



SANITATION  
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DIGNITY

# OPEN BUDGET SURVEY 2017

# The Open Budget Survey (OBS)

- The OBS assesses whether the basic conditions needed for representative democracy to function are being met in the budget sphere:
  - the free flow of information
  - oversight practices by legislatures and auditors
  - opportunities for public participation in government decision-making and oversight



# The OBS methodology

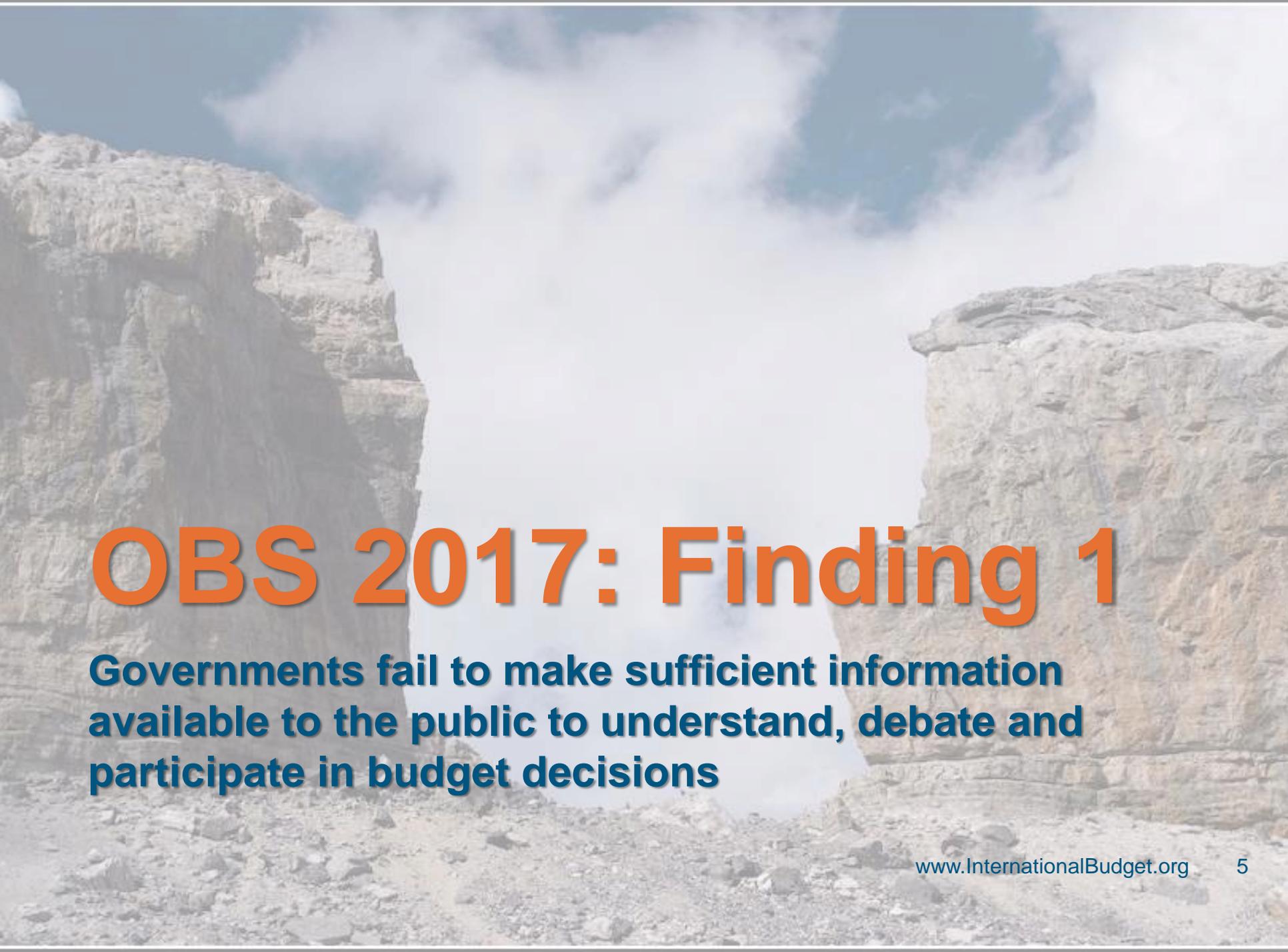
- Only independent, comparative measure of budget transparency, oversight and participation in the world
- Questions based on international standards
- Measures observable facts using 145 scored indicators
- 2017: Sixth round of the OBS covers 115 countries
- 39 countries in Africa in 2017, of which 35 are in Sub-Saharan Africa.
- Eight new countries from Africa were added for 2017: Burundi, Comoros, Côte d'Ivoire, Lesotho, Madagascar, Somalia, South Sudan, and Swaziland.



# OBS assesses 8 key budget documents

- The OBS is anchored on 8 internationally recognized budget documents necessary to inform the four stages of the budget cycle
- These include planning documents, execution reports, and audit findings
- For the OBS 2017, only documents published (or that should have been published) prior to 31 December 2016 have been assessed



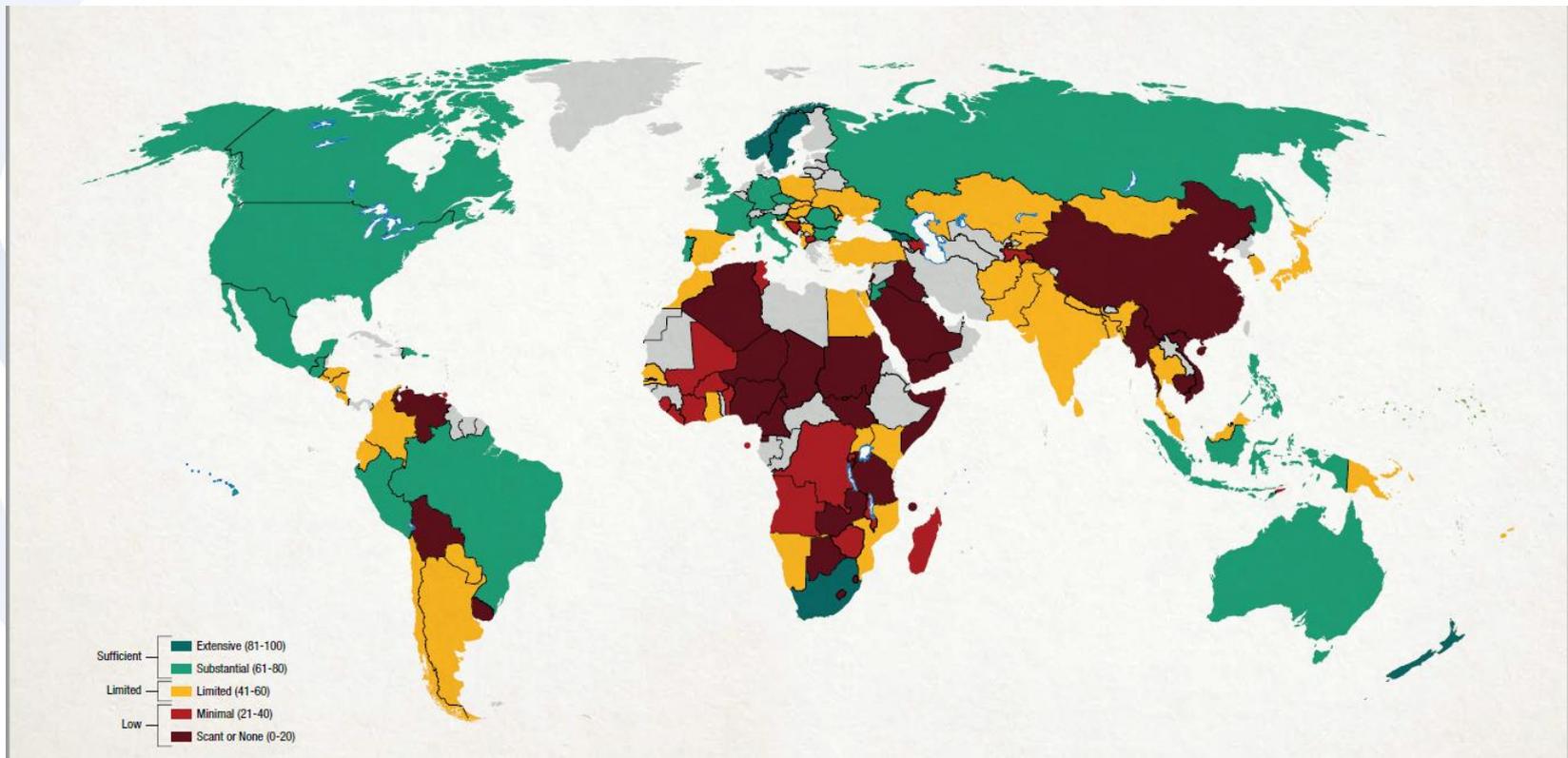


# OBS 2017: Finding 1

**Governments fail to make sufficient information available to the public to understand, debate and participate in budget decisions**

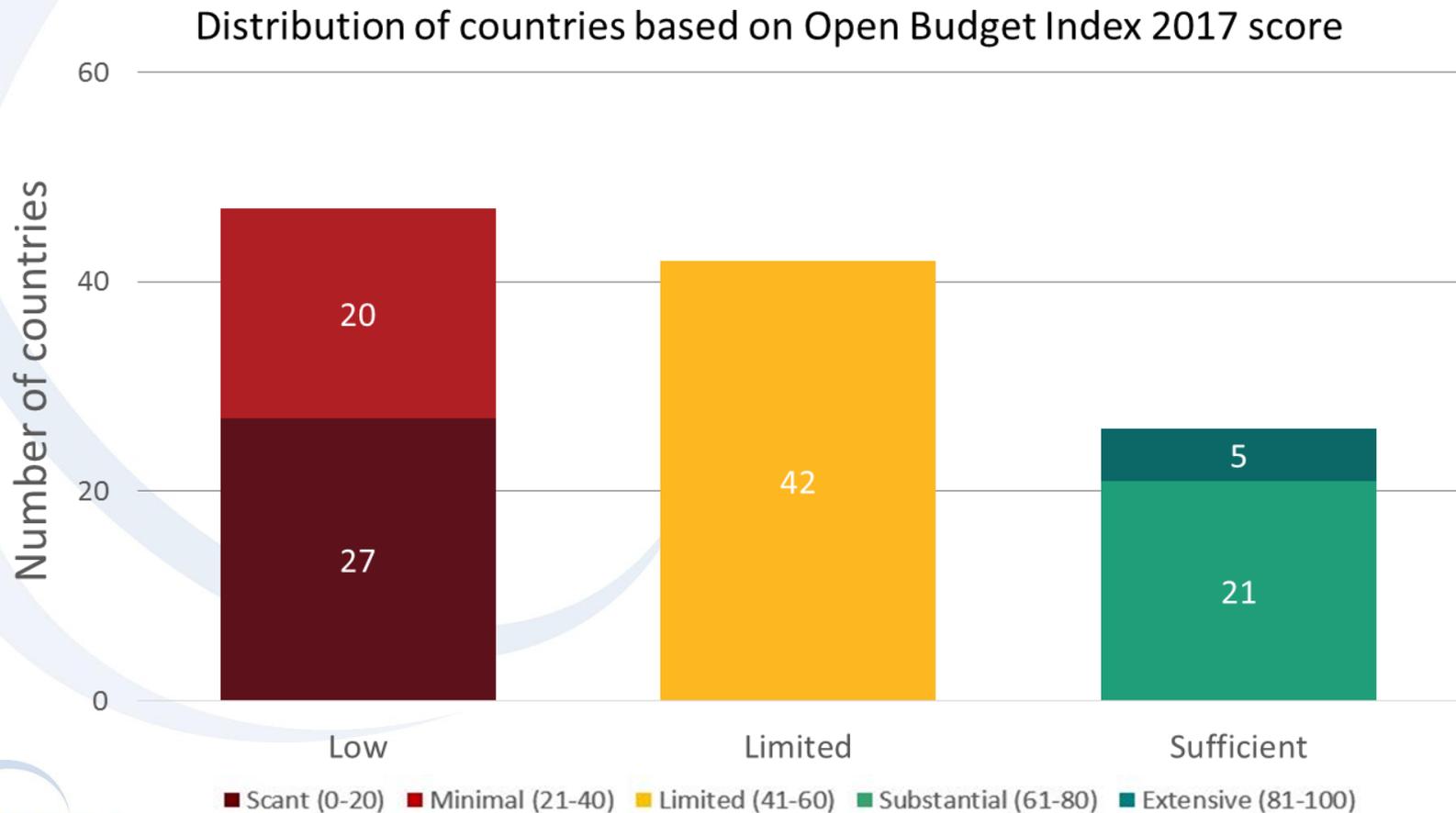
# The Open Budget Index (OBI) 2017

- The average OBI score of the 115 countries surveyed in 2017 is 42 out of 100, suggesting that the global state of transparency is limited



# 3 of every 4 countries fall short on OBI

- 89 of 115 countries surveyed fail to provide sufficient information to the public on their national budgets, according to Open Budget Index 2017



# In Sub-Saharan Africa, the overall score is low

- Sub-Saharan Africa: 35 countries in 2017
- Average score of 25 for SSA compared to global score of 42
- Scores in SSA are below scores in N. Africa, but the difference is small (25 v. 32)
- 34 of 35 countries fail to provide sufficient budget information (at least 61 out of 100)



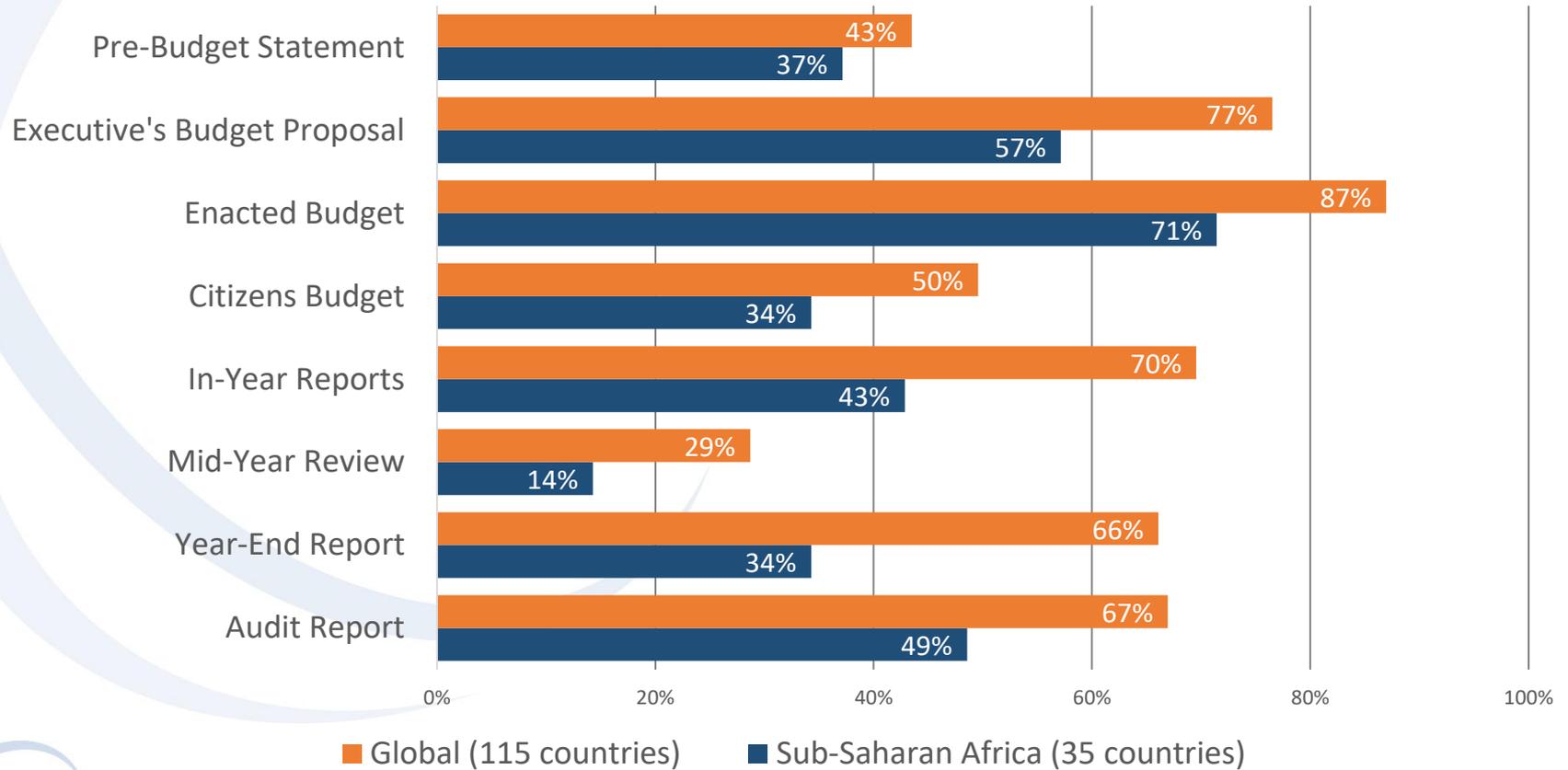
# When it comes to budget documents in Sub-Saharan Africa...

- More than half of the documents that should be publicly available are not
- More than two thirds of the documents that are not published are already produced



# Documents: Sub-Saharan Africa v. Global

Percent of countries publishing key budget document in 2017





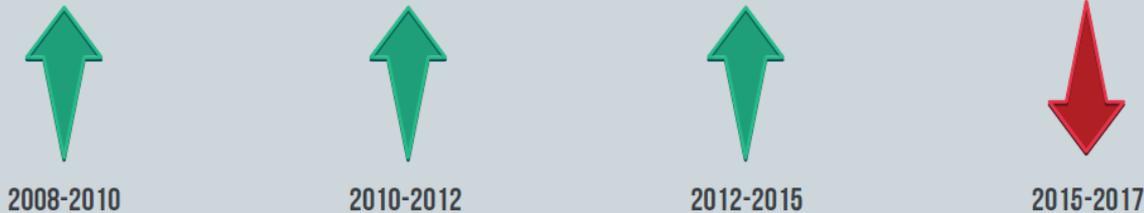
# OBS 2017: Finding 2

**Progress toward greater transparency has stalled for the first time since IBP began measuring it over a decade ago**

# Increases in transparency halted between 2015 and 2017

- The average OBI score fell from 45 in 2015 to 43 in 2017 for the 102 countries surveyed in both rounds
- This was the first time this has happened since 2008

## OPEN BUDGET INDEX



# OBI decline reflects large drop in Sub-Saharan Africa score between 2015 and 2017

## Regional changes in OBI scores, 2015 - 2017

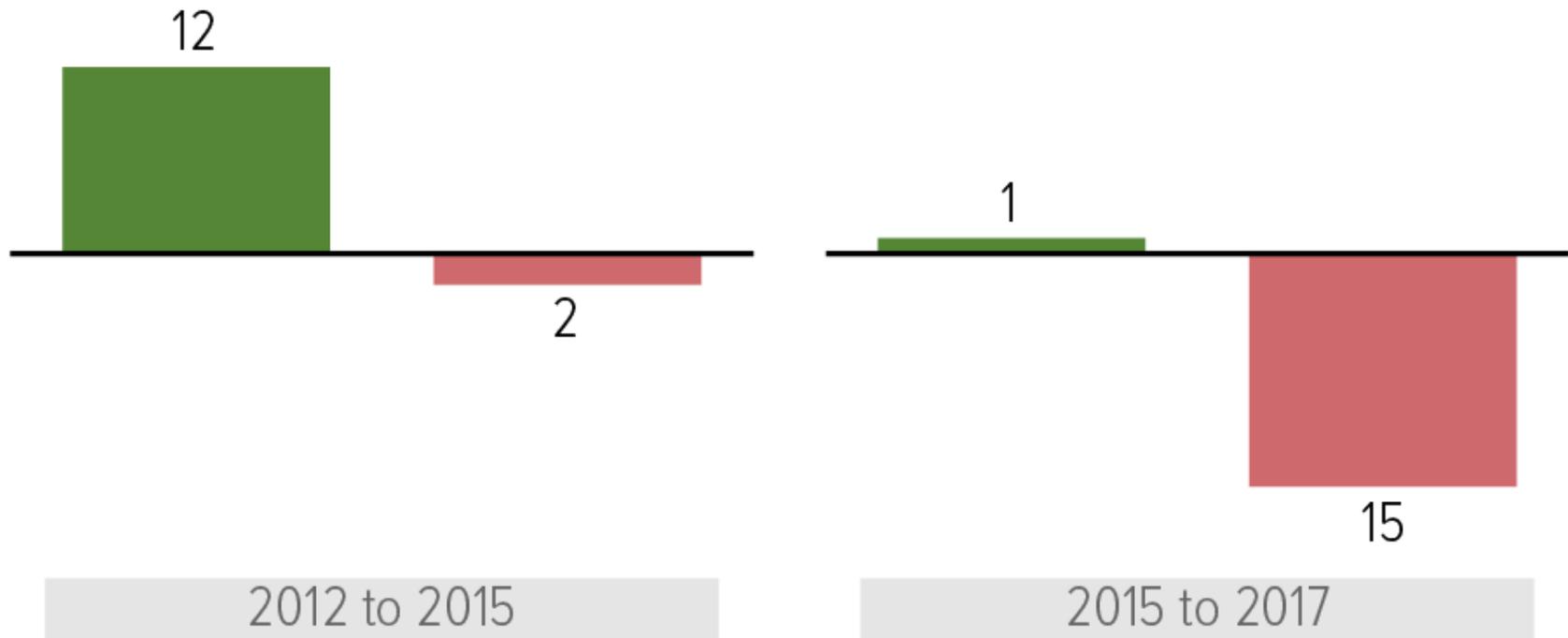
Region	Regional Average OBI		
	2015	2017	Change*
East Asia & Pacific	41	44	3
Eastern Europe & Central Asia	54	55	1
Latin America & Caribbean	50	50	1
Middle East & North Africa	21	20	-1
South Asia	42	46	5
Sub-Saharan Africa	39	29	-11
Western Europe & the United States	74	73	-1
<b>All countries</b>	<b>45</b>	<b>43</b>	<b>-2</b>

\* Changes may not tally due to rounding

# Reversal of Sub-Saharan Africa on OBI results between 2015 and 2017

Countries in Sub-Saharan Africa with significant changes in OBI results

- Increases in OBI by more than 5 points
- Decreases in OBI by more than 5 points



# Lower global OBI score reflects decline in document publication

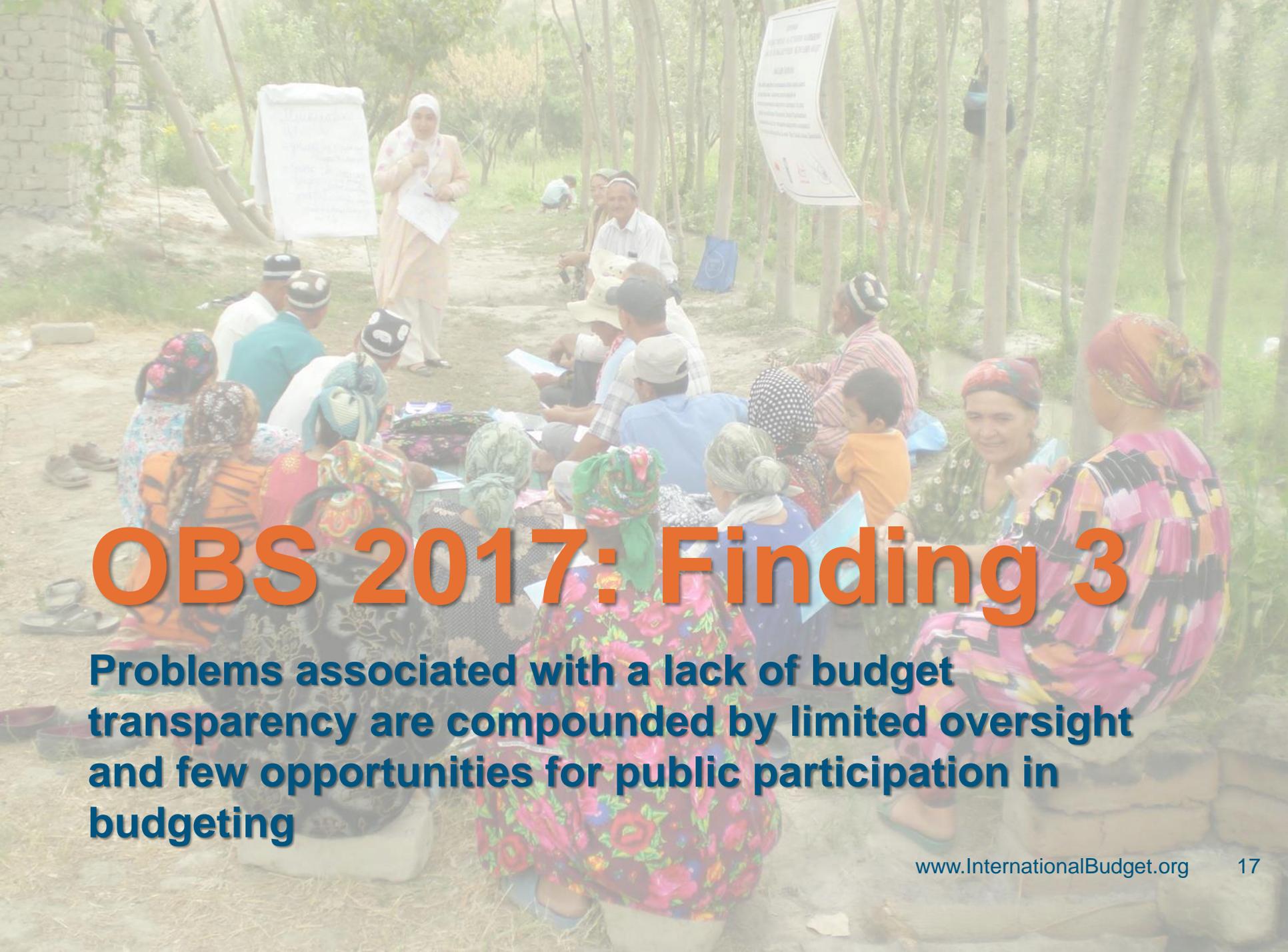
- Net number of documents published between 2015 and 2017 Open Budget Surveys declined by 37
  - First time survey found a drop in document publication
- The decline was concentrated in Sub-Saharan Africa, which published 27 fewer documents
  - Average number of documents per country in the region fell from 5 to 4



# Taking a Longer View: 2008 - 2017

- The decline in budget transparency in 2017 did not erase all of the gains from previous rounds of the Open Budget Survey
  - Between 2008 and 2017, the average OBI score rose by six points for comparable countries
  - In Sub-Saharan Africa, the average OBI score rose by nine points for 16 comparable countries between 2008 and 2017.
- Countries in Sub-Saharan Africa have improved since 2008 despite slight declines between 2015 and 2017:
  - DRC scored 1 in 2008; now scores 29 in 2017
  - Liberia scored 3 in 2008; now scores 33 in 2017
  - Senegal has steadily increased its score over time, from 3 in 2008 to 51 in 2017.



A community meeting is taking place outdoors in a rural setting. A woman in a light-colored dress and headscarf stands at the front, holding a whiteboard and papers, addressing a group of people. The group consists of men and women, some wearing traditional head coverings, sitting on the ground or on low stools. They are looking towards the presenter. In the background, there are trees and a stone wall. A sign is visible on the right side of the image, and another whiteboard is on the left. The overall atmosphere is one of a community gathering or training session.

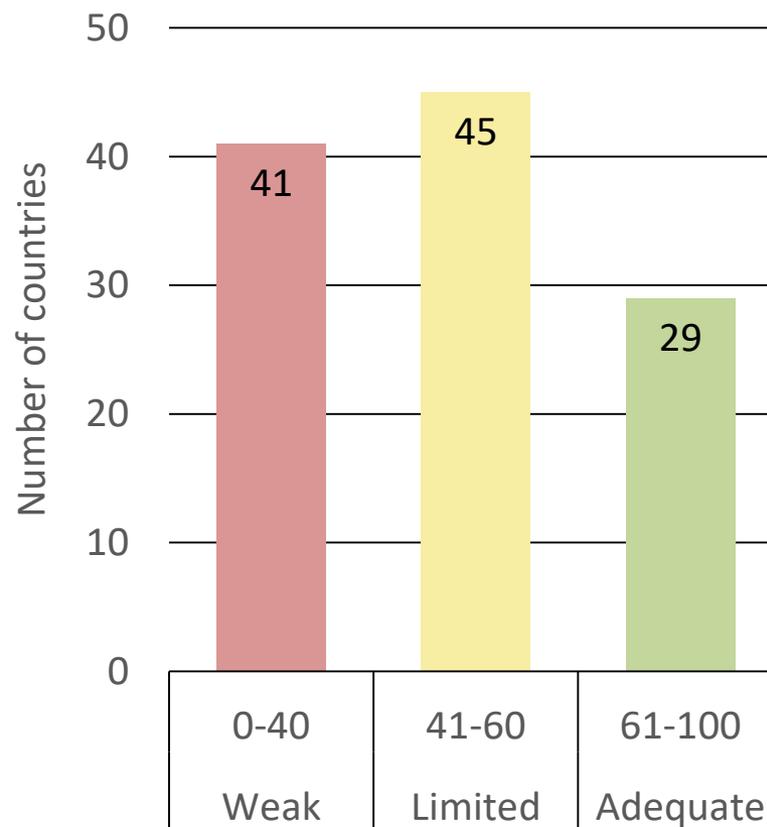
# OBS 2017: Finding 3

**Problems associated with a lack of budget transparency are compounded by limited oversight and few opportunities for public participation in budgeting**

# Oversight Globally

- In 2017, average oversight score for global sample is 53 out of 100
- Supreme audit institutions (63/100) score better than legislatures (48/100) on oversight indicators
- Independent fiscal institutions (IFIs) are not prevalent: Just 28 of 115 countries had IFIs as of the end of 2016.

Distribution of countries: combined SAI and legislative oversight score



# Across Sub-Saharan Africa, oversight is limited

- In 2017, Sub-Saharan Africa oversight score is 43 out of 100
- Audit oversight practices (50/100) are better than legislative oversight (39/100)
- Independent fiscal institutions (IFIs) are not prevalent: Just five of 35 African countries had IFIs as of the end of 2016 (14%).



# Oversight by legislatures

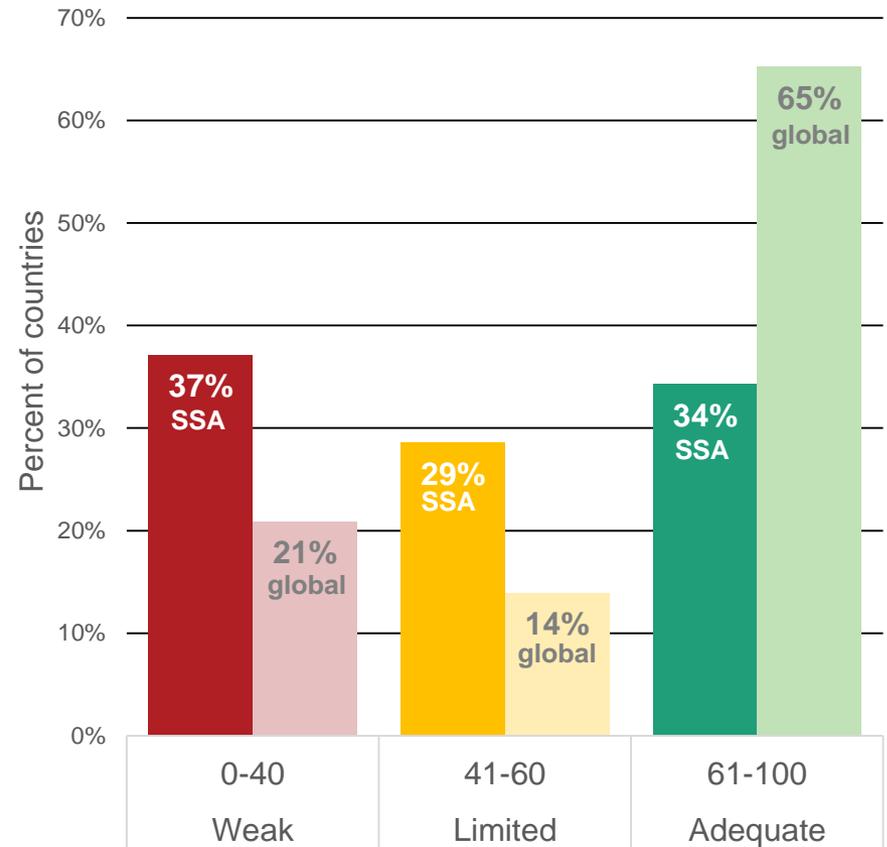
- Legislatures exercise more oversight earlier in the budget process than during implementation
- Globally, legislatures do not amend the budget in nearly half of the countries surveyed...
  - Two-thirds in Sub-Saharan Africa
- Further, in more than half of countries, the executive is able to change the budget during implementation without legislative approval
  - Two-thirds in Sub-Saharan Africa
- In more one third of countries, the legislature does not examine the Audit Report on the annual budget produced by the Supreme Audit Institution
  - Almost half of countries in Sub-Saharan Africa



# Oversight by Supreme Audit Institutions

- The majority of countries surveyed have adequate SAI oversight scores
  - One third of SSA countries have adequate scores
- The conditions tend to be less favorable in countries that have lower levels of budget transparency
- For example, where executive can remove auditor, average OBI score is 26; where executive cannot, score is 46
  - In SSA, these scores are 18 and 28, respectively

Percent of countries with supreme audit institution score



# Scores on participation are low

- Not a single country out of the 115 surveyed offers participation opportunities that are considered adequate (a score of 61 or higher)
- The average score globally is just 12 out of 100
- In Sub-Saharan Africa, the average score for participation is 7
- When we look at oversight and participation, countries in Sub-Saharan Africa generally perform better than North Africa



# Examples of participation mechanisms

- Philippines: Budget Partnership Agreements have strengthened the ability of individual agencies to negotiate their budget demands with the central budget agency through partnerships with citizens
- South Korea: Waste Reporting Center has saved the government an average of US\$1 billion a year over the last 16 years



# Examples of participation mechanisms: Sub-Saharan Africa

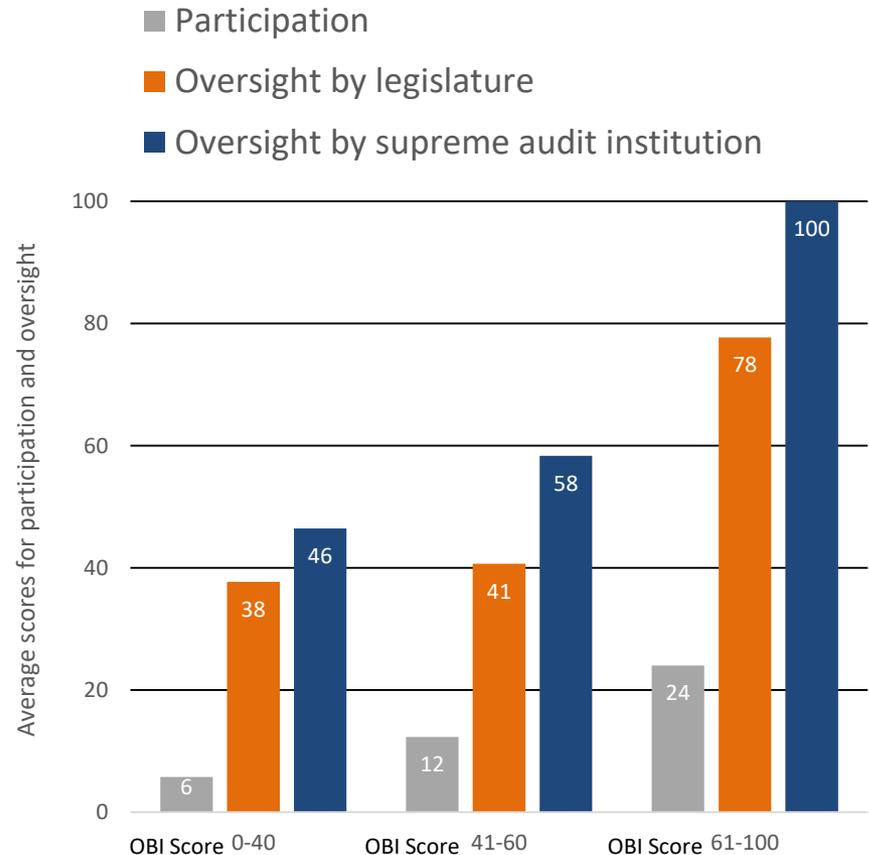
- Ghana: Stakeholder consultative meetings are held during budget formulation, at which CSOs and other institutions representing the vulnerable and underrepresented are invited to provide inputs.
- Malawi: Public pre-budget consultation meetings are held annually by the MoF and take place as town hall events. Events are advertised and open to the public and CSOs are invited. The public can ask questions and make suggestions with regards to the budget.
- Liberia and Benin: Legislative hearings on the annual budget are open to the public.



# Three Pillars of Accountability System

- Transparency, participation, and oversight: all three pillars needed
- As transparency scores rise, so do scores on oversight and participation
- Globally, no countries score 61 or higher on all three pillars of the accountability system
- In Africa, only South Africa scores above 61 on transparency and both measures of oversight

The budget accountability system in Sub-Saharan Africa, 2017



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