BUDGET PRACTICES AND PROCEDURES IN AFRICA 2015

THE LEGISLATURES' CHALLENGE: POWERS WITHOUT INFORMATION, INFORMATION WITHOUT POWERS

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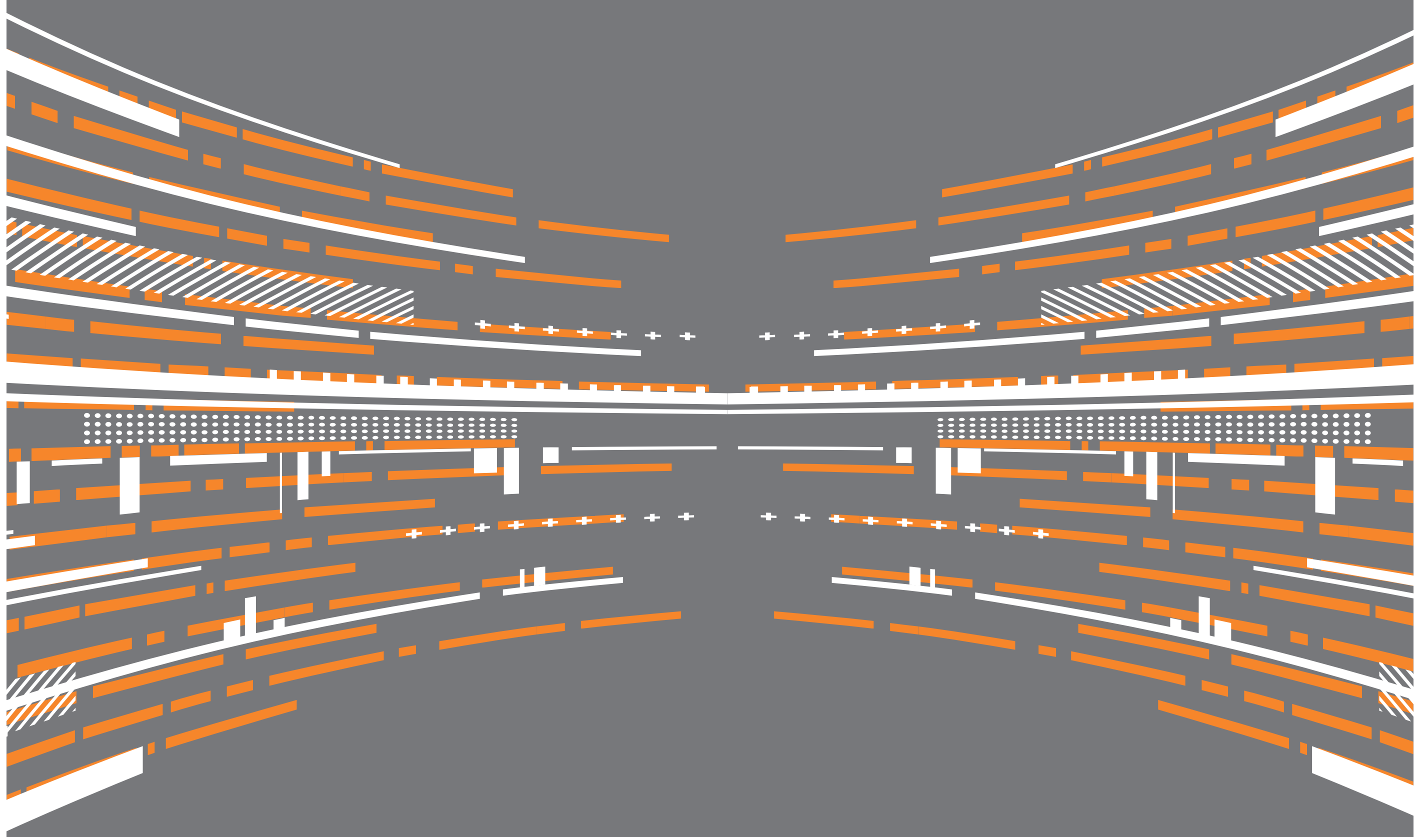

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ABOUT THIS SURVEY

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 (OECD) 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' challenge: 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.

THE LEGISLATURES' CHALLENGE:

POWERS WITHOUT INFORMATION, INFORMATION WITHOUT POWERS

Transparency is central to good governance in public finance. It is assumed that fiscal openness – defined as transparency and greater participation in budget processes by citizens and their political representatives – makes governments more responsive and accountable, reducing corruption, optimising budget allocations, and improving fiscal management and public services.

A growing body of evidence shows that these assumptions are correct – to some degree and in some circumstances. In particular, evidence shows that disclosure of macro-fiscal information can lower government borrowing costs; the audit of government programmes and disclosure of budget information can reduce corruption; greater citizen participation can improve the accountability of politicians and optimise budget allocations; and participatory budgeting can enhance health outcomes (De Renzio & Wehner, 2015; Khagram, De Renzio & Fung, 2014).

Good practice in this area is well defined by several frameworks, such as the International Monetary Fund (IMF) Fiscal Transparency Code (recently revised for a second time), the OECD's best practices for fiscal transparency (updated to the OECD principles of budgetary governance), and, most recently, the Global Initiative for Fiscal Transparency (GIFT) High-level Principles on Fiscal Transparency, Participation and Accountability (GIFT, 2015; OECD, 2014; IMF, 2014). They emphasise the breadth and quality of fiscal information that is made available, and the role of citizens and their representatives in ensuring governments are made accountable.

Many public financial management reform programmes now also include innovations aimed at increasing the openness of government's fiscal and budget policy-making processes, making information on public finances more widely available, and highlighting the role and capacity of entities such as parliament in monitoring accountability.

This brief, the fourth in a series of seven, analyses countries' responses to survey questions relating to fiscal openness, vertical accountability (linking citizens and state) and horizontal accountability (linking institutions and actors within government).

Key findings are as follows:

Parliamentary budgeting institutions and transparency of the executive budget document

- Approval phases started and ended earlier in 2015 than in 2008. One reason for the earlier approval of the budget is that several countries now approve it before the start of the fiscal year, whereas in 2008 they reported approving it after the fiscal year had started.
- In most countries, the executive process was longer in 2015 than in 2008, while the legislative budget process was shorter. Most countries allocated less than two months for parliaments to scrutinise and approve the budget. This is the minimum standard set by international norms.
- Despite improvements in formal powers of parliamentary budget institutions between 2008 and 2015, such institutions were reported weak in terms of organisational capacity in many countries. This was demonstrated by an index that looked at how long before the start of the fiscal year the budget is approved, legislative research capacity, committee structures and processes, and the formal powers of the legislature.
- The survey checked for eight information elements that should be included in the executive's budget document. More than half of the reporting countries included four or more of these elements. This would suggest that the information exists for parliament budget institutions to examine and influence the executive's budget proposals. But how many of those institutions have the organisational capacity to do so? More countries did better on budget transparency than on the budget process strength of legislatures.
- On the other hand, a small number of countries have strong legislative budgetary institutions but include limited information in budget documentation.
- On average, there was no significant change in the degree of transparency for countries that responded in 2008 and 2015. However, the publication of information on tax expenditures, the cost of new policies, non-financial performance targets and fiscal sensitivity analysis varied in both years.

External audit practices

- CABRI used an index to measure the strength of external audit institutions, testing the independence of the supreme audit institution (SAI), public reporting and follow-up practices. Just over half of the countries' scores reflect stronger performance in reporting and follow-up than in the independence of SAIs.

Fiscal reporting

- In-year fiscal reporting has improved significantly. More than half of the responding countries reported publishing monthly fiscal reports in 2015, mostly within a month after month-end.
- Almost one-third of countries responding in both years increased the frequency of their in-year reports.

Fiscal transparency across the budget cycle

- An analysis of fiscal transparency practices across the budget cycle shows that just under a third of countries provide information in line with international norms. For the remainder of the countries, an area of weakness is the unavailability of audit reports.

THE ROLE OF ACCOUNTABILITY ACTORS

The survey included a section on practices around the legislature approving the budget, including timing of the process, prevailing systems and rules, and participation of citizens and civil society through budget hearings. It also included a section on the audit phase that probed practices around SAIs.

LEGISLATIVE BUDGET PRACTICES

The legislature plays an important role in shaping the annual budget and providing budget oversight (Lienert, 2013). Parliamentary engagement in the budget process is essential in democracies; it is also increasingly being recognised as important for good financial governance. Normative frameworks such as the IMF Fiscal Transparency Code, OECD principles of budgetary governance and the GIFT principles recognise the fundamental role of legislatures and that they should have the opportunity, authority, resources and information required to effectively hold the executive to account.

The role of legislatures in budgetary governance varies greatly between countries, reflecting different constitutional systems, legal constraints, political factors and budgetary institutions (De Renzio & Wehner, 2008; Lienert, 2013). The legislature's three core functions are representation, law-making and oversight (Nakamura, 2008). However, the role played by parliaments is not necessarily positive. For example, members of parliament have an interest in maximising spending for their constituencies and minimising taxes (Lienert, 2013). How parliaments are able to fulfil their three core roles depends on the procedures and rules for parliamentary budget approval and oversight. These affect how well they are able to counter the negative effects of politics on budgetary decision-making and maximise the positive outcomes. The effectiveness of parliament's role is determined by the following factors: its formal powers in relation to the budget; the duration of the legislative process; its structures and the information available to it; and its procedures for examining and amending the budget. The discussion below focuses on specific issues that shed light on the range of parliamentary budget practices and procedures in Africa.

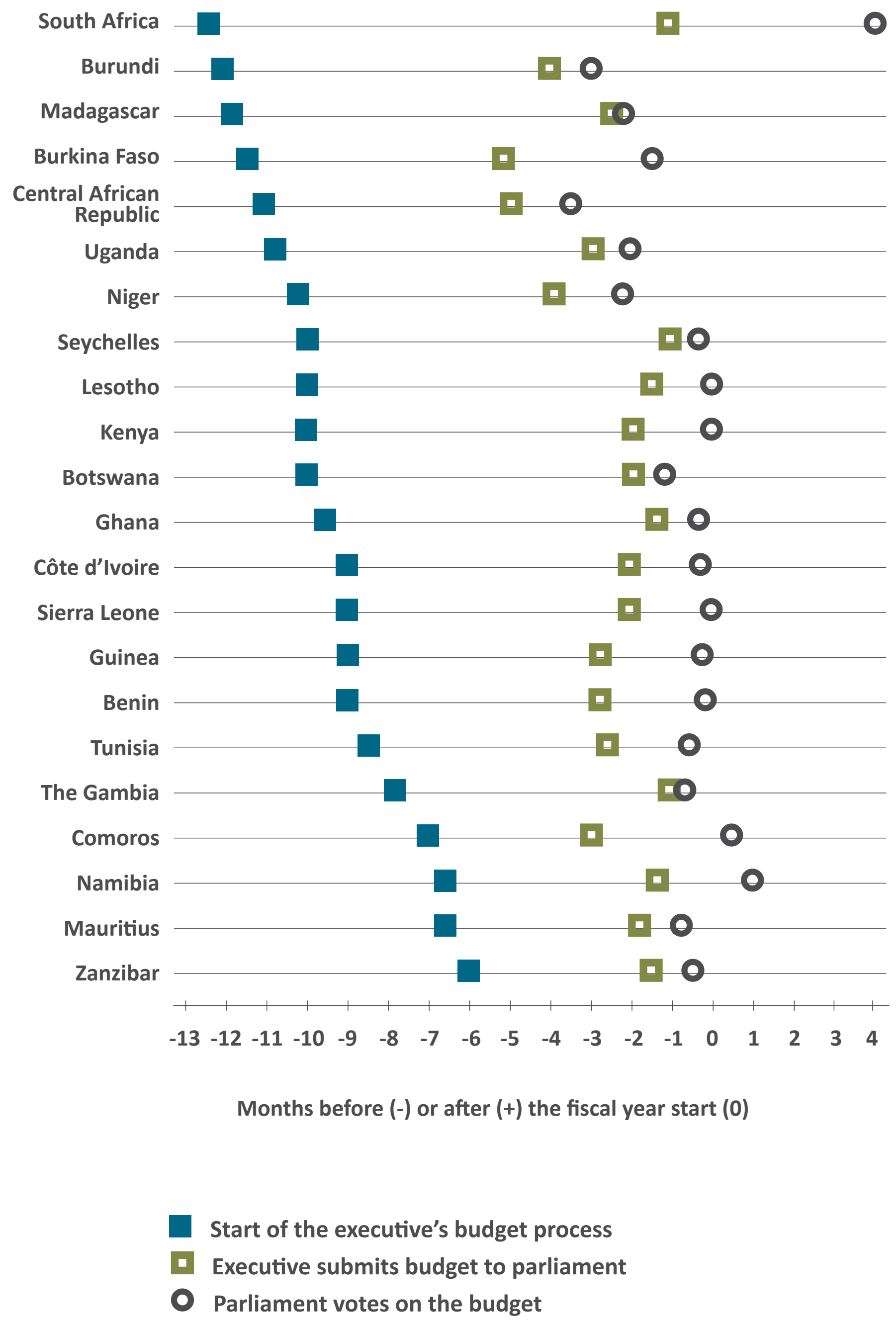
TIME FOR APPROVING THE BUDGET

The 2014 Fiscal Transparency Code recognises that legislatures (and the public) should be given adequate time to scrutinise the budget: a two-month period is recommended. The Public Expenditure and Financial Accountability Assessment framework sees three months as ideal.

TABLE 1 **Duration of legislative processes (from tabling to approval)**

Duration	No. of countries	Countries
4 months or more	1	South Africa
3 to 4 months	2	Burkina Faso, Comoros
2 to 3 months	3	Benin, Guinea, Namibia
1 to 2 months	9	Central African Republic, Côte d'Ivoire, Kenya, Lesotho, Mauritius, Niger, Sierra Leone, Tunisia, Zanzibar
A month or less	7	Botswana, Burundi, Ghana, Madagascar, Seychelles, The Gambia, Uganda

FIGURE 1 **Duration of the executive and legislative budget process**



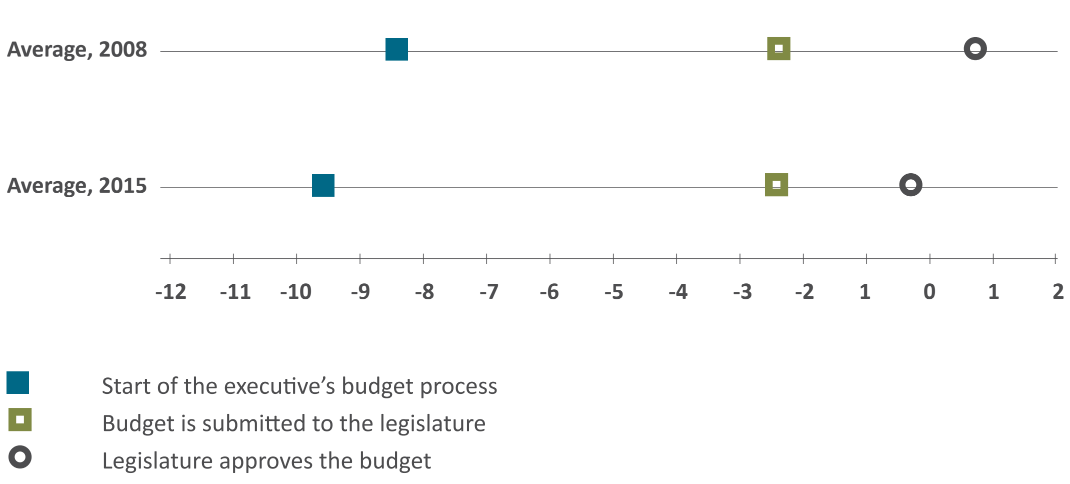
Most countries provide less than two months for parliaments to examine and approve the budget. For the responding countries in 2015,[2] the time ranged from less than a month to just over five months, as shown in Table 1 and Figure 1. The table arranges the countries in groups, and within groups from the longest to the shortest budget legislative process. It is notable that more than two-thirds of the responding countries' legislatures took less than two months to approve the budget. While 11 countries tabled the budget two and more months in advance of the fiscal year, in only three cases (Benin, Burkina Faso and Guinea) was the budget approved before the start of the fiscal year and the legislature provided with more than two months to scrutinise the budget.

On average in 2015, parliaments had one month and 23 days to approve the budget, compared to almost 200 days for the executive to prepare the budget. Seven countries provided the legislature with a month or less to approve the budget, while in two countries – The Gambia and Madagascar – less than two weeks was provided.

Compared to 2008, legislatures on average have slightly less time to approve budgets. Fourteen countries provided responses to the 2008 and 2015 survey sections that probed the timing and sequence of the budget preparation process.[3] On average, the overall budget process both started and ended earlier in 2015 than 2008, but was slightly longer, by about a week.

[2] Mali did not provide a response to the question. Note that for Zanzibar the date of legislative submission and approval was not included in their survey response but sourced directly for purposes of this brief.
[3] Although there are 15 repeat responders overall, Mali is not included in this analysis.

FIGURE 2 **Average legislative budget process in 2015, compared to 2008**



However, the average approval date in these countries is now before the start of the fiscal year for which the budget is approved, whereas in 2008 it was after the start of the fiscal year. Given that the submission date relative to the start of the fiscal year has not changed much between 2008 and 2015, legislatures on average in 2015 had less time to scrutinise and approve the budget than in 2008.

Kenya and Uganda now approve the budget before the start of the fiscal year, whereas in 2008 they (like South Africa and Namibia) followed the Westminster practice of approving it well after the start of the fiscal year, by about four months on average. Others also shifted their approval date earlier: Sierra Leone (by two months), Madagascar (by two months), Namibia (by two months, which means it now approves the budget one month after the start of the fiscal year) and Burkina Faso (by one and a half months).

Figure 2 shows an earlier budget start date on average, but in only a few cases was the additional time shared with or allocated to the legislative processes. Table 2 shows that only in the case of Burkina Faso and Lesotho was an earlier start to the executive process associated with more time for the legislature to examine and approve the budget. While Guinea and Mauritius also reported a longer or stable legislative process, the executive process was shorter.

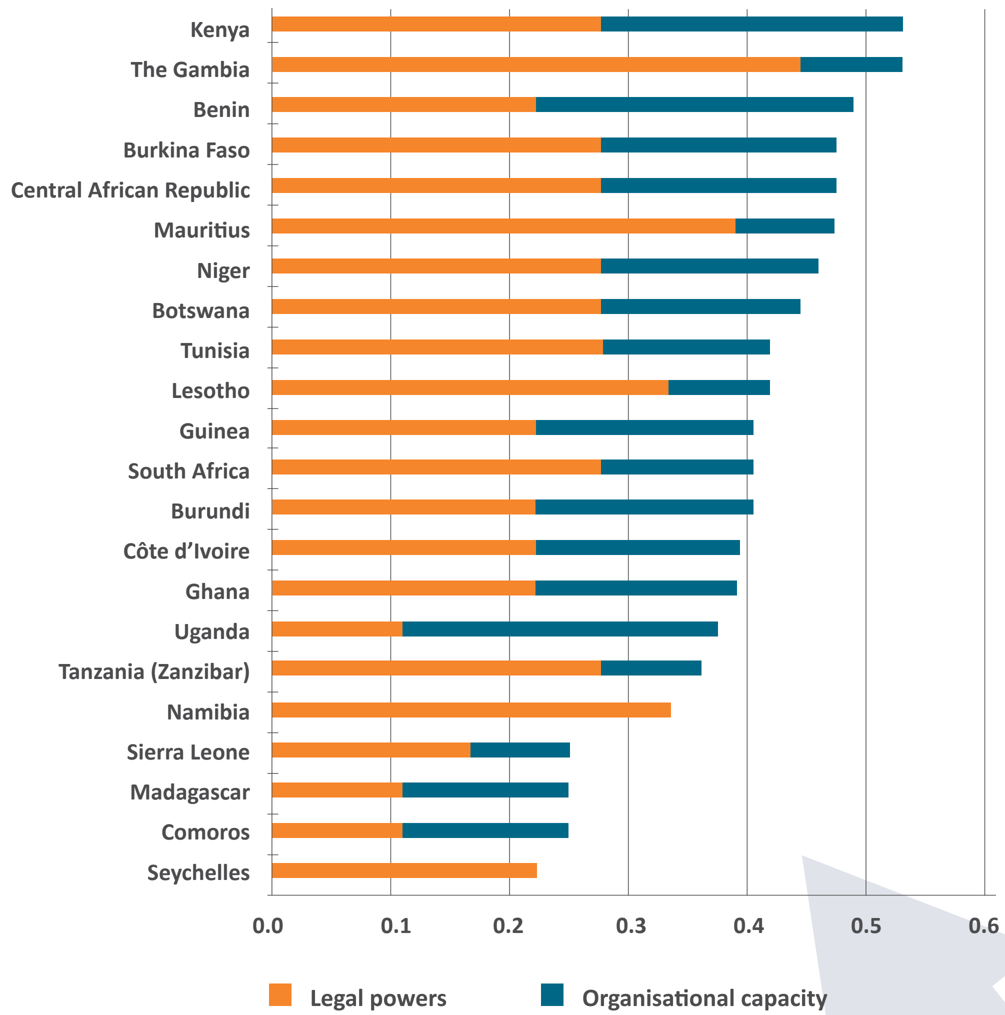
In nine countries (the last column in Table 2) the legislative process was shortened. In seven of these, this was despite an earlier start to the executive process.

On average, legislatures took about ten days less to approve the budget in 2015 compared to 2008, while the executive had almost a month more to prepare it. For more information and analysis by country, see CABRI's BPP Brief 1 on the executive budget process.

TABLE 2 **Change in practice between 2008 and 2015 by country and phase**

	Longer legislative process	Stable legislative process	Shorter legislative process
Earlier start to the executive budget process	Burkina Faso, Lesotho	South Africa	Botswana, Ghana, Madagascar, Namibia, Sierra Leone, Tunisia, Uganda
Stable start to the executive budget process	Guinea		Benin, Kenya
Later start to the executive budget process	Mauritius		

FIGURE 3 **Institutional strength of legislatures in the budget process**



INSTITUTIONAL CAPACITY OF LEGISLATURES

Time is not the only factor in determining the strength of legislative oversight. The 2008 BPP report calculated an index of the institutional capacity of legislatures, based on a 2006 index calculated by Wehner for countries worldwide (De Renzio & Wehner, 2008, pp. 11-14). This index is reproduced here, using data from the 2015 BPP survey.

The index uses six variables that affect legislative control of the budget process (or its institutional strength), which are coded between zero (no legislative budget capacity: least favourable) and one (full capacity: most favourable). Legislatures obtain a high score when: (a) they have unfettered amendment powers, (b) spending is disallowed without legislative approval, (c) the executive cannot unilaterally adjust the budget during implementation, (d) the budget is tabled well in advance of the start of the fiscal year,[4] (e) a budget committee and sectoral committees are involved in the scrutiny of the budget, and (f) parliament has access to budget research capacity. The coding scheme and country data for the index is detailed in Tables 7 and 8 in the Annex.

For presentation purposes, the variables are sorted into

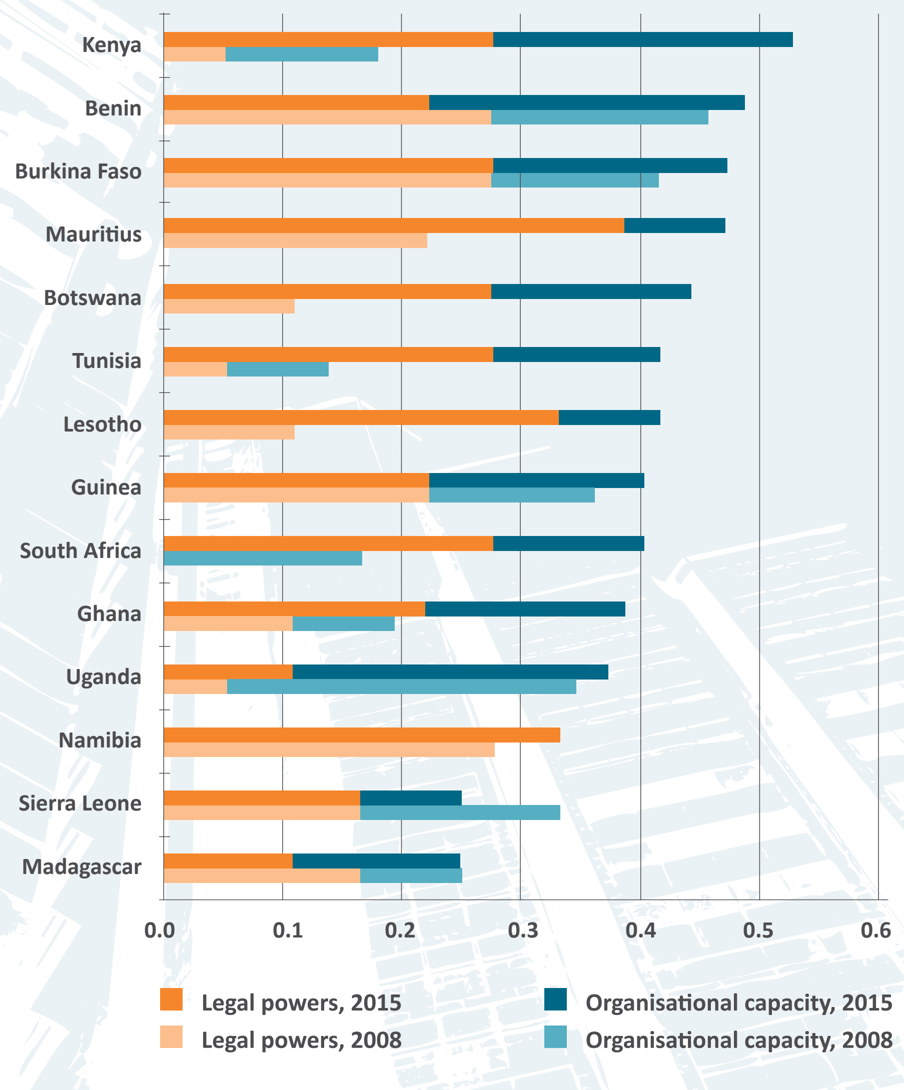
[4] Please note that this variable is different from the one presented in Table 1, which accounts for the total legislative process. This variable ignores legislative processes that take place after the start of the fiscal year, in accordance with the original methodology used by Wehner in 2006 and 2008.

two categories: the legal/formal powers of parliament (variables (a) to (c) above); and parliamentary processes and structures (variables (d) to (f) above). The relative ranking of the responding countries is reflected in Figure 3. This ranking indicates potential rather than actual parliamentary oversight effectiveness. Parliamentary budget institutions are open systems: whether or not they lead to more effective budget oversight is dependent not only on their strength but external factors such as political context. Therefore, if country A is ranked higher than country B, it does not necessarily follow that country A is more able to hold the executive to account, merely that it is institutionally in a stronger position.

Figure 3 shows that parliamentary budget institutions are weak in many countries. Only two scored more than 0.5 on the index, namely Kenya and The Gambia. Four countries scored below 0.33. Furthermore, the formal powers of parliaments are in most cases not backed by organisational capacity. On average, the formal powers index is 0.25 (out of a possible 0.5), while organisational capacity is 0.14.

The index score of most of the countries that answered the question in both years has improved. This was driven more by improvements in formal powers than in organisational capacity. On average, the scores

FIGURE 4 **Institutional strength of legislatures by country, 2008 and 2015**



for formal powers improved by 67 percent between 2008 and 2015, while those for organisational capacity improved by 46 percent.

As shown in Figure 4, the practices reported in the survey resulted in a lower score in 2015 compared to 2008 in only Sierra Leone, on account of a loss of organisational capacity. Five countries showed improvement of more than 0.2 on the index (Botswana, Kenya, Lesotho, South Africa and Tunisia).

ACCESS TO INFORMATION ON THE EXECUTIVE'S BUDGET PROPOSAL

While the index measures a number of factors influencing the institutional capacity for budget scrutiny and oversight, it does not include a measure of the information base on which parliamentary actors can engage with the executive's budget proposals. Figure 5 provides a snapshot of country practices relating to eight types of budget information considered to be critical for assessing the executive's budget proposal. They relate to, among others, the affordability of the budget proposal, the risk associated with the executive's proposals, the degree to which reprioritisation has occurred, and the performance of the programmes being funded in the budget.

Country performance ranges from South Africa and Niger, which reported including seven of the eight elements in their budget proposals, to Central African

FIGURE 5 **Transparency and comprehensiveness of the executive budget proposal**

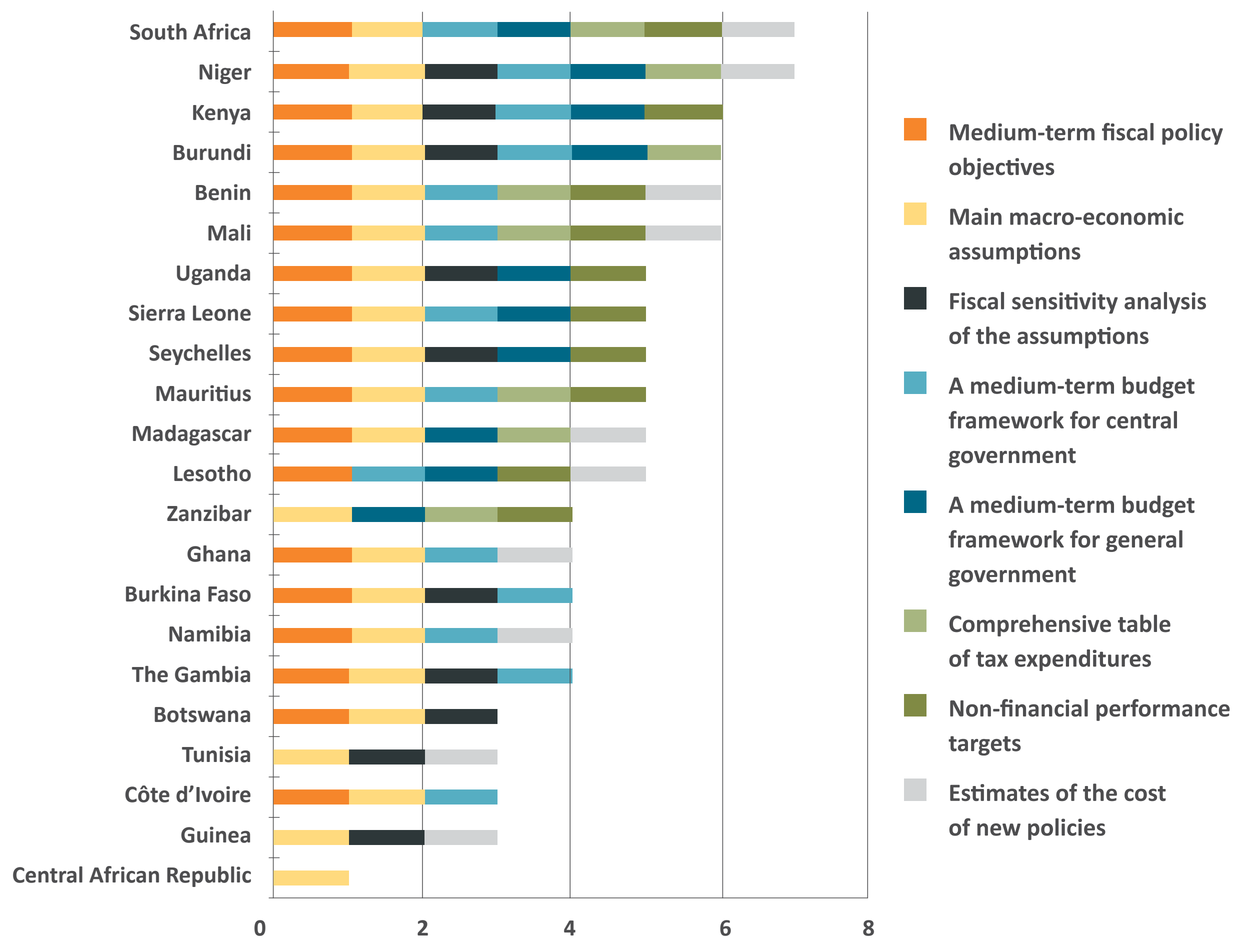


TABLE 3 Information elements most often present in executive budget documents

Element	No. of countries
The main macro-economic assumptions	21
Fiscal policy objectives for the medium term	18
A medium-term budget framework, covering at least total revenues, total expenditures and financing (of the deficit or the surplus) for central government	14
A medium-term budget framework, covering at least total revenues, total expenditures and financing (of the deficit or the surplus) for general government, i.e., including extra-budgetary funds and subnational governments	10
Non-financial performance targets for programmes and/or agencies	10
Estimates of the cost of new policies proposed in the budget	10
Fiscal sensitivity analysis of the macro-economic assumptions	10
Comprehensive table of tax expenditures (exemptions, deductions and credits)	8

Republic, which only provides the main macro-economic assumptions.

As shown in Table 3, the element most often included in the budget proposal is the main macro-economic assumptions.[5] Only Lesotho reported not including them. The element least often reported on is a comprehensive table of tax expenditures (eight countries). A total of 10 countries included non-financial performance targets in the budget proposal, which is interesting given that 18 countries reported using non-financial targets and expenditure strategy information in the budget process.

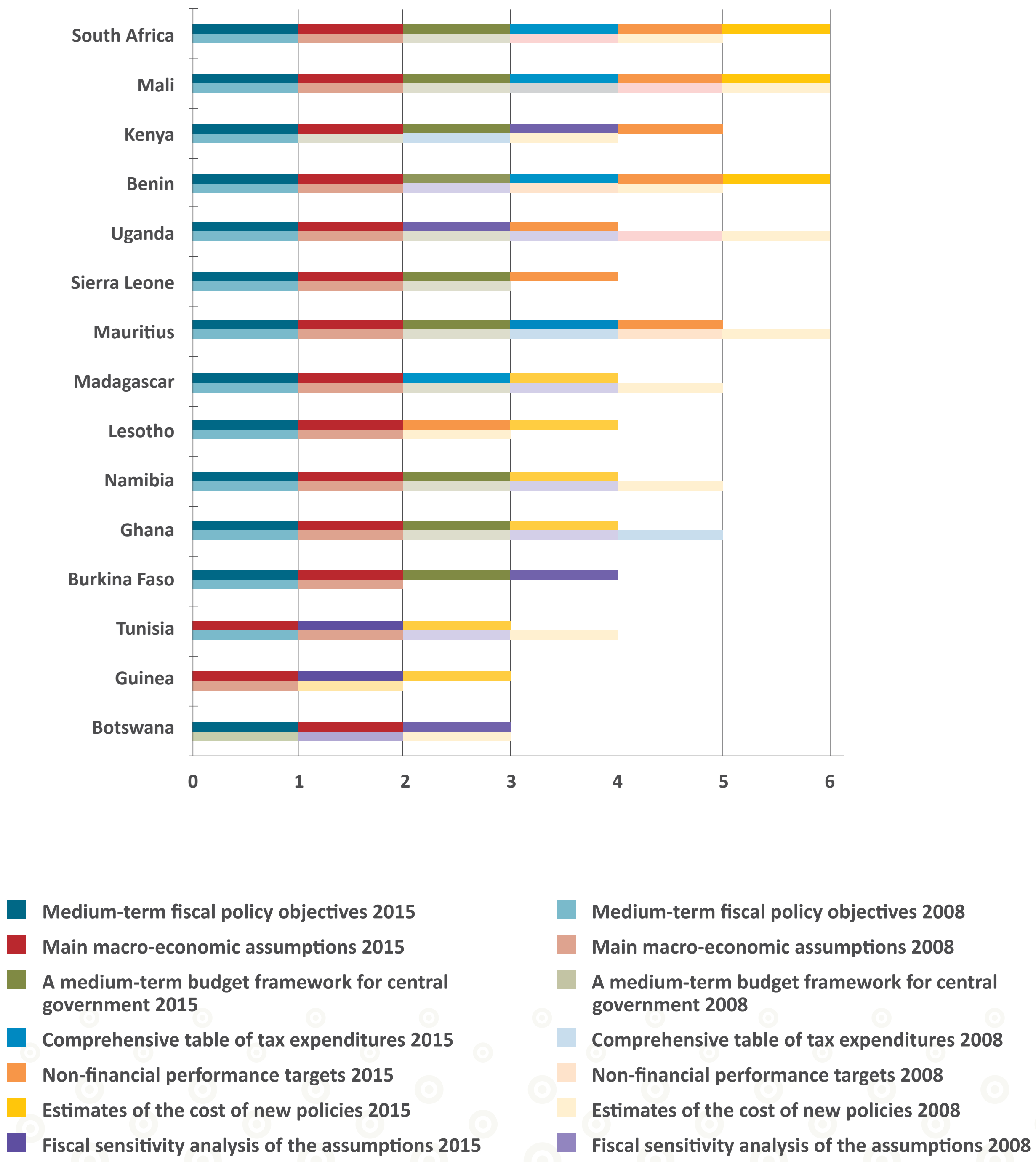
Between 2008 and 2015 the degree of transparency did not change, even when there was a change in the composition of elements. When comparing the responses of countries for both years, it appears that, in contrast with legislative budget institutions, little progress was made in making the budget document transparent. On average, countries include 4.3 of the seven elements tested in both surveys.[6] However, this masks improvements and declines in the degree and nature of openness by country. These are made explicit in Figure 6.

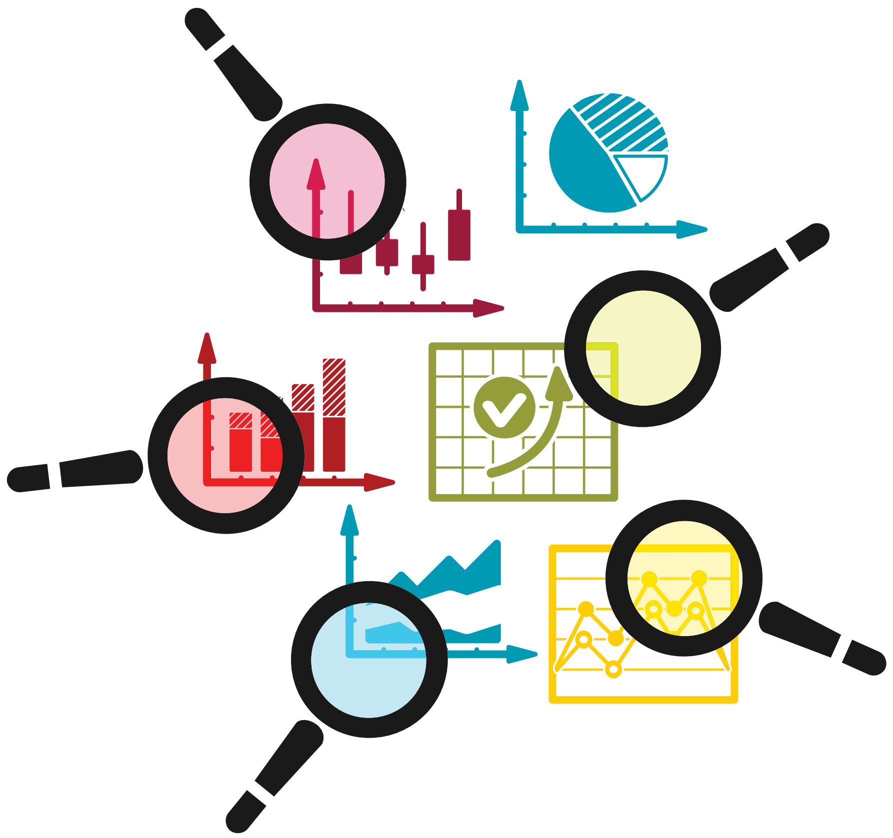
For example, according to its 2015 response South Africa included a tax expenditure table in the previous year but in 2008 did not. Kenya reported that it included an assessment of the cost of new policies and of tax expenditures in 2008 but not in 2015. In the later survey it did, however, report including macro-economic analysis, fiscal sensitivity analysis and non-financial performance targets in the executive budget document, which were not included in 2008. The reported parliamentary budget institutions and transparency practices in the 2015 survey suggest that many countries are well placed to examine and influence the executive's proposals. But how many have strong institutions and obtain quality information on the executive budget proposal? Table 4 arranges countries in terms of their legislative budget institution strength and degree of disclosure in the budget document. It shows that:

- More countries did better on budget transparency than on the budget process strength of legislatures.
- Niger and South Africa seem best placed to allow the legislature to play a central role in the budget process.

[5] Comoros did not respond to the question.
[6] Note that in 2008 the survey tested only whether a medium-term framework was included. In 2015 the survey tested separately for a framework for central government and general government, resulting in an extra element. In Figure 6, a country's positive response in 2015 on a central government medium-term framework was treated as equivalent to a positive response in 2008 on whether a medium-term budget framework had been presented.

FIGURE 6 Transparency and comprehensiveness of the executive budget proposal





- The Gambia has strong legislative budgetary institutions but includes limited information in budget documentation.

In practice, parliamentary influence on prudent fiscal decisions and good budgetary outcomes do not always result from these institutional arrangements. Among the important factors not tested in the survey are incentives for members of parliament, their capacity to fulfil their role, and the quality and presentation of the information. The survey responses do, however, provide a base of information on critical factors in parliamentary engagement on budgets, average practices and the relative standing of countries.

TABLE 4 Cross-tabulation of parliamentary budget institution and executive budget transparency strength[7]

INDEX OF STRENGTH OF BUDGETARY INSTITUTIONS	NUMBER OF INFORMATION ELEMENTS INCLUDED IN THE EXECUTIVE BUDGET DOCUMENT			
	0-2	3-4	5-6	7-8
			Madagascar, Seychelles	
	Central African Republic	Botswana, Burkina Faso, Côte d'Ivoire, Ghana, Guinea, Namibia, Tunisia, Zanzibar	Benin, Burundi, Lesotho, Mauritius, Sierra Leone, Uganda	Niger, South Africa
		The Gambia	Kenya	

[7] Note that Mali and Comoros are not included as they did not respond to all the questions required for the tabulation.

SUPREME AUDIT INSTITUTIONS

The fundamental role of SAIs is to provide independent assurance of the reliability of public financial information.

This role, and its place in good public financial governance, is well established. For example, the IMF Fiscal Transparency Code requires that annual financial statements are subject to a published audit by an independent SAI. The need for SAIs to be independent is also recognised in the GIFT principles. The OECD principles refer to SAIs as the "independent guardian of the public trust" and state that the reports of SAIs should be published in time to be relevant for the budget cycle.

Some SAIs' mandates and work go beyond auditing the public accounts. Many also conduct regular audits on the regularity of budget processes and are branching into auditing performance information and the performance of budget programmes. While the latter role is not well developed in Africa, some African SAIs are taking up emerging functions of "auditing the cost-effectiveness of individual programmes and assessing the quality of performance accountability and governance frameworks generally" (OECD, 2014, p. 8).

The Status Report on Good Financial Governance in Africa – a collaborative effort by CABRI, the African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E) and the African Tax Administration Forum (ATAF) – also recognised the importance of functional systems for following up on the findings and recommendations of SAIs. This requires mechanisms managed by the SAI and the legislature to ensure follow-up and provide assurance on the implementation status of recommendations (CABRI, AFROSAI & ATAF, 2011). Andrews et al. (2014) also see timely follow-up and redress by the executive as a critical result of functional public financial management systems.

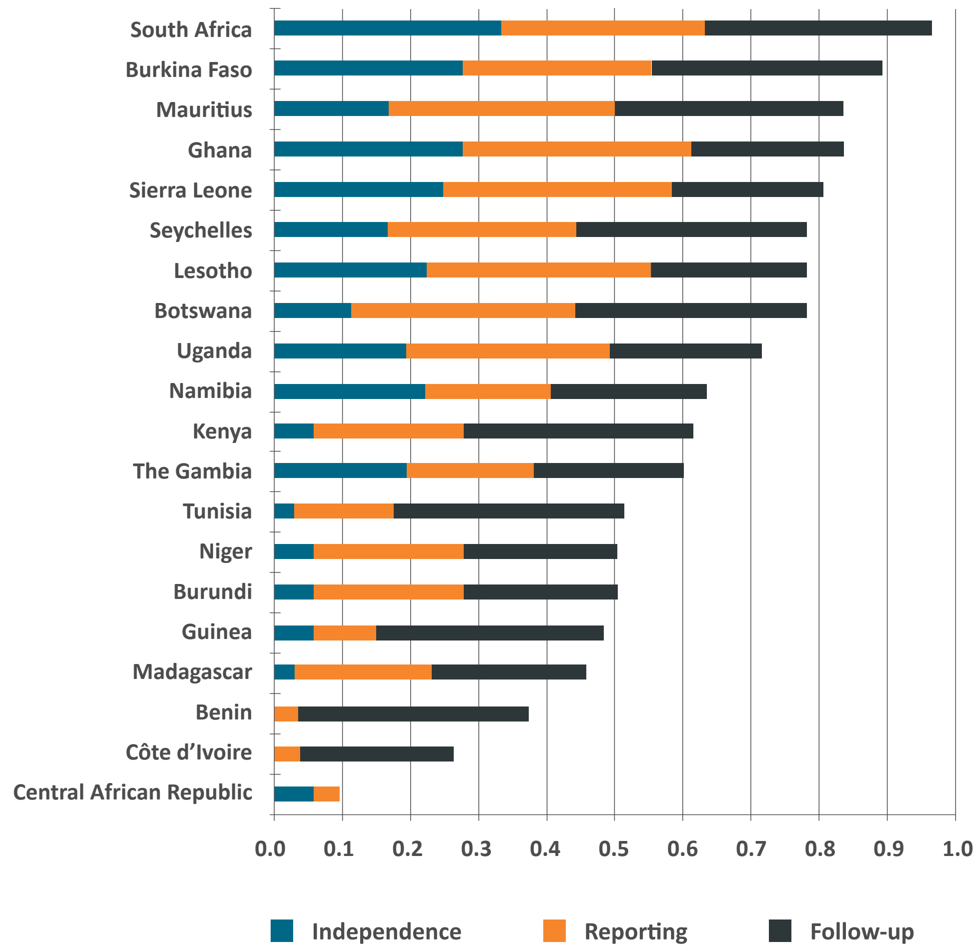
The BPP survey included a section on audit systems, allowing analysis of country practices against key aspects of these accepted norms.[8] Figure 7 presents an index of audit practices in the responding countries in relation to the independence of SAIs, audit reporting and follow-up practices. Independence is measured using responses to questions on how SAI heads are appointed and the rules for their dismissal, the independence of SAI operations and their independence in setting up a work programme. Reporting is also measured through three variables: whether SAI reports are public, to whom the SAI reports, and how long after the end of the fiscal year reports are released. Follow-up is measured using responses to the question of whether the parliamentary committee responsible for oversight – often called the public accounts committee – formally prepares recommendations and whether and how often the executive responds to the recommendations. These three components are weighted equally in the index. The coding scheme and country data for the index are provided in Tables 9 and 10 in the Annex.

While the index is an indicator of the institutional strength of SAIs, there are other important factors to consider, such as the amount of available resources. It does not, therefore, measure performance.

Figure 7 shows that there is great variation in African practices relative to generally accepted systemic norms. While several countries reported practices that conform to international norms, the score of almost half of the countries did not reach the midway mark on the index. The graph also indicates a relative weakness across countries in the independence of the SAIs compared to reporting and follow-up practices.

[8] Note that Comoros, Mali and Zanzibar are not included in the index as they did not respond to some of the questions used to construct it.

FIGURE 7 **Index of audit institutions**[9]



The 2015 questionnaire included far more questions on external audit than the 2008 survey. Comparison is possible only on reporting practices. Figure 8 reflects an index calculated for the countries that responded in both years to questions on external audit reporting. The index uses the same scoring scheme as for the index above (see Tables 9 and 10 in the Annex for detail), except for the timing of reports: a score of 0 was assigned if reports were reported not to be publicly available and 0.33 if they were.[10]

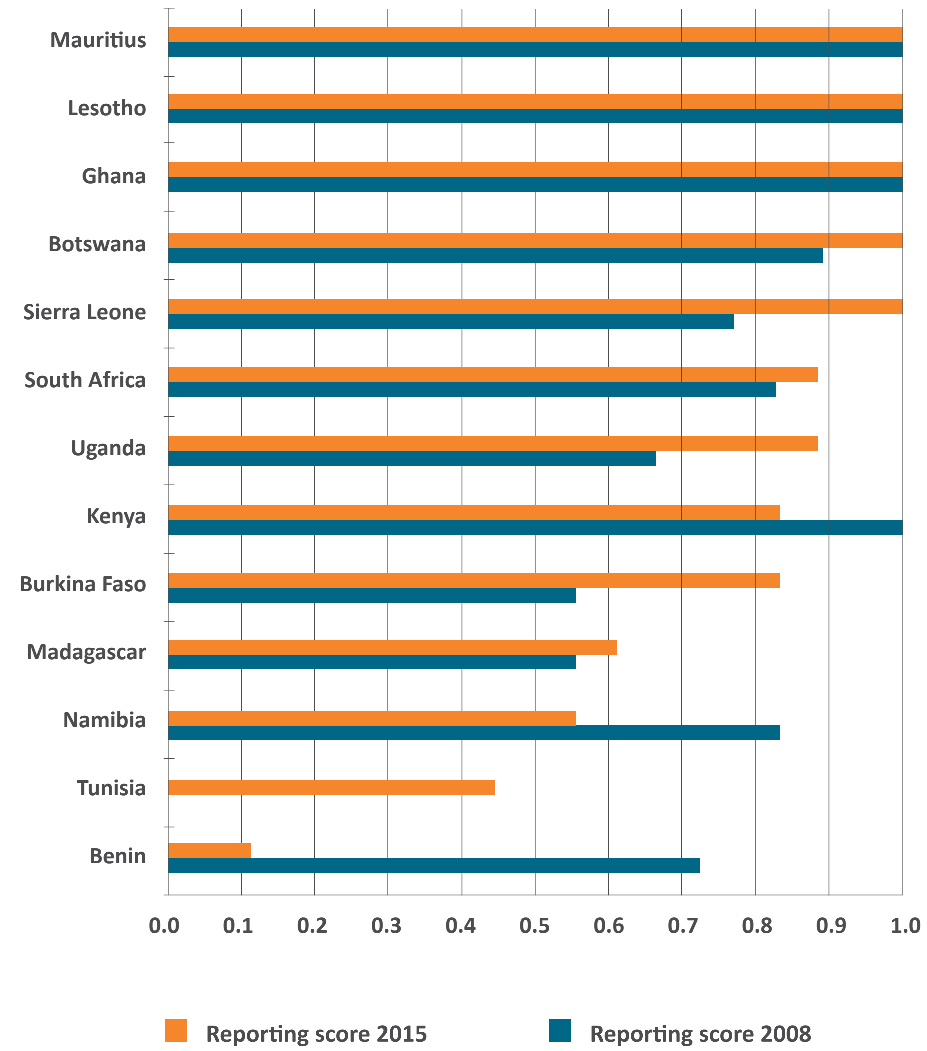
Figure 8 shows that external audit reporting practices for 10 out of the 13 countries either improved or were stable. Some countries – like Tunisia, which scored 0 in 2008 because reports were not made public and were submitted to the president rather than the legislature – showed a radical improvement.

The significant deterioration in Benin is due to its reporting that reports were not publicly available in 2015 (against the question as to how long after the fiscal year reports are publicly available) and were principally submitted to the president and cabinet, and not to the legislature. In 2008 the reports were publicly available – albeit after a lapse of a year – for most expenditure, and were submitted to the legislature.

[9] Note that for this and the next graph, Benin's response on whether reports are always publicly available was adjusted from "Yes, in most cases, but with some exceptions (e.g. audits of the military)" to "Rarely" to align with its response to the question on how long after the end of the fiscal year reports are available (it stated that they are not publicly available).

[10] This is because the 2008 questionnaire did not distinguish between reports that were published less or more than 24 months after the end of the fiscal year.

FIGURE 8 **Change in SAI reporting practices, 2008 to 2015**



In the two other areas relating to the strength of SAIs, independence and follow-up practices, it is useful to compare practices in 2015 in broad terms against the findings of the 2011 CABRI Good Public Financial Governance in Africa Status Report. The data from the 2015 survey is broadly in line with findings in this report on the independence of SAIs in Africa. The 2015 survey data suggests that there has been some improvement in follow-up practices on audit findings. Compared to the Status Report – which found significant weaknesses across Africa in follow-up – the average score in the 2015 survey of 0.239 suggests improvement in this area, even though the question to which countries were responding was not nuanced. The question asked merely whether follow-up occurs, not about its depth and effectiveness.

FISCAL REPORTING

Improving fiscal reporting has been a focus of countries' reform efforts for a number of years. The internal and public availability of reliable, timely information on actual revenue and expenditure is necessary for the public to check governments' fiscal decisions. Regular in-year fiscal reporting to parliament and the public on revenues and expenditures, among other things, is recognised as a principle in the 2014 IMF Code on Fiscal Transparency. The OECD principles view in-year budget execution reports as fundamental to accountability (OECD, 2014, p. 7).

The CABRI BPP survey did not test the underlying systems, but rather asked questions about the regularity and timeliness of in-year reports. Eleven of the 22 countries that answered the question on fiscal reporting in 2015 publish reports monthly. A further six issue quarterly reports, while five publish less frequently. Almost all the countries that responded to the question on how much time lapses after the end of the period to which the report refers, reported that it is available within a month. Only two, The Gambia and Mali, indicated that the report is published five or more weeks after the end of the period. Ghana, Namibia, Uganda and Zanzibar did not specify the time lapse.

Table 5 below unpacks this data by country, showing how frequently countries publish fiscal reports and with what time lag after the end of the period to which the report refers.[11]

A comparison with 2008 data shows that the number of countries that now publish reports or publish them more frequently indicates improved practices. Almost one-third of the countries that responded in both years increased the frequency of their reports, with only Burkina Faso reducing the frequency.

TABLE 5 Country practices: Timeliness and frequency of expenditure reports

	FREQUENCY OF REPORTS			
Time lag	**Monthly (11 countries)**	**Quarterly (6 countries)**	**6-monthly (4 countries)**	**Annually (1 country)**
1-2 weeks (7 countries)	Burundi, Central African Republic, Lesotho, Seychelles	Burkina Faso, Côte d'Ivoire	Niger	
3-4 weeks (9 countries)	Botswana, Guinea, Madagascar, Sierra Leone, South Africa, Tunisia	Benin, Kenya, Mauritius		
5+ weeks (2 countries)	The Gambia	Mali		
Did not specify (4 countries)			Ghana, Uganda, Zanzibar	Namibia

[11] Comoros did not provide an answer to the question.

TABLE 6 Improved frequency of reporting, 2008 to 2015

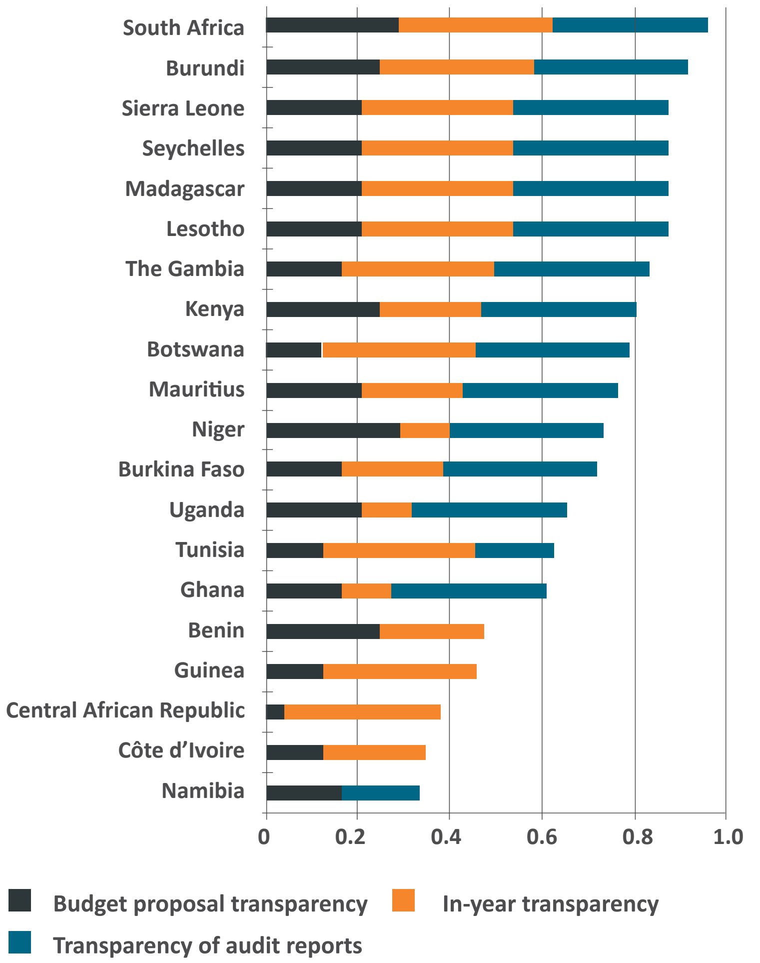
	FREQUENCY OF REPORTS			
	Monthly	**Quarterly**	**Every 6 months**	**Annually**
2015	7 (Botswana, Guinea, Lesotho, Madagascar, Sierra Leone, South Africa, Tunisia)	4 (Benin, Burkina Faso, Kenya, Mali)	2 (Ghana, Uganda)	1 (Namibia)
2008	4 (Botswana, Burkina Faso, South Africa, Tunisia)	5 (Benin, Kenya, Madagascar, Mali, Sierra Leone)	3 (Ghana, Guinea, Uganda)	2 (Lesotho, Namibia)

TRANSPARENCY ACROSS THE BUDGET CYCLE

International transparency norms require that up-to-date information be provided to the public throughout the budget cycle, including on the executive's budget proposal, in-year revenue and expenditure outturns and audit results. The BPP survey included questions on whether and how well countries provide information at each of these three stages. The previous sections include a discussion of these questions, including the degree of transparency of the budget document, the availability and frequency of fiscal reports, the public availability of audit reports, and the time lapse after the end of the fiscal year before the reports are publicly available, if they are.

Figure 9 provides a transparency index calculated using 20[12] country responses to the 2015 survey. The index uses country responses to various questions in the survey relating to the three main reporting phases of the budget process: budget preparation, budget execution, and ex-post reporting and audit. Table 12 in the Annex provides the scoring scheme as well as country scores for this index.

FIGURE 9 **Index of fiscal transparency across the budget cycle**



Twelve countries achieved scores of 0.66 or more, with good scores against each of the budget phases. Of those, Botswana, Burkina Faso and The Gambia did worse on the transparency of the budget proposal than in the other two categories, while Niger's in-year reporting practices lagged behind compared to the other phases. Another group of countries scored between 0.33 and 0.66, with Uganda scoring just below the 0.66 threshold and Burkina Faso just above the lower threshold. In this group, the non-availability of audit reports to the public often contributes to their lower scores.

Tables 11 and 12 in the Annex provide the scoring scheme and country scores for this index.

[13] Comoros, Mali and Zanzibar did not respond to one or more of the questions asked.

ANNEX

TABLE 7 **Scoring scheme for parliamentary index**

Component	Scoring
1 Amendment powers	0 = accept or reject, 0.33 = cuts only or other severe restrictions, 0.67 = aggregate constraint, 1 = unfettered
2 Reversionary budget	0 = executive budget proposal, 0.33 = vote on account, 0.67 = last year's budget, 1 = legislature approves interim measure
3a Withhold	0 = executive may withhold funds during execution, 0.33 = may not withhold funds during execution
3b Virement	0 = may reallocate funds during execution, 0.33 = may not reallocate funds during execution
3c Reserve fund	0 = reserve fund, 0.33 = no reserve fund
4 Time lapse between tabling the budget and the start of the fiscal year	0 = up to 2 months, 0.33 = up to 4 months, 0.67 = up to 6 months, 1 = more than 6 months
5a Budget committee	0 = no budget committee, 0.5 = budget committee
5b Sectoral committees	0 = no substantive role, 0.5 = decide departmental budgets
6 Research capacity	0 = no, 0.25 = the budget office exists and/or less than 10 professional staff, 0.5 = 10 to 25 staff, 0.75 = 26 to 50 staff, 1 = more than 50 staff

TABLE 8 **Country scores for parliamentary index**

	Amendment power	Reversionary budget	Withhold expenditure	Virements allowed	Reserve fund	Time lapse	Committee structure	Research capacity
Comoros	0	0	0	0.33	0.33	0.33	0.5	0
Uganda	0.33	0	0	0	0.33	0.33	1	0.25
Ghana	0.33	1	0	0	0	0	1	0
Seychelles	0	0.67	0.33	0.33	0	0	0	0
Côte d'Ivoire	0.67	0.67	0	0	0	0	0.5	0.5
Tanzania (Zanzibar)	0.33	0.67	0.33	0.33	0	0	0.5	0
Sierra Leone	0	1	0	0	0	0	0.5	0
Botswana	1	0.33	0	0.33	0	0	1	0
Kenya	0.67	1	0	0	0	0	1	0.5
Benin	0.67	0.67	0	0	0	0.33	1	0.25
Burundi	0.67	0.67	0	0	0	0.33	0.5	0.25
Lesotho	1	0.67	0.33	0	0	0	0.5	0
Namibia	1	0.67	0.33	0	0	0	0	0
South Africa	1	0.67	0	0	0	0	0.5	0.25
Madagascar	0	0.33	0	0	0.33	0.33	0.5	0
Guinea	0.67	0.67	0	0	0	0.33	0.5	0.25
Mauritius	1	0.67	0.33	0	0.33	0	0.5	0
Niger	0.33	0.67	0.33	0.33	0	0.33	0.5	0.25
Tunisia	0.67	0.67	0.33	0	0	0.33	0.5	0
Gambia, The	1	0.67	0.33	0.33	0.33	0	0.5	0
Central African Republic	0.67	1	0	0	0	0.67	0.5	0
Burkina Faso	0.67	0.67	0	0	0.33	0.67	0.5	0

TABLE 9 **Scoring table for the audit institutions index**

INDEPENDENCE OF THE SAI 3 points	Appointment (0.5)	The appointment of the head of the external auditor (EA)/SAI is based on the person's technical competency and integrity (0.5 if checked)
	Removal (0.5)	The only legal grounds for removal of the head of the SAI are ill health and inability to fulfil the mandate of the external auditor/SAI (0.5 if checked)
	Independence of operations (1)	The head of the external auditor/SAI is free to recruit, remunerate and remove staff on the basis of merit and rules outside those pertaining to the civil service (0.5 if checked)
		The budget of the external auditor/SAI is prepared by the head of the EA/SAI and is not subject to revisions by the executive (0.5 if checked)
	Independence of audit selection (1)	The head of the external auditor/SAI has sole responsibility for determining the audit programme, without any direction by the executive or the legislature (1 if checked)
REPORTING PRACTICES 3 points	To whom does the SAI report? (1)	The president, prime minister, cabinet (0 if any of these checked)
		The legislature; the finance or budget committee in the legislature; a legislative committee that specialises in audit scrutiny, e.g. public accounts committee (1 if one of three are checked and none of the options in the row above; 0.5 if any of these are checked and any one of the options in the row above)
	Are the findings of the SAI available to the public?	Yes, always (1 if checked)
		Yes, in most cases, but with some exceptions (e.g. audits of the military) (0.67 if checked)
		Rarely (0.33 if checked)
		Never (0 if checked)
	When does the SAI's report on the annual consolidated accounts of central government become available?	From 1 to 24 months after the end of the fiscal year (1 if checked)
		More than 24 months after the end of the fiscal year (0.5 if checked)
		They are not publicly available (0 if checked)
FOLLOW-UP TO RECOMMENDATIONS 3 points	Is there follow-up to the recommendations contained in the annual reports of the SAI?	No, neither the legislature nor the executive takes any action to follow up (0 if checked)
		Yes, a parliamentary committee of the legislature prepares recommendations, but the executive responds to none of them (1 if checked)
		Yes, a parliamentary committee of the legislature prepares recommendations, but the executive only responds to some of them (2 if checked)
		Yes, a parliamentary committee of the legislature prepares recommendations and the executive responds to all of them (3 if checked)

TABLE 10 Scoring of countries in audit institutions index

	Independence (out of 3)	Reporting (out of 3)	Follow-up (out of 3)
Central African Republic	0.5	0.33	0
Côte d'Ivoire	0	0.33	2
The Gambia	1.75	1.67	2
Benin	0	0.33	3
Madagascar	0.25	1.83	2
Tunisia	0.25	1.33	3
Guinea	0.5	0.83	3
Burundi	0.5	2	2
Niger	0.5	2	2
Kenya	0.5	2.5	3
Sierra Leone	2.25	3	2
Uganda	1.75	2.67	2
Namibia	2	1.67	2
Botswana	1	3	3
Ghana	2.5	3	2
Lesotho	2	3	2
Seychelles	1.5	2.5	3
Mauritius	1.5	3	3
Burkina Faso	2.5	2.5	3
South Africa	3	2.67	3

TABLE 11 Scoring scheme for the fiscal transparency index

Aspect/question	Scoring
How many information elements are included in the budget document?	Number of elements provided divided by 8
How frequently does the ministry of finance (or equivalent) publish information on actual revenues and expenditures during the fiscal year?	Monthly = 1
	Quarterly = 0.66
	6-monthly = 0.33
	Annually or not at all = 0
When does the external auditor's/SAI's report on the annual consolidated accounts of the central government become publicly available?	From 1 to 24 months after the end of the fiscal year (1)
	More than 24 months after the end of the fiscal year (0.5)
	They are not publicly available (0)

TABLE 12 Country data for the fiscal transparency index

	Budget proposal transparency	In-year transparency	Transparency of audit reports
Zanzibar	0.50	0.33	Did not respond
Namibia	0.50	0.00	0.50
Côte d'Ivoire	0.38	0.66	0.00
Central African Republic	0.13	1.00	0.00
Guinea	0.38	1.00	0.00
Mali	0.75	0.66	Did not respond
Benin	0.75	0.66	0.00
Ghana	0.50	0.33	1.00
Tunisia	0.38	1.00	0.50
Uganda	0.63	0.33	1.00
Burkina Faso	0.50	0.66	1.00
Niger	0.88	0.33	1.00
The Gambia	0.5	1.00	1.00
Mauritius	0.63	0.66	1.00
Botswana	0.38	1.00	1.00
Kenya	0.75	0.66	1.00
Lesotho	0.63	1.00	1.00
Madagascar	0.63	1.00	1.00
Seychelles	0.63	1.00	1.00
Sierra Leone	0.63	1.00	1.00
Burundi	0.75	1.00	1.00
South Africa	0.88	1.00	1.00

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