response	negative	negative	no response	positive	positive	positive	negative	negative	positive
Expenditure associated with stabilisation funds																					
Does it exist?	negative	negative	positive	negative	negative	positive	negative	positive	negative	no response	no response	positive	no response	negative	negative	positive	negative	negative	positive	negative	positive
Is it included in the executive budget proposal?	negative	negative	positive	negative	negative	positive	no response	positive	negative	no response	no response	positive	no response	negative	no response	positive	negative	no response	negative	negative	positive
Does it require legislative authorisation in appropriations/ budget law?	negative	negative	positive	negative	negative	positive	no response	positive	positive	no response	no response	positive	no response	negative	no response	positive	negative	no response	negative	negative	positive

	Niger	Mali	Guinea	South Africa	The Gambia	Benin	Namibia	Lesotho	Côte d'Ivoire	Tunisia	Comoros	Burundi	Central African Republic	Burkina Faso	Madagascar	Botswana	Mauritius	Seychelles	Kenya	Sierra Leone	Ghana
Expenditure associated with ODA grants																					
Does it exist?																					
Is it included in the executive budget proposal?																					
Does it require legislative authorisation in appropriations/ budget law?																					
Expenditure associated with loan guarantees																					
Does it exist?																					
Is it included in the executive budget proposal?																					
Does it require legislative authorisation in appropriations/ budget law?																					
Expenditure associated with off-budget ODA loans																					
Does it exist?																					
Is it included in the executive budget proposal?																					
Does it require legislative authorisation in appropriations/ budget law?																					
Expenditure associated with public-sector pensions																					
Does it exist?																					
Is it included in the executive budget proposal?																					

	Niger	Mali	Guinea	South Africa	The Gambia	Benin	Namibia	Lesotho	Côte d'Ivoire	Tunisia	Comoros	Burundi	Central African Republic	Burkina Faso	Madagascar	Botswana	Mauritius	Seychelles	Kenya	Sierra Leone	Ghana
Does it require legislative authorisation in appropriations/ budget law?																					
Expenditure financed by on-budget concessional loans, such as ODA loans																					
Does it exist?																					
Is it included in the executive budget proposal?																					
Does it require legislative authorisation in appropriations/ budget law?																					
Expenditure from special accounts managed by the ministry of finance (or equivalent)																					
Does it exist?																					
Is it included in the executive budget proposal?																					
Does it require legislative authorisation in appropriations/ budget law?																					
Military expenditure																					
Does it exist?																					
Is it included in the executive budget proposal?																					
Does it require legislative authorisation in appropriations/ budget law?																					

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