

The Open Budget Survey Tracker

The www.obstracker.org website started in September 2014 monitors on a monthly basis the performance of 30 governments, mostly of developing countries, in publishing documents necessary for budget transparency. The Fiscal Responsibility Institute Budapest is the Hungarian project partner. Based on the almost comprehensive data available now, Hungary is in a mid-field position, on the same level as Macedonia and Armenia.

The International Budget Partnership initiative (www.internationalbudget.org) has been helping the budget work of more than 100 local civil society groups around the world since 1997. Their Hungarian partner is the Fiscal Responsibility Institute Budapest. The initiative's flagship 'product' is the Open Budget Index published every two years, assessing the transparency of the budgeting systems of countries. The index is based on a questionnaire containing more than 130 questions looking at the contents and accessibility of 8 key budget documents. As the accurate and verified calculation of the index is highly labour intensive, a monthly monitoring system has been instituted under the name of Open Budget Survey Tracker (www.obstracker.org), which simply shows whether each of the aforementioned 8 documents have been prepared and published on schedule in a given country, without assessing the contents of those documents. The website of the Tracker facilitates monitoring whether or not new documents are released on schedule. An Open Budget Index has been calculated for most of the 30 participating countries: this is shown by the figure next to the name of the country. For Hungary, an unofficial index was calculated in March 2013.

As the figure shows, Hungary is in the mid-field of the 30, mostly developing, countries. The documents that are published in Hungary (executive's budget proposal, enacted budget, in-year reports and year-end report) also tend to be published in developing countries, while the ones not available in most developing countries (pre-budget statement, mid-year review, citizens' budget) are not prepared in Hungary either. In this respect, Hungary shows the most similarities with Macedonia and Armenia.

The risks surrounding the enacted year 2015 budget effectively guarantee the necessity of mid-year adjustments, unless the Government wishes to raise the deficit target back to its 'customary' value of around 3 per cent. If the private sector, local governments and government institutions are to prepare for changes in due time, the Government, unlike in past years, needs to provide them with timely and meaningful information about fiscal developments.

The Budget Tracker in January 2015

Country	OBI Score	Pre-Budget Statement	Executive's Budget Proposal	Enacted Budget	Citizens Budget	In-Year Report	Mid-Year Review	Year-End Report	Audit Report
Armenia		Not produced	Available	Available	Not produced	Available	Not produced	Available	Available
Bolivia	12	Internal	Internal	Available	Late	Available	Not produced	Available	Available
Côte d'Ivoire		Internal	Available	Available	Not produced	Available	Internal	Available	Not produced
Dem. Rep. of Congo	18	Available	Available	Available	Available	Available	Not produced	Internal	Not produced
Dominican Republic	29	Internal	Available	Available	Available	Available	Not produced	Available	Available
Ecuador	31	Not produced	Available	Available	Not produced	Available	Available	Available	Not produced
Egypt	13	Not produced	Internal	Available	Available	Available	Available	Available	Internal
El Salvador	43	Late	Available	Available	Available	Available	Not produced	Available	Available
Fiji	6	Internal	Available	Available	Not produced	Internal	Internal	Not produced	Available
Georgia	55	Available	Available	Available	Available	Available	Not produced	Available	Available
Ghana	50	Not produced	Available	Available	Available	Available	Available	Available	Available
Greece		Available	Available	Available	Not produced	Available	Not produced	Available	Available
Hungary	(40)	Not produced	Available	Available	Not produced	Available	Not produced	Available	Available
Iraq	4	Internal	Internal	Available	Not produced	Not produced	Not produced	Internal	Internal
Kenya	49	Available	Available	Available	Available	Available	Internal	Available	Available
Kyrgyz Republic	20	Available	Available	Available	Available	Available	Available	Available	Available
Macedonia	35	Not produced	Available	Available	Not produced	Available	Not produced	Available	Available
Mali	43	Available	Available	Available	Available	Available	Not produced	Internal	Not produced
Myanmar	0	Internal	Internal	Available	Not produced	Internal	Internal	Internal	Internal
Nicaragua	42	Internal	Available	Available	Not produced	Available	Not produced	Available	Available
Niger	4	Available	Available	Internal	Not produced	Not produced	Available	Available	Available
Nigeria	16	Late	Available	Available	Available	Not produced	Internal	Available	Not produced
Palestine		Internal	Internal	Available	Not produced	Available	Not produced	Available	Not produced
Philippines	48	Available	Available	Available	Available	Available	Available	Available	Available
Senegal	10	Available	Available	Available	Available	Available	Late	Available	Not produced
Sierra Leone	39	Internal	Available	Available	Available	Available	Available	Available	Available
Tanzania	47	Available	Available	Available	Available	Internal	Not produced	Available	Available
Timor-Leste	36	Internal	Available	Available	Available	Available	Not produced	Internal	Available
Tunisia	11	Not produced	Available	Available	Available	Available	Not produced	Available	Not produced
Vietnam	19	Available	Internal	Available	Available	Available	Not produced	Available	Late

Status
● Available
● Internal
● Late
● Not produced

Source: www.obstracker.org

Documents monitored and recommended times of publication:

Pre-budget statement

Deadline: No less than one month prior to the introduction of the executive's budget proposal

The purpose of the pre-budget statement is to disclose the key economic policy measures of the budget in the planning phase as well as the key information used in the budgeting process. In some countries, this is done as part of the Convergence Programme, while in Hungary the Convergence Programme is prepared exclusively for the benefit of the European Commission rather than to inform citizens about the budget plans of the Government. Pursuant to the Act on Public Finance, the *"detailed timetable for central budget planning, its framework, required content, in particular the numerical and regulatory requirements to be complied with in the course of planning, the documents, methodological principles, assumptions and parameters underlying the budgeting process as well as the mode of compliance with reporting requirements"* need to be published by 30 June. As we found out from the response to our formal request,¹ in 2014 the Government, in contravention of the law, did not make a decision on the framework of the 2015 budget on schedule.

Citizens' Budget

Deadline: in accordance with the underlying document

The purpose of this document is to present in a simple, easy-to-understand format the key content elements of the budget, to explain the reasons, objectives and expected direct, indirect and second-round effects of economic policy measures. At present the Government considers the general explanation to the Budget Bill to be such a summary. However, its wording is often either too bureaucratic or too vague, and it is difficult to understand for the general public.

In-year report

Deadline: no later than three months after the end of the reporting period

Reports on the monthly figures of budget implementation are published on the website of the Ministry for National Economy and, in digital data formats, on the website of the Hungarian State Treasury.

Mid-year review

Deadline: no later than three months after the end of the first six months of the year

The purpose of the document is to analyse in sufficient detail the past and expected development of revenues and expenditures, to assess the assumptions underlying the budget and to put forth any measures that may be called for. As we found out upon our formal request,² in August 2014 the Ministry for National Economy prepared a relatively detailed, albeit not comprehensive, analysis; however, this was not published on schedule.

Year-end report

Deadline: no later than one year after the end of the reporting year

Pursuant to the Act on Public Finance, the Bill on the final accounts (year-end report) must be submitted to Parliament by the end of August. At our formal request³ in 2014 the version submitted to the State Audit Office, which was practically identical with the final version, was made available to the public much earlier than the deadline.

Audit report

Deadline: no later than one year after the end of the reporting year

Pursuant to the Act on Public Finance, the audit report must be submitted to Parliament together with the year-end report, by the end of August. The report contains findings of the audit of the implementation of the Act on annual budget as well as assessing the reliability of the facts disclosed in the year-end report.

Executive's budget proposal (Budget Bill)

Deadline: when presented to Parliament but not later than its approval

¹ <http://kimitud.atlatszo.hu/request/a-2015-evi-koltsegvetesi-torveny#incoming-5127>

² http://kimitud.atlatszo.hu/request/a-2015-evi-koltsegvetesi-torveny_2#incoming-5617

³ For more details, see: <http://kfib.hu/hu/koltsegvetesi-adatok>

Pursuant to the Act on Public Finance, the Government must submit to Parliament the Bill on the year 2016 budget by 15 October at the latest. In addition to the proposed appropriations, the document contains in its detailed tables and commentaries the economic policy measures of the Government as well as their explanation.

Enacted Budget

Deadline: no later than three months after the approval of the Budget Bill

The Budget Act approved by Parliament and signed by the President of the Republic is promulgated in the Magyar Közlöny (the official gazette). The document contains the text of the Act and the related annexes, without the detailed tables and commentaries that form part of the explanation.