

Open Budget Survey 2019

Questionnaire

Croatia

April 2020

Country Questionnaire: Croatia

PBS-1. What is the fiscal year of the PBS evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY 2019

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-2. When is the PBS made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for a PBS to be considered publicly available, it must be made available to the public one month before the Executive's Budget Proposal is submitted to the legislature for consideration. If the PBS is not released to the public at least one month before the Executive's Budget Proposal is submitted to the legislature for consideration, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the PBS.

Answer:

a. At least four months in advance of the budget year, and at least one month before the Executive's Budget Proposal is introduced in the legislature

Source:

Government sources related to PBS:

1) <https://vlada.gov.hr/sjednice/110-sjednica-vlade-republike-hrvatske-24226/24226>

2) <https://vlada.gov.hr/news/the-budget-for-next-year-will-be-an-incentive-for-demographic-renewal-and-revitalization/24242>

Media reports for PBS:

1) <https://www.tportal.hr/vijesti/clanak/proracunski-prihodi-u-uducjo-godini-planirani-na-134-a-rashodi-na-139-mlrd-kuna-foto-20180802>

2) <https://www.vecernji.hr/vijesti/niza-stop-a-uvest-ce-se-na-svjeze-meso-ribu-voce-povrce-ali-i-pelene-1261853>

Government sources related to EBP:

1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>

2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>

2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Comment:

The PBS was made available to the public on 2 August 2018, while the Executive's Budget Proposal was submitted to the legislature on 9 November 2018.

The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case in both these instances, which can be seen from the media reports attached. Also, we regularly check the official website of the Croatian government.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-3a. If the PBS is published, what is the date of publication of the PBS?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

2/8/2018

Source:

Government sources related to PBS:

1) <https://vlada.gov.hr/sjednice/110-sjednica-vlade-republike-hrvatske-24226/24226>

2) <https://vlada.gov.hr/news/the-budget-for-next-year-will-be-an-incentive-for-demographic-renewal-and-revitalization/24242>

Media reports for PBS:

1) <https://www.tportal.hr/vijesti/clanak/proracunski-prihodi-u-iducoj-godini-planirani-na-134-a-rashodi-na-139-mlrd-kuna-foto-20180802>

2) <https://www.vecernji.hr/vijesti/niza-stop-a-vest-ce-se-na-svjeze-meso-ribu-voce-povrce-ali-i-pelene-1261853>

Comment:

The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on 2 August 2018. An additional verification can be found in the media reports which are provided in the 'Source' field.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-3b. In the box below, please explain how you determined the date of publication of the PBS.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

The document was published on 2 August 2018, as a part of the government session. The practice of the government is to publish all accompanying

documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on this particular day. An additional verification can be found in the media reports which are provided in the 'Source' field.

Source:

Government sources related to PBS:

- 1) <https://vlada.gov.hr/sjednice/110-sjednica-vlade-republike-hrvatske-24226/24226>
- 2) <https://vlada.gov.hr/news/the-budget-for-next-year-will-be-an-incentive-for-demographic-renewal-and-revitalization/24242>

Media reports for PBS:

- 1) <https://www.tportal.hr/vijesti/clanak/proracunski-prihodi-u-iducjoj-godini-planirani-na-134-a-rashodi-na-139-mlrd-kuna-foto-20180802>
- 2) <https://www.vecernji.hr/vijesti/niza-stop-a-uvest-ce-se-na-svjeze-meso-ribu-voce-povrce-ali-i-pelene-1261853>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-4. If the PBS is published, what is the URL or weblink of the PBS?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Source:

Comment:

Peer Reviewer

Opinion: Agree

Comments: Also at <http://www.mfin.hr/adminmax/docs/Smjernice%20ekonomske%20i%20fiskalne%20politike%202019.%20-%202021.pdf> Also all (former and existing) PBS are available at Ministry of Finance web page <http://www.mfin.hr/hr/smjernice-ekonomske-i-fiskalne-politike>

Government Reviewer

Opinion: Agree

PBS-5. If the PBS is published, are the numerical data contained in the PBS available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the PBS is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

c. No

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

The document is in PDF format. There are not any accompanying documents in a machine readable format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-6a. If the PBS is not publicly available, is it still produced?

If the PBS is not considered publicly available under the OBS methodology (and thus the answer to Question PBS-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question PBS-2)

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

Comment:

The PBS had been published three months before the Executive's Budget Proposal was submitted to the legislature for consideration. It is therefore classified as publicly available according to the OBS methodology.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-6b. If you selected option "c" or "d" in question PBS-6a, please specify how you determined whether the PBS was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question PBS-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

PBS-7. If the PBS is produced, please write the full title of the PBS.

For example, a title for the Pre-Budget Statement could be "Proposed 2019 State Budget" or "Guidelines for the Preparation of Annual Plan and Budget for 2018/19."

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Smjernice ekonomske i fiskalne politike za razdoblje 2019. - 2021. [Economic and Fiscal Policy Guidelines for the period 2019-2021]

Source:

- 1) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>
- 2) <https://vlada.gov.hr/news/the-budget-for-next-year-will-be-an-incentive-for-demographic-renewal-and-revitalization/24242>

Comment:

Peer Reviewer

Opinion: Agree

Comments: Also at <http://www.mfin.hr/adminmax/docs/Smjernice%20ekonomske%20i%20fiskalne%20politike%202019.%20-%202021.pdf>

Government Reviewer

Opinion: Agree

PBS-8. Is there a "citizens version" of the PBS?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

Comment:

"Citizens version" of the PBS was not produced.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-1a. What is the fiscal year of the EBP evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:
FY 2019

Source:
Government sources related to EBP:

- 1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>
- 2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

- 1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>
- 2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Comment:
EBP is collection of 14 document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

The exact URLs for these 14 document-items are:

- 1) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>
- 2) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20a.pdf>
- 3) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20b.pdf>
- 4) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20c.pdf>
- 5) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20d.pdf>
- 6) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>
- 7) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.3.pdf>
- 8) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.4.pdf>
- 9) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.5.pdf>
- 10) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.6.pdf>
- 11) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.7.pdf>
- 12) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.8.pdf>
- 13) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9.%202.pdf>
- 14) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%202.pdf>

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-1b. When is the EBP submitted to the legislature for consideration?

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:
9/11/2018

Source:
Government sources related to EBP:

- 1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>
- 2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

- 1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>
- 2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Comment:

The document was published on 9 November 2018, as a part of the government session. It was submitted to the legislature for consideration immediately after being adopted by the government (i.e. the same day – 9 November 2018). The practice of the government is to publish and forward all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on this particular day. An additional verification can be found in the media reports which are provided in the 'Source' field.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-2. When is the EBP made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an EBP to be considered publicly available, it must be made available to the public while the legislature is still considering it and before the legislature approves (enacts) it. If the EBP is not released to the public before the legislature approves it, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EBP.

The OBS definition of an Executive's Budget Proposal is a document(s) that (i) the executive submits to the legislature as a formal part of the budget approval process and (ii) the legislature either approves or on which it approves proposed amendments.

The OBS will treat the Executive's Budget Proposal as "Not Produced," in the following cases:

- *The executive does not submit the draft budget to the legislature; or*
- *The legislature receives the draft budget but does not approve it or does not approve recommendations on the draft budget;*
- *The legislature rejects the draft budget submitted by the executive, but the executive implements it without legislative approval; or*
- *There is no legislature, or the legislature has been dissolved.*

Answer:
c. Less than two months in advance of the budget year, but at least in advance of the budget being approved by the legislature

Source:
Government sources related to EBP:

- 1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>

2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

- 1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>
- 2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Official and media reports related to the adoption of the budget by the legislature:

- 1) <http://sabor.hr/en/press/news/parliament-adopts-2019-state-budget>
- 2) <https://glashrvatske.hrt.hr/en/news/politics/state-budget-for-2019-adopted-in-parliament/>

Comment:

EBP was published on 9 November 2018, which is less than two months in advance of the budget year. However, the budget was approved by the legislature on 3 December 2018 (see the 'Source' field), and hence the option c) applies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-3a. If the EBP is published, what is the date of publication of the EBP?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

In the comment boxes below, researchers should also list any supporting documents to the EBP and their date of publication.

Answer:

9/11/2018

Source:

Government sources related to EBP:

- 1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>
- 2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

- 1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>
- 2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Comment:

EBP was published on 9 November 2018, as a part of the government session. The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on this particular day. An additional verification can be found in the media reports which are provided in the 'Source' field.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-3b. In the box below, please explain how you determined the date of publication of the EBP.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

EBP was published on 9 November 2018, as a part of the government session. The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on this particular day. An additional verification can be found in the media reports which are provided in the 'Source' field.

Source:

Government sources related to EBP:

- 1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>
- 2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

- 1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>
- 2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Comment:

EBP was published on 9 November 2018, as a part of the government session. The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on this particular day. An additional verification can be found in the media reports which are provided in the 'Source' field.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-4. If the EBP is published, what is the URL or weblink of the EBP?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

In the comment boxes below, researchers should also list any supporting documents to the EBP and their URL or weblink.

Answer:

<https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>

Source:

Comment:

EBP is collection of 14 document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6) 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja

- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazložjenje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

The exact URLs for these 14 document-items are:

- 1) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>
- 2) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20a.pdf>
- 3) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20b.pdf>
- 4) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20c.pdf>
- 5) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20d.pdf>
- 6) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>
- 7) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.3.pdf>
- 8) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.4.pdf>
- 9) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.5.pdf>
- 10) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.6.pdf>
- 11) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.7.pdf>
- 12) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.8.pdf>
- 13) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>
- 14) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%202.pdf>

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-5. If the EBP is published, are the numerical data contained in the EBP or its supporting documents available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>.

Option "d" applies if the EBP is not published or not produced, therefore its machine readability cannot be assessed.

Answer:
c. No

Source:

Comment:
The document is in PDF format. There are not any accompanying documents in a machine readable format

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-6a. If the EBP is not publicly available, is it still produced?

If the EBP is not considered publicly available under the OBS methodology (and thus the answer to Question EBP-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question EBP-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

Government sources related to EBP:

- 1) <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>
- 2) <https://vlada.gov.hr/news/pm-says-2019-draft-budget-based-on-2-9-economic-growth-rate/24701>

Media reports for EBP:

- 1) <https://glashrvatske.hrt.hr/en/news/economy/pm-says-proposed-budget-is-balanced-and-rational/>
- 2) <https://www.thedubrovniktimes.com/news/croatia/item/5621-croatian-budget-proposal-for-2019-put-forward>

Official and media reports related to the adoption of the budget by the legislature:

- 1) <http://sabor.hr/en/press/news/parliament-adopts-2019-state-budget>
- 2) <https://glashrvatske.hrt.hr/en/news/politics/state-budget-for-2019-adopted-in-parliament/>

Comment:

The EBP had been published before the legislature enacted the budget (see the 'Source' field), so it is classified as publicly available according to the OBS methodology.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-6b. If you selected option "c" or "d" in question EBP-6a, please specify how you determined whether the EBP was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question EBP-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

EBP-7. If the EBP is produced, please write the full title of the EBP.

For example, a title for the Executive's Budget Proposal could be "Draft Estimates of Revenue and Expenditure for BY 2018-19, produced by the Ministry of Finance, Planning and Economic Development."

If there are any supporting documents to the EBP, please enter their full titles in the comment box below.

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu [The Proposal of the State Budget of the Republic of Croatia for 2019 and Projection for 2020 and 2021]

Source:

<https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-8. Is there a "citizens version" of the EBP?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets>.

Answer:

b. No

Source:

Comment:

"Citizens version" of the EBP was not produced.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-1a. What is the fiscal year of the EB evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY 2019

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-1b. When was the EB approved (enacted) by the legislature?

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

3/12/2018

Source:

Official and media reports related to the adoption of the budget by the legislature:

- 1) <http://sabor.hr/en/press/news/parliament-adopts-2019-state-budget>
- 2) <https://glashrvatske.hrt.hr/en/news/politics/state-budget-for-2019-adopted-in-parliament/>

URL of the enacted budget: <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

The budget was approved by the legislature on 3 December 2018. It was published on the website of the Official Gazette on 17 December 2018, 14 days after it had been adopted by the Parliament. These dates can easily be verified by examining the official and media reports whose links are provided in the 'Source' field. As well, we regularly check the official websites of the Parliament and the Official Gazette.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-2. When is the EB made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an EB to be considered publicly available, it must be made available to the public three months after the budget is approved by the legislature. If the EB is not released to the public at least three months after the budget is approved by the legislature, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EB.

Answer:

a. Two weeks or less after the budget has been enacted

Source:

Official and media reports related to the adoption of the budget by the legislature:

- 1) <http://sabor.hr/en/press/news/parliament-adopts-2019-state-budget>
- 2) <https://glashrvatske.hrt.hr/en/news/politics/state-budget-for-2019-adopted-in-parliament/>

URL of the enacted budget: <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

The budget was approved by the legislature on 3 December 2018. It was published on the website of the Official Gazette on 17 December 2018, 14 days after it had been adopted by the Parliament. These dates can easily be verified by examining the official and media reports whose links are provided in the 'Source' field. As well, we regularly check the official websites of the Parliament and the Official Gazette.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-3a. If the EB is published, what is the date of publication of the EB?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

17/12/2018

Source:

- 1) <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>
- 2) <https://narodne-novine.nn.hr/search.aspx?sortiraj=4&kategorija=1&godina=2018&broj=113&rpp=10&qtype=1&pretraga=da>

Comment:

As stated on the document, the enacted budget was published on 17 December 2018. We check the website of the Official Gazette on a daily basis, so we are certain that the document was published online on that particular date.

The publication date is also visible on the official website of the Official Gazette (see link No. 2 in the 'Source' field).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-3b. In the box below, please explain how you determined the date of publication of the EB.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

We check the website of the Official Gazette on a daily basis, so we are certain that the document was published online on the date stated in the document.

The publication date is also visible on the official website of the Official Gazette (see link No. 2 in the 'Source' field).

Source:

- 1) <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>
- 2) <https://narodne-novine.nn.hr/search.aspx?sortiraj=4&kategorija=1&godina=2018&broj=113&rpp=10&qtype=1&pretraga=da>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-4. If the EB is published, what is the URL or weblink of the EB?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-5. If the EB is published, are the numerical data contained in the EB available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the EB is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

b. Yes, some of the numerical data are available in a machine readable format

Source:

Comment:

By the cut-off date (31 December 2018), the 2019 EB was only available in a PDF format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, all of the numerical data are available in a machine readable format

Comments: These data are available in a machine readable format (xls) on the official website of the Ministry of Finance(see: <http://www.mfin.hr/hr/drzavni-proracun-2019-godina>)

Researcher Response

We regularly check the official website of the Ministry of Finance. In addition, we always ask the Ministry to provide their input on the publishing dates for all documents evaluated in this survey. In line with this, we are certain that the 2019 EB was only available in PDF format by the cut-off date (31 December 2018). The data provided at the link suggested by the government reviewer were published during 2019.

IBP Comment

The government reviewer's comment is well received. The machine-readable files for the FY 2019 EB were posted after the research cutoff date of 31 December 2018 (but within the publication timeframe for the EB) and cannot be assessed. However, Excel files were also posted for portions of the 2018 EB at the following page: <http://www.mfin.hr/hr/drzavni-proracun-2018-godina>. The response is revised from "c" to "b."

EB-6a. If the EB is not publicly available, is it still produced?

If the EB is not considered publicly available under the OBS methodology (and thus the answer to Question EB-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question EB-2)

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

The 2019 EB was published before the start of the budget year it refers to, so it is classified as publicly available according to the OBS methodology.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-6b. If you selected option "c" or "d" in question EB-6a, please specify how you determined whether the EB was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question EB-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer
Opinion:

EB-7. If the EB is produced, please write the full title of the EB.

For example, a title for the Enacted Budget could be "Appropriation Act n. 10 of 2018."

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Državni proračun Republike Hrvatske za 2019. godinu i projekcije za 2020. i 2021. godinu [Enacted State Budget of the Republic of Croatia for 2019, and Projections for 2020 and 2021]

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EB-8. Is there a "citizens version" of the EB?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

<http://www.mfin.hr/adminmax/docs/DPRH%202019%20-%202021%20-%20proracunski%20vodicA.pdf>

Comment:

The "citizens version" of the 2019 EB was published on 3 January, which was after the cut-off date. This information was obtained on request from the Ministry of Finance. We regularly check the official websites of the Croatian Government, Croatian Parliament, Ministry of Finance, Official Gazette and State Audit Office. However, we always ask them to provide this information just to double check.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

CB-1. What is the fiscal year of the CB evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

If more than one Citizens Budget is produced, for each CB please indicate the document the CB simplifies/refers to, and the fiscal year.

Answer:

FY 2018

Source:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:

The answer above refers to the "citizens version" of the 2018 EB. However, the following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB (<http://www.mfin.hr/adminmax/docs/lzvrjenje%20drzavnog%20proracuna%20za%20prvo%20polugodiste%202018..pdf>) - published on 16.10.2018

2) 2017 Year-End Report CB (<http://www.mfin.hr/adminmax/docs/IZVRSENE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January 2019 respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-2a. For the fiscal year indicated in CB-1, what is the public availability status of the CB?

If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document (Executive's Budget Proposal or Enacted Budget) you are referring to, and – in the same comment box – which other Citizens Budget is produced and its public availability status.

Remember that publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified by the OBS methodology and that all citizens are able to obtain free of charge. This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology
Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

Answer:

e. Not applicable (the document is publicly available)

Source:

<http://hr.n1info.com/Vijesti/a264224/U-Saboru-izglasani-proracun-za-2018.-godinu.html>

Comment:

The "citizens version" of the 2018 EB was published on 17 January 2018, which was less than three months after the legislature had approved the budget (30 November 2017 – see the 'Source' field). In line with this, it is classified as publicly available according to the OBS methodology.

The following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB (<http://www.mfin.hr/adminmax/docs/lzvrjenje%20drzavnog%20proracuna%20za%20prvo%20polugodiste%202018..pdf>) - published on 16.10.2018

In regular circumstances this document would not be classified as publicly available given that it was published more than three months after the end of the reporting period. However, this is irrelevant since the Mid-Year report is discarded in any case (see later parts of the questionnaire).

2) 2017 Year-End Report CB(<http://www.mfin.hr/adminmax/docs/IZVRSENJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

This document was published within 12 months after the end of the fiscal year to which it corresponds. In line with this, it is classified as publicly available.

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January 2019 respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-2b. If you selected option "c" or "d" in question CB-2a, please specify how you determined whether the CB was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question CB-2a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

CB-3a. If the CB is published, what is the date of publication of the CB?

Note that the date of publication is not necessarily the same date that is printed on the document. Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and its dates of publication.

Answer:
17/1/2018

Source:
<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:
The "citizens version" of the 2018 EB was published on 17 January 2018. This information was obtained on request from the Ministry of Finance. We regularly check the official websites of the Croatian Government, Croatian Parliament, Ministry of Finance, Official Gazette and State Audit

Office. However, we always ask them to provide this information just to double check.

The following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB(<http://www.mfin.hr/adminmax/docs/lzvrjenje%20drzavnog%20proracuna%20za%20prvo%20polugodiste%202018..pdf>) - published on 16.10.2018

2) 2017 Year-End Report CB(<http://www.mfin.hr/adminmax/docs/IZVRSENJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-3b. In the box below, please explain how you determined the date of publication of the CB.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

This information was obtained on request from the Ministry of Finance. We regularly check the official websites of the Croatian Government, Croatian Parliament, Ministry of Finance, Official Gazette and State Audit Office. However, we always ask them to provide this information just to double check.

Source:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:

The following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB (<http://www.mfin.hr/adminmax/docs/lzvrjenje%20drzavnog%20proracuna%20za%20prvo%20polugodiste%202018..pdf>) - published on 16.10.2018

2) 2017 Year-End Report CB (<http://www.mfin.hr/adminmax/docs/IZVRSENJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-4. If the CB is published, what is the URL or weblink of the CB?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and its URL or weblink.

Answer:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Source:

Comment:

The following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB (<http://www.mfin.hr/adminmax/docs/Izvršenje%20državnog%20proracuna%20za%20prvo%20polugodište%202018..pdf>) - published on 16.10.2018

2) 2017 Year-End Report CB (<http://www.mfin.hr/adminmax/docs/IZVRSENJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-5. If the CB is produced, please write the full title of the CB.

For example, a title for the Citizens Budget could be "Budget 2018 People's Guide" or "2019 Proposed Budget in Brief: A People's Budget Publication."

If the document is not produced at all, researchers should mark this question "n/a."

If more than one Citizens Budget is produced, for the other CB, indicate the document the CB refers to and, next to it, its full title.

Answer:

Državni proračun za 2018. godinu i projekcije za 2019. i 2020. godinu - Vodič za građane [Enacted State Budget for 2018 and Projections for 2019 and 2020 - Citizens Budget]

Source:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:

The following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB (<http://www.mfin.hr/adminmax/docs/Izvršenje%20državnog%20proracuna%20za%20prvo%20polugodište%202018..pdf>) - published on 16.10.2018

The full title of this document is: Polugodišnji izvještaj o izvršenju državnog proračuna Republike hrvatske za prvo polugodište 2018. godine - Vodič za građane [2018 Mid-Year-Report - Citizens Budget].

2) 2017 Year-End Report CB (<http://www.mfin.hr/adminmax/docs/IZVRSENJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

The full title of this document is: Izvršenje državnog proračuna za 2017. - Vodič za građane [2017 Year-End Report - Citizens Budget].

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-6. If the CB is produced, please indicate which budget document it corresponds to.

If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and which budget document it simplifies.

Answer:

Državni proračun Republike Hrvatske za 2018. godinu i projekcije za 2019. i 2020. godinu [Enacted State Budget of the Republic of Croatia for 2018, and Projections for 2019 and 2020]

Source:

<https://narodne-novine.nn.hr/clanci/sluzbeni/dodatni/456339.pdf>

Comment:

The following two Citizens Budgets are also available:

1) 2018 Mid-Year-Report CB (<http://www.mfin.hr/adminmax/docs/Izvršenje%20državnog%20proračuna%20za%20prvo%20polugodište%202018..pdf>) - published on 16.10.2018

It corresponds to the following document: Polugodišnji izvještaj o izvršenju Državnog proračuna Republike Hrvatske za prvo polugodište 2018. godine [The Mid-Year Report on the Executed State Budget of the Republic of Croatia for the first semester 2018]:

<https://vlada.gov.hr/UserDocsImages//Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>

2) 2017 Year-End Report CB (<http://www.mfin.hr/adminmax/docs/IZVRSENJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>) - published on 1.6.2018

It corresponds to the following document: Godišnji izvještaj o izvršenju Državnog proračuna Republike Hrvatske za 2017. godinu [The Report on the Executed State Budget of the Republic of Croatia for 2017]:

<https://vlada.gov.hr/UserDocsImages//Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

The Ministry of Finance also published "citizens versions" of the 2019 EB and 2018 Budget Amendments, but this was done after the cut-off date (on 2 January 2019 and 3 January respectively).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-1. What is the fiscal year of the IYRs evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY 2017-18

Source:

<http://www.mfin.hr/hr/mjesecni-izvjestaj-po-organizacijskoj-klasifikaciji-drzavnog-proracuna-i-racunima-3-i-4-ekomske-klasifikacije>

Comment:

Besides the IYRs, the Ministry of Finance also publishes additional reports with data given on a monthly basis (see:

<http://www.mfin.hr/hr/vremenske-serije-podataka>).

These are the following documents (as titled on 9 January 2019):

1) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu do listopada 2018.

(<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>)

2) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu do listopada 2018.

(<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>)

3) Državni proračun - siječanj - rujan 2018. (http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx)

These three excel sheets are being constantly amended during the year by adding the latest data (which results in a change of their names).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IYRs-2. When are the IYRs made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for IYRs to be considered publicly available, IYRs must be made available to the public no later than three months after the reporting period ends. If at least seven of the last 12 monthly IYRs, or at least three of the last four quarterly IYRs are not released to the public at least three months after the reporting period ends, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the IYRs.

Answer:

c. At least every quarter, and within three months of the period covered

Source:

All reports are available at: <http://www.mfin.hr/hr/mjesečni-izvještaj-po-organizacijskoj-klasifikaciji-državnog-proračuna-i-racunima-3-i-4-ekonomske-klasifikacije>

Comment:

The publication dates are as follows:

- 1) Monthly Report January - October 2018: 21 December 2018
- 2) Monthly Report January - September 2018: 20 November 2018
- 3) Monthly Report January - August 2018: 20 November 2018
- 4) Monthly Report January - July 2018: 20 November 2018
- 5) Monthly Report January - June 2018: 03 October 2018
- 6) Monthly Report January - May 2018: 01 August 2018
- 7) Monthly Report January - April 2018: 11 July 2018
- 8) Monthly Report January - March 2018: 10 May 2018
- 9) Monthly Report January - February 2018: 10 May 2018
- 10) Monthly Report January 2018: 10 May 2018
- 11) Monthly Report January - December 2017: 10 May 2018
- 12) Monthly Report January - November 2017: 26 March 2018

This information was obtained on request from the Ministry of Finance. We regularly check the official websites of the Croatian Government, Croatian Parliament, Ministry of Finance, Official Gazette and State Audit Office. However, we always ask them to provide this information just to double check.

Besides the IYRs, the Ministry of Finance also publishes additional reports with data given on a monthly basis (see: <http://www.mfin.hr/hr/vremenske-serije-podataka>).

These are the following documents (as titled on 9 January 2019):

- 1) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu do listopada 2018. (<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>)
- 2) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu do listopada 2018. (<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>)
- 3) Državni proračun - siječanj - rujan 2018. (http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx)

These three excel sheets are being constantly amended during the year by adding the latest data (which results in a change of their names).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-3a. If the IYRs are published, what are the dates of publication of the IYRs?

Specifically: if quarterly In-Year Reports are published, indicate the dates of publication of at least three of the last four IYRs that were publicly available. If monthly IYRs are published, indicate the dates of publication of at least seven of the last 12 IYRs that were publicly available.

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2018 should be entered as 05 September 2018. If the document is not published or not produced, please mark this question "n/a."

Answer:

The publication dates are as follows:

- 1) Monthly Report January - October 2018: 21 December 2018
- 2) Monthly Report January - September 2018: 20 November 2018
- 3) Monthly Report January - August 2018: 20 November 2018
- 4) Monthly Report January - July 2018: 20 November 2018
- 5) Monthly Report January - June 2018: 03 October 2018
- 6) Monthly Report January - May 2018: 01 August 2018
- 7) Monthly Report January - April 2018: 11 July 2018
- 8) Monthly Report January - March 2018: 10 May 2018
- 9) Monthly Report January - February 2018: 10 May 2018
- 10) Monthly Report January 2018: 10 May 2018
- 11) Monthly Report January - December 2017: 10 May 2018
- 12) Monthly Report January - November 2017: 26 March 2018

This information was obtained on request from the Ministry of Finance. We regularly check the official websites of the Croatian Government, Croatian Parliament, Ministry of Finance, Official Gazette and State Audit Office. However, we always ask them to provide this information just to double check.

Source:

All reports are available at: <http://www.mfin.hr/hr/mjesečni-izvještaj-po-organizacijskoj-klasifikaciji-državnog-proračuna-i-racunima-3-i-4-ekonomske-klasifikacije>

Comment:

Besides the IYRs, the Ministry of Finance also publishes additional reports with data given on a monthly basis (see:

<http://www.mfin.hr/hr/vremenske-serije-podataka>).

These are the following documents (as titled on 9 January 2019):

- 1) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu do listopada 2018. (<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>)
- 2) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu do listopada 2018. (<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>)
- 3) Državni proračun - siječanj - rujan 2018. (http://www.mfin.hr/adminmax/docs/Državni%20proračun_siječanj-rujan%202018.xlsx)

These three excel sheets are being constantly amended during the year by adding the latest data (which results in a change of their names).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-3b. In the box below, please explain how you determined the date of publication of the IYRs.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

This information was obtained on request from the Ministry of Finance. We regularly check the official websites of the Croatian Government, Croatian Parliament, Ministry of Finance, Official Gazette and State Audit Office. However, we always ask them to provide this information just to double check.

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-4. If the IYRs are published, what is the URL or weblink of the IYRs?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Researchers should provide the weblink to the most recent In-Year Report in the space below, and – in the comment box underneath – the weblinks to older IYRs.

If the document is not published at all, researchers should leave this question blank.

Answer:

<http://www.mfin.hr/hr/mjesečni-izvještaj-po-organizacijskoj-klasifikaciji-državnog-proračuna-i-racunima-3-i-4-ekonomske-klasifikacije>

Source:

Comment:

Besides the IYRs, the Ministry of Finance also publishes additional reports with data given on a monthly basis (see:

<http://www.mfin.hr/hr/vremenske-serije-podataka>).

These are the following documents (as titled on 9 January 2019):

1) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu do listopada 2018.

(<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>)

2) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu do listopada 2018.

(<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>)

3) Državni proračun - siječanj - rujan 2018. (http://www.mfin.hr/adminmax/docs/Državni%20proračun_siječanj-rujan%202018.xlsx)

These three excel sheets are being constantly amended during the year by adding the latest data (which results in a change of their names).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-5. If the IYRs are published, are the numerical data contained in the IYRs available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the IYRs are not published or not produced, therefore their machine readability cannot be assessed.

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:

All reports are available at: <http://www.mfin.hr/hr/mjesečni-izvještaj-po-organizacijskoj-klasifikaciji-drzavnog-proracuna-i-racunima-3-i-4-ekonomске-klasifikacije>

Comment:

All reports are in .xls format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-6a. If the IYRs are not publicly available, are they still produced?

If the IYRs are not considered publicly available under the OBS methodology (and thus the answer to Question IYRs-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question IYRs-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

All reports are available at: <http://www.mfin.hr/hr/mjesečni-izvještaj-po-organizacijskoj-klasifikaciji-drzavnog-proracuna-i-racunima-3-i-4-ekonomске-klasifikacije>

Comment:

Since 7 out of 12 documents are published within three months after the end of the period they refer to, IYRs are classified as publicly available according to the OBS methodology.

The publication dates are as follows:

- 1) Monthly Report January - October 2018: 21 December 2018
- 2) Monthly Report January - September 2018: 20 November 2018
- 3) Monthly Report January - August 2018: 20 November 2018
- 4) Monthly Report January - July 2018: 20 November 2018
- 5) Monthly Report January - June 2018: 03 October 2018
- 6) Monthly Report January - May 2018: 01 August 2018
- 7) Monthly Report January - April 2018: 11 July 2018
- 8) Monthly Report January - March 2018: 10 May 2018
- 9) Monthly Report January - February 2018: 10 May 2018
- 10) Monthly Report January 2018: 10 May 2018
- 11) Monthly Report January - December 2017: 10 May 2018
- 12) Monthly Report January - November 2017: 26 March 2018

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IYRs-6b. If you selected option "c" or "d" in question IYRs-6a, please specify how you determined whether the IYRs were produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question IYRs-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer
Opinion:

Government Reviewer
Opinion:

IYRs-7. If the IYRs are produced, please write the full title of the IYRs.

For example, a title for the In-Year Report could be "Budget Monitoring Report, Quarter 1" or "Budget Execution Report January-March 2018."

If In-Year Reports are not produced at all, researchers should mark this question "n/a."

Researchers should provide the full title of the most recent In-Year Report in the space below, and – in the comment box underneath – the full titles of older IYRs.

Answer:

1) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-listopad 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-October 2018)]

2) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-rujan 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-September 2018)]

3) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-kolovoz 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-August 2018)]

4) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-srpanj 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-July 2018)]

5) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-lipanj 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-June 2018)]

6) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-svibanj 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-May 2018)]

7) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-travanj 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-April 2018)]

8) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-ožujak 2018) [Monthly Report by Administrative Units

of the State Budget (Report for the period January-March 2018)]

9) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-veljača 2018) [Monthly Report by Administrative Units of the State Budget (Report for the period January-February 2018)]

10) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj 2018) [Monthly Report by Administrative Units of the State Budget (Report for January 2018)]

11) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-prosinac 2017) [Monthly Report by Administrative Units of the State Budget (Report for the period January-December 2017)]

12) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna (Izvještaj za siječanj-studen 2017) [Monthly Report by Administrative Units of the State Budget (Report for the period January-November 2017)]

Source:

All reports are available at: <http://www.mfin.hr/hr/mjesečni-izvještaj-po-organizacijskoj-klasifikaciji-državnog-proračuna-i-racunima-3-i-4-ekonomske-klasifikacije>

Comment:

Besides the IYRs, the Ministry of Finance also publishes additional reports with data given on a monthly basis (see:

<http://www.mfin.hr/hr/vremenske-serije-podataka>).

These are the following documents (as titled on 9 January 2019):

1) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu do listopada 2018.

(<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>)

2) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu do listopada 2018.

(<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>)

3) Državni proračun - siječanj - rujan 2018. (http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx)

These three excel sheets are being constantly amended during the year by adding the latest data (which results in a change of their names).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-8. Is there a "citizens version" of the IYRs?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

Comment:

"Citizens versions" of the IYRs are not being produced.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-1. What is the fiscal year of the MYR evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:
FY 2018

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-2. When is the MYR made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an MYR to be considered publicly available, it must be made available to the public no later than three months after the reporting period ends (i.e., three months after the midpoint of the fiscal year). If the MYR is not released to the public at least three months after the reporting period ends, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the MYR.

Answer:
c. More than nine weeks, but less than three months, after the midpoint

Source:

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>).

However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology.

Peer Reviewer

Opinion: Disagree

Suggested Answer: c. More than nine weeks, but less than three months, after the midpoint

Comments: It was public at September 13 at Government session, that is less than 3 months <https://vlada.gov.hr/sjednice/114-sjednica-vlade-republike-hrvatske-24389/24389> First, this document have updated macroeconomic forecast for the budget year underway. Methodology used is the same as for EBP. On pp 384-386 macroeconomic conditions are explained in narrative sense with couple tables and charts. Second, experts claim that MYR lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. So this document cannot be recognized as MYR. I agree that there is no specific forecast, but for example on page 4 there are next columns: • Column 2 – realization in first 6 months in previous budget year • Column 3 – original plan (budget) • Column 4 – current plan (budget) (original and current plans are equal. There should be difference only if budget was amended during current fiscal year. If that was case, than we can follow what was original plan, what is current plan, and how current plan is being realized (column 5) • Column 5 - realization in first 6 months in current budget year • Column 6 – index calculates as $5/4 \cdot 100$. This indicator, from my point of view, provides forecasts for expenditures, revenues etc. I can easily calculate at which level expenditures/revenues can be realized if trend is the same as in first 6 months. Later for detail budget classification, additional index is calculated ($5/2 \cdot 100$) which shows dynamics of revenues and expenditures in first 6 months in current year compared to revenues and expenditures in first 6 months in previous year. So, we have additional indicator. Comparing both indicators I can easily

assume are trends good, bad or expected. Also, it can trigger policy makers to make additional effort for some policies etc. For example, I can easily conclude if some revenues will fail, but definitely there is no new estimation number (Q80). But, according to law if there are sufficient positive or negative trends, than government should amend budget and make new plan (estimates). Furthermore, certain reallocation of funds can be done by minister approval himself (later discussed in survey), but for massive re-allocation a new budget must be amended. Also, this document deliver more information that EBP. For example, you have here report of debt activities on domestic and external markets in first 6m (pp 354-357), how public debt strategy is being realized (pp 385-369), report on state guarantees issued in first 6m (373-382) etc.

Government Reviewer

Opinion: Disagree

Suggested Answer: c. More than nine weeks, but less than three months, after the midpoint

Comments: The Half-Year Report contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months, but it also contains a forecast for the remaining six months on the page 401 and 402. The same approach in making the forecast for the remaining six months have also the other countries and in their case Half-Year Report is accepted as Mid-Year Review. Therefore, we consider that our Half-Year Report should be also classified as Mid-Year Review (see:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>).

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. The document was published on 13 September 2018, which is more than nine weeks but less than three months after the midpoint.

MYR-3a. If the MYR is published, what is the date of publication of the MYR?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

13/09/2018

Source:

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>).

However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology.

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. The document was published on 13 September 2018, which is more than nine weeks but less than three months after the midpoint.

MYR-3b. In the box below, please explain how you determined the date of publication of the MYR.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

The document was published on 13 September 2018, as a part of the government session (<https://vlada.gov.hr/sjednice/114-sjednica-vlade>

republike-hrvatske-24389/24389). The practice of the government is to publish all accompanying documents on the same day when the session is held.

Source:

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology.

Peer Reviewer

Opinion: Disagree

Suggested Answer: It was public at September 13 at Government session, that is less than 3 months. agenda: <https://vlada.gov.hr/sjednice/114-sjednica-vlade-republike-hrvatske-24389/24389> Link for MYR

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>

Comments: It was public at September 13 at Government session, that is less than 3 months <https://vlada.gov.hr/sjednice/114-sjednica-vlade-republike-hrvatske-24389/24389>

Government Reviewer

Opinion: Disagree

Suggested Answer: MYR was published on 13 September 2018, as a part of the government session. The practice of the government is to publish all accompanying documents on the same day when the session is held (see: <https://vlada.gov.hr/sjednice/114-sjednica-vlade-republike-hrvatske-24389/24389>, <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>)

Researcher Response

The document was published on 13 September 2018, as a part of the government session (<https://vlada.gov.hr/sjednice/114-sjednica-vlade-republike-hrvatske-24389/24389>). The practice of the government is to publish all accompanying documents on the same day when the session is held.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The response is revised from "n/a" to "The document was published on 13 September 2018, as a part of the government session (<https://vlada.gov.hr/sjednice/114-sjednica-vlade-republike-hrvatske-24389/24389>). The practice of the government is to publish all accompanying documents on the same day when the session is held."

MYR-4. If the MYR is published, what is the URL or weblink of the MYR?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>

Source:

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology.

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The link "<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>" has been added to the response.

MYR-5. If the MYR is published, are the numerical data contained in the MYR available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>.

Option "d" applies if the MYR is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>).

However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, all of the numerical data are available in a machine readable format

Comments: These data are available in a machine readable format (xls) on the official website of the Ministry of Finance (see: <http://www.mfin.hr/hr/drzavni-proracun-2018-godina>)

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Data are available in a machine readable format on the official website of the Ministry of Finance: <http://www.mfin.hr/hr/drzavni-proracun-2018-godina>.

MYR-6a. If the MYR is not publicly available, is it still produced?

If the MYR is not considered publicly available under the OBS methodology (and thus the answer to Question MYR-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question MYR-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable (the document is publicly available)

Comments: Document is available for public

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable (the document is publicly available)

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. The document is publicly available. The response is changed from d to e.

MYR-6b. If you selected option "c" or "d" in question MYR-6a, please specify how you determined whether the MYR was produced for internal use only, versus not produced at all.

If option "a","b," or "e" was selected in question MYR-6a, researchers should mark this question "n/a."

Answer:

n/a

Source:

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: Answer should be "n/a"

Comments: See comment under MYR-2

Government Reviewer

Opinion: Disagree

Suggested Answer: The answer is "n/a" because the document is publicly available.

IBP Comment

Per the researcher's comments on question MYR-2, the response is revised from "Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, it again (as in previous rounds) does not contain a forecast for the remaining six months, and therefore it cannot be classified as the Mid-Year Review according to the OBS methodology." to "n/a."

MYR-7. If the MYR is produced, please write the full title of the MYR.

For example, a title for the Mid-Year Review could be "Semi-annual Budget Performance Report, FY 2017/18" or "Mid-Year Report on the 2018 National Budget."

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Prijedlog polugodišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za prvo polugodište 2018. [Eng. Proposal of the Half-year report on the execution of the public budget of the Republic of Croatia for the first semester of 2018.]

Source:

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: Prijedlog polugodišnjeg izvještaja o izvršenju državnog proračuna Republike Hrvatske za prvo polugodište 2018. (Proposal of half-year report on realization of Central budget of Republic of Croatia for first half-year 2018.)

Comments: See detail comment at MYR-2

Government Reviewer

Opinion: Disagree

Suggested Answer: Polugodišnji izvještaj o izvršenju Državnog proračuna Republike Hrvatske za prvo polugodište 2018. godine (The Mid-Year Report on the Executed State Budget of the Republic of Croatia for the first semester 2018.)

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The response is revised from "n/a" to "Prijedlog polugodišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za prvo polugodište 2018. [Eng. Proposal of the Half-year report on the execution of the public budget of the Republic of Croatia for the first semester of 2018.]"

MYR-8. Is there a "citizens version" of the MYR?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

a. Yes

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes

Comments: The citizens version is published on the official website of the Ministry of Finance (See: <http://www.mfin.hr/adminmax/docs/lzvršenje%20državnog%20proračuna%20za%20prvo%20polugodište%202018..pdf>)

Researcher Response

The citizens version is published on the official website of the Ministry of Finance: <http://www.mfin.hr/adminmax/docs/lzvršenje%20državnog%20proračuna%20za%20prvo%20polugodište%202018..pdf>

IBP Comment

Per the comments of the researcher and government reviewer on question MYR-2, the response is revised from "b" to "a."

YER-1. What is the fiscal year of the YER evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY 2017

Source:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-2. When is the YER made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an YER to be considered publicly available, it must be made available to the public no later than one year after the fiscal year to which it corresponds. If the YER is not released to the public within one year after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the YER.

Answer:

a. Six months or less after the end of the budget year

Source:

<https://vlada.gov.hr/sjednice/97-sjednica-vlade-republike-hrvatske-23883/23883>

Comment:

The document was published on 24 May 2018, as a part of the government session (see the 'Source' field). The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on that particular day.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-3a. If the YER is published, what is the date of publication of the YER?

Note that the date of publication is not necessarily the same date that is printed on the document. Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:
24/5/2018

Source:
<https://vlada.gov.hr/sjednice/97-sjednica-vlade-republike-hrvatske-23883/23883>

Comment:
The document was published on 24 May 2018, as a part of the government session (see the 'Source' field). The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on that particular day.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

YER-3b. In the box below, please explain how you determined the date of publication of the YER.

If the document is not published at all, researchers should mark this question "n/a."

Answer:
The document was published on 24 May 2018, as a part of the government session (see the 'Source' field). The practice of the government is to publish all accompanying documents on the same day when the session is held. This was indeed the case this time, since we checked the official website on that particular day.

Source:
<https://vlada.gov.hr/sjednice/97-sjednica-vlade-republike-hrvatske-23883/23883>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

YER-4. If the YER is published, what is the URL or weblink of the YER?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:
<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Source:

Comment:

Peer Reviewer
Opinion: Agree
Comments: But also <http://www.mfin.hr/hr/drzavni-proracun-2017-godina>

Government Reviewer
Opinion: Agree

YER-5. If the YER is published, are the numerical data contained in the YER available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the YER is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:

<http://www.mfin.hr/hr/drzavni-proracun-2017-godina>

Comment:

Provided link contains the following machine readable documents related to 2017 YER:

- 1) Opći dio Državnog proračuna RH za 2017. godinu:
- a) Sažetak A. Računa prihoda i rashoda i B. Računa financiranja
 - b) Prihodi i rashodi prema ekonomskoj klasifikaciji
 - c) Prihodi i rashodi prema izvorima financiranja
 - d) Rashodi prema funkcijskoj klasifikaciji
 - e) Račun financiranja prema ekonomskoj klasifikaciji
 - f) Račun financiranja – analitika
 - g) Račun financiranja prema izvorima financiranja

Posebni dio Državnog proračuna Republike Hrvatske za 2017. po proračunskim korisnicima:

- a) Organizacijska klasifikacija
- b) Programska klasifikacija

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

YER-6a. If the YER is not publicly available, is it still produced?

If the YER is not considered publicly available under the OBS methodology (and thus the answer to Question YER-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question YER-2)

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

Comment:

The document was published within 12 months after the end of the fiscal year to which it corresponds (24 May 2018) and therefore it is classified as publicly available according to the OBS methodology.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-6b. If you selected option "c" or "d" in question YER-6a, please specify how you determined whether the YER was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question YER-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

YER-7. If the YER is produced, please write the full title of the YER.

For example, a title for the Year-End Report could be "Consolidated Financial Statement for the Year Ended 31 March 2018" or "Annual Report 2017 Published by the Ministry of Finance and Planning." If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Godišnji izvještaj o izvršenju Državnog proračuna Republike Hrvatske za 2017. godinu [The Report on the Executed State Budget of the Republic of Croatia for 2017]

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-8. Is there a "citizens version" of the YER?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

a. Yes

Source:

<http://www.mfin.hr/adminmax/docs/IZVRSEJJE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>

Comment:

The "citizens version" of the 2017 YER was published on 01 June 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-1. What is the fiscal year of the AR evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY 2017

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-2. When is the AR made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an AR to be considered publicly available, it must be made available to the public no later than 18 months after the end of the fiscal year to which it corresponds. If the AR is not released to the public at least 18 months after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the

public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the AR.

Answer:

a. Six months or less after the end of the budget year

Source:

Media reports:

- 1) <https://www.tportal.hr/biznis/clanak/maric-drzavni-ured-za-reviziju-je-odradio-fantastican-posao-foto-20180530>
- 2) <https://novac.jutarnji.hr/aktualno/bomba-za-javne-financije-bolnice-nagomilale-47-milijardi-kuna-dugova-u-2017-godini/7421523/>

Comment:

The document was published on 30 May 2018. This information was obtained on request from the State Audit Office. An additional verification can be found in the media reports which are provided in the 'Source' field.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-3a. If the AR is published, what is the date of publication of the AR?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

30/5/2018

Source:

Media reports:

- 1) <https://www.tportal.hr/biznis/clanak/maric-drzavni-ured-za-reviziju-je-odradio-fantastican-posao-foto-20180530>
- 2) <https://novac.jutarnji.hr/aktualno/bomba-za-javne-financije-bolnice-nagomilale-47-milijardi-kuna-dugova-u-2017-godini/7421523/>

Comment:

The document was published on 30 May 2018. This information was obtained on request from the State Audit Office. An additional verification can be found in the media reports which are provided in the 'Source' field.

Peer Reviewer

Opinion: Agree

Comments: On AR there is date May 21, but it was made available later

Government Reviewer

Opinion: Agree

AR-3b. In the box below, please explain how you determined the date of publication of the AR.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

This information was obtained on request from the State Audit Office. An additional verification can be found in the media reports which are provided in the 'Source' field.

Source:

Media reports:

- 1) <https://www.tportal.hr/biznis/clanak/maric-drzavni-ured-za-reviziju-je-odradio-fantastican-posao-foto-20180530>
- 2) <https://novac.jutarnji.hr/aktualno/bomba-za-javne-financije-bolnice-nagomilale-47-milijardi-kuna-dugova-u-2017-godini/7421523/>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-4. If the AR is published, what is the URL or weblink of the AR?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-5. If the AR is published, are the numerical data contained in the AR available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the AR is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

c. No

Source:

Comment:

The document is in PDF format and there are not any accompanying machine readable files.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

AR-6a. If the AR is not publicly available, is it still produced?

If the AR is not considered publicly available under the OBS methodology (and thus the answer to Question AR-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question AR-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

Media reports:

- 1) <https://www.tportal.hr/biznis/clanak/maric-drzavni-ured-za-reviziju-je-odradio-fantastican-posao-foto-20180530>
- 2) <https://novac.jutarnji.hr/aktualno/bomba-za-javne-financije-bolnice-nagomilale-47-milijardi-kuna-dugova-u-2017-godini/7421523/>

Comment:

The document was published within 12 months after the end of the fiscal year to which it corresponds (30 May 2018) and therefore it is classified as publicly available according to the OBS methodology.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

AR-6b. If you selected option "c" or "d" in question AR-6a, please specify how you determined whether the AR was produced for internal use only, versus not produced at all.

If option "a","b," or "e" was selected in question AR-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer
Opinion:

Government Reviewer
Opinion:

AR-7. If the AR is produced, please write the full title of the AR.

For example, a title for the Audit Report could be "Annual General Reports of the Controller and Auditor General." If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Izveštće o obavljenoj reviziji Godišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za 2017. godinu [Audit Report on the Executed State Budget of the Republic of Croatia for 2017]

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

AR-8. Is there a "citizens version" of the AR?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

Comment:

"Citizens version" of the AR was not produced.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

GQ-1a. Are there one or more websites or web portals for disseminating government fiscal information? If yes, please provide the necessary links in the comment/citation.

GQ-1a asks the researcher to list any government websites or portals where fiscal information can be found. For example, in New Zealand the Treasury

website (<http://www.treasury.govt.nz/>) hosts important budget-related information, including the Pre-Budget Statement, the Executive's Budget Proposal, the Citizens Budget, In-Year Reports, the Mid-Year Review, and the Year-End Report. In addition, New Zealand's Parliamentary Counsel Office (<http://www.legislation.govt.nz/>) posts the Enacted Budget while the Controller and Auditor-General website (<http://www.oag.govt.nz/>) publishes the annual Audit Report. The New Zealand researcher would provide the links to each of these sites. Other countries have developed portals that include fiscal information, though not in the "documents" format. For example, these portals have been created by Mexico (<https://www.transparenciapresupuestaria.gob.mx/>) and Brazil (<http://www.portaltransparencia.gov.br/>). Some countries have both a website and a portal. The Brazilian government, for example, apart from the Transparency Portal, has a dedicated website for the federal budget, where all key documents and other information can be found (www.orcamentofederal.gov.br). Researchers should include details about all of the relevant websites and/or portals that they can be used to access budget information.

Answer:

a. Yes

Source:

1. Government of the Republic of Croatia: <https://vlada.gov.hr/>
2. Croatian parliament: <http://www.sabor.hr/>
3. Republic of Croatia - Ministry of Finance: <http://www.mfin.hr/>
4. State Audit Office: <http://www.revizija.hr/>
5. Official Gazette: <http://www.nn.hr/>

Comment:

Pre-Budget Statement, Executive's Budget Proposal and Year-End Report are published on the official website of the Croatian Government, as documentation related to the sessions at which they were adopted (<https://vlada.gov.hr/sjednice/9>).

Pre-Budget Statement, Executive's Budget Proposal, Year-End Report and Audit Report are published on the official website of the Croatian Parliament, as documentation related to the sessions at which they are discussed (<http://www.sabor.hr/Default.aspx?sec=36>).

Enacted Budget and Year-End Report are published in the Official Gazette (<https://www.nn.hr/>).

Pre-Budget Statement, Executive's Budget Proposal, Enacted Budget, Year-End Report, Citizens Budgets and In-Year Reports are published on the official website of the Ministry of Finance (<http://www.mfin.hr/>).

The Audit Report is published on the official website of the State Audit Office (<http://www.revizija.hr/hr/izvjesca>).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-1b. On these websites/portals, can revenue and/or expenditure data for the current fiscal year be downloaded as a consolidated file (or set of files)? If yes, please provide the necessary links in the comment/citation.

GQ-1b, GQ-1c, and GQ-1d ask about whether governments publish specific types of content on their websites/portals: (a) consolidated files that contain revenue and/or expenditure information for the current fiscal year; (b) consolidated files that contain revenue and/or expenditure information for multiple years in consistent formats; and (c) infographics/visualizations or other similar tools used to simplify data access and analysis. Researchers should provide the links to relevant webpages and some explanations of what they contain.

Answer:

a. Yes, both revenue and expenditure data can be downloaded as a consolidated file

Source:

<http://www.mfin.hr/hr/vremenske-serije-podataka>

Comment:

Data can be downloaded in a machine readable format at: <http://www.mfin.hr/hr/vremenske-serije-podataka>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-1c. On these websites/portals, can consolidated revenue and/or expenditure data be downloaded for multiple years in consistent formats? If yes, please provide the necessary links and details in the comment/citation.

Answer:

a. Yes, both revenue and expenditure data can be downloaded for multiple years in consistent formats

Source:

<http://www.mfin.hr/hr/vremenske-serije-podataka>

Comment:

Data for 2004 onwards can be downloaded in a machine readable format at: <http://www.mfin.hr/hr/vremenske-serije-podataka>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-1d. On these websites/portals, are infographics/visualizations or other similar tools used to simplify data access and analysis? If yes, please provide the necessary links and details in the comment/citation.

Answer:

b. No

Source:

Comment:

No such tools are available.

Peer Reviewer

Opinion: Agree

Comments: unfortunately

Government Reviewer

Opinion: Agree

GQ-2. Are there laws in place guiding public financial management and/or auditing? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where the law(s) contains specific provisions for budget transparency and/or participation.

GQ-2 asks about the existence of any national laws governing public financial management and auditing. These may include a public finance act, a section of the constitution, or an organic budget law. In some countries, fiscal responsibility legislation may also be relevant. For example, the Kenya researcher may include the link to its Public Finance Management Act, 2012 (<http://www.kenyalaw.org/lex/actview.xhtml?actid=No.%2018%20of%202012>), and the Macedonian researcher may include a link to its State Audit Law (<https://www.finance.gov.mk/files/u11/Audit%20law.pdf>). Researchers should provide links to websites where such laws are published, if possible, or an electronic copy of the law itself. They should also indicate if and where (e.g. which article) these laws include specific provisions for budget transparency and citizen participation in budget processes.

Answer:

a. Yes

Source:

1. Zakon o proračunu [Budget Act]: <http://www.mfin.hr/adminmax/docs/Budget%20Act%20-%20consolidated%20text.pdf>
2. Zakon o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu [2019 Act on Execution of the State Budget of the Republic of Croatia]: https://narodne-novine.nn.hr/clanci/sluzbeni/2018_12_113_2198.html
3. Zakon o Državnom uredu za reviziju [Act on the State Audit Office]: https://narodne-novine.nn.hr/clanci/sluzbeni/2011_07_80_1701.html
4. Zakon o fiskalnoj odgovornosti [Fiscal Responsibility Act]: https://narodne-novine.nn.hr/clanci/sluzbeni/2018_12_111_2142.html

Comment:

Budget Act stipulates comprehensiveness of Pre-Budget Statement, Executive's Budget Proposal, Mid-Year Review and Year-End Report. In addition, the principle of budget transparency is defined by article 12, while article 116 stipulates that the budget supervision (conducted by Ministry of Finance) can be based on citizens' petitions, on the order of the Minister of Finance or on requests of central government administration bodies, local and regional government units and other legal persons which arise suspicion of irregularities and fraud. So, citizens can suggest to the Ministry of Finance what institution should be supervised. Act on the State Audit Office (article 12) stipulates comprehensiveness of Audit Report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-3. Are there additional laws regulating: (1) access to information; (2) government transparency; or (3) citizens participation? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where these laws contain specific provisions for budget transparency and/or participation.

The third and last question asks researchers to list any additional laws regulating access to information, transparency, or citizens' participation that are relevant for the promotion of budget transparency and citizen participation in budget processes. These might include legislation related to access to information, to planning processes, or to public administration more generally. India's Right to Information Act of 2005 (<https://www.ncss.gov.in/facilities/central-public-information-officer/rti-act-details.html>) is an example of this type of law. More information on access to information legislation (constitutional provisions, laws, and regulations), including examples of model laws, can be found here: <http://www.right2info.org/laws/constitutional-provisions-laws-and-regulations#section-1>.

Answer:

a. Yes

Source:

Zakon o pravu na pristup informacijama [Act on the Right of Access to Information]: <https://www.pristupinfo.hr/wp-content/uploads/2018/09/ZPPI-nesluzbeni-procisceni-tekst.pdf>

Comment:

According to article 10 of the Act on the Right of Access to Information public authority bodies are obliged to publish the following information in an easily searchable and machine readable format on their websites: 1) laws and other regulations relevant to their scope of activity; 2) general acts and decisions they enact, which influence the interests of beneficiaries, together with the reasons for their enactment; 3) draft proposals of laws and other regulations and general acts; 4) annual plans, programmes, strategies, instructions, work reports, financial reports and other relevant documents referring to activities of the public authority bodies; 5) registers and databases or information on registers and databases within their jurisdiction and the manner of access thereto; 6) information on public services provided by the public authority; 7) information on financing sources, budget, financial plan or other appropriate document that determine the revenues and expenditures of public authority bodies, and data and reports on budget execution, financial plans and other appropriate documents; 8) information on allocated grants, sponsorships, donations or other aid, including a list of beneficiaries and amounts; 9) information on public procurement procedures, tender documents, information on fulfilling the contract obligations, and other information required pursuant to the law governing public procurement; 10) information on announced tenders, documents necessary for participation in the tender procedure, and information on the outcome of tender procedures; 11) information on the internal organisation of public authorities, with the names of persons heading the authority and heads of organisational units with their contact information; 12) conclusions from official sessions of public authority bodies and the official documents enacted at these sessions, including information on the work of the formal work bodies within their jurisdiction where decisions are made on the rights and interests of beneficiaries; 13) information on the manner and conditions of exercising rights of access to and re-use of information in a visible place, including contact details of the information officer, the necessary forms or links to forms, and the level of fees for access to information and reuse of information, and 14) responses to frequently asked questions, on the manner of submitting requests by citizens and the media, and other information (news, press releases, data on activities), for the purpose of informing the public about their work and exercising their rights and executing obligations. Regarding consultations with the interested public see article 11 of Act on the Right of Access to Information.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

1. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?

GUIDELINES:

Question 1 addresses the presentation of expenditure by administrative unit. This information indicates which government entity (ministry, department, or agency, or MDAs) will be responsible for spending the funds and, ultimately, held accountable for their use.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all administrative units, accounting for all expenditures, in the budget year. To answer "b," the administrative units shown individually, in the Executive's Budget Proposal or its supporting documentation, must account for at least two-thirds of all expenditures in the budget year. In other words, the sum of the expenditures assigned to the individual MDAs (education, health, infrastructure, interior, defense, etc.) must account for at least two-thirds of the total expenditure budgeted for that particular year. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents administrative units that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by administrative unit.

Answer:

a. Yes, administrative units accounting for all expenditures are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by administrative units see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditures classified by administrative units for the budget year 2019 are given on pages 17-955.

Peer Reviewer
Opinion: Agree
Comments: Everything is fine and clear

Government Reviewer
Opinion: Agree

2. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by functional classification?

GUIDELINES:

Question 2 addresses the presentation of expenditure by functional classification. This classification indicates the programmatic purpose, sector, or objective for which the funds will be used, such as health, education, or defense. Administrative units are not necessarily aligned with functional classifications. For instance, in one country all functions connected with water supply (which fall into the "Housing" function) may be undertaken by a single government agency, while in another country they may be distributed across the Ministries of Environment, Housing, and Industrial Development. In the latter case, three ministries have programs addressing water supply, so three ministries contribute to one function. Similarly, some administrative units may conduct activities that cut across more than one function. For instance, in the example above, some programs of the Ministry of Environment would also be classified in the "environmental protection" function.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for the budget year organized by functional classification.

Answer:

a. Yes, expenditures are presented by functional classification.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by functional classification see the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditures by functional classification for the budget year 2019 are presented on pages 13-14.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear

Government Reviewer

Opinion: Agree

3. If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by functional classification, is the functional classification compatible with international standards?

GUIDELINES:

Question 3 asks whether a country's functional classification meets international standards. To answer "a," a country's functional classification must be aligned with the OECD and the UN's Classification of the Functions of Government (COFOG), or provide a cross-walk between the national functional presentation and COFOG.

The OECD Best Practices for Budget Transparency can be viewed at <http://www.oecd.org/gov/budgeting/Best%20Practices%20Budget%20Transparency%20-%20complete%20with%20cover%20page.pdf>

COFOG can be viewed at https://unstats.un.org/unsd/publication/SeriesM/SeriesM_84E.pdf or at <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/ch6ann.pdf>.

Answer:

a. Yes, the functional classification is compatible with international standards.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by functional classification see the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

The classification is fully compatible with international standards. Compare the headings on pages 13-14 with those given on pages 182-183 of the IMF 2001 GFS manual (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf>). For instance: Opće javne usluge (Eng. General public services), Obrana (Eng. Defense), Javni red i sigurnost (Eng. Public order and safety), Ekonomski poslovi (Eng. Economic affairs), Zaštita okoliša (Eng. Environmental protection), Usluge unapređenja stanovanja i zajednice (Eng. Housing and community amenities), Zdravstvo (Eng. Health), Rekreacija, kultura i religija (Eng. Recreation, culture, and religion), Obrazovanje (Education), Socijalna zaštita (Eng. Social protection).

Peer Reviewer

Opinion: Agree

Comments: In comment everything is well explained

Government Reviewer

Opinion: Agree

4. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by economic classification?

GUIDELINES:

Question 4 asks whether the Executive's Budget Proposal or its supporting documentation presents expenditures for the budget year organized by economic classification. Economic classification provides information on the nature of the expenditure, such as whether funds are being used to pay for wages and salaries, capital projects, or social assistance benefits.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for the budget year organized by economic classification.

Answer:

a. Yes, expenditures are presented by economic classification.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by economic classification see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditures by economic classification for the budget year 2019 are presented on pages 17-955. The given pages actually specify expenditures by administrative units, but there is an economic classification of expenditures within each unit. Summarised data for public expenditures by economic classification are given on pages 6-9.

Peer Reviewer

Opinion: Agree

Comments: In comment everything is well explained

Government Reviewer

Opinion: Agree

5. If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by economic classification, is the economic classification compatible with international standards?

GUIDELINES:

Question 5 asks whether a country's economic classification meets international standards. To answer "a," a country's economic classification must be consistent with the International Monetary Fund's (IMF) 2001 Government Finance Statistics (GFS). The GFS economic classification is presented here: <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>. To learn more about Government Finance Statistics also refer to the entire IMF 2001 GFS manual (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf>).

Answer:

a. Yes, the economic classification is compatible with international standards.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by economic classification see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

The economic classification is compatible with international standards. Compare the headings on pages 6-9 with those given on p. 179 of the IMF 2001 GFS manual (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf>). For instance: Rashodi za zaposlene (Eng. Compensation of employees), Plaće (Bruto) (Eng. Salaries), Doprinosi na plaće (Eng. Social contributions), Materijalni rashodi (Eng. Expenses for fixed capital), Subvencije (Eng. Subsidies), Subvencije trgovačkim društvima u javnom sektoru (Eng. Subsidies to public corporations), Pomoći dane u inozemstvo i unutar općeg proračuna (Eng. Grants given abroad and to the users of the public budget), Pomoći inozemnim vladama (Grants to foreign governments), Pomoći međunarodnim organizacijama te institucijama i tijelima EU (Eng. Grants to international organizations and EU bodies) Pomoći unutar općeg proračuna (Eng. Grants to other general government units), Naknade građanima i kućanstvima na temelju osiguranja i druge naknade (Eng. Social benefits), Ostali rashodi (Eng. Other expenses).

Peer Reviewer
Opinion: Agree
Comments: In comment everything is well explained

Government Reviewer
Opinion: Agree

6. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the budget year?

GUIDELINES:

Question 6 asks whether expenditures are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should treat the term "program" as meaning any level of detail below an administrative unit – that is, any programmatic grouping that is below the ministry, department, or agency level. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, in the budget year. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures in the budget year. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Budget decisions for the upcoming year can also affect the parameters of future budgets. It is therefore useful to estimate revenues and expenditures for multi-year periods, understanding that these estimates might be revised as circumstances change. Sometimes referred to as a Medium Term Expenditure Framework (MTEF), a three-year period – that is, the budget year plus two more years – is generally considered an appropriate horizon for budgeting and planning.

Answer:

a. Yes, programs accounting for all expenditures are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by individual programs see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditures by individual programs for the budget year 2019 are presented on pages 17-955. See for instance the part on expenses of the Ministry of Defence (pages 158-170). There are headings OPREMANJE, MODERNIZACIJA I IZGRADNJA (Eng. Acquisition of equipment, construction and modernisation of the existing equipment and infrastructure), UPRAVLJANJE I POTPORA OSOBLJU (Eng. Management and staff support), KOMUNIKACIJSKO-INFORMACIJSKI SUSTAVI I POTPORA (Eng. Communication and information systems and support), etc.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

7. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 7 asks if multi-year expenditure estimates are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates by all three of the expenditure classifications for at least two years beyond the budget year. To answer "b," multi-year expenditure estimates must be presented by two of these three classifications. A "c" answer applies if multi-year expenditure estimates are presented by one of the three classifications. Answer "d" applies if multi-year expenditure estimates are not presented by any of the three classifications.

Answer:

a. Yes, multi-year expenditure estimates are presented by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditure estimates by administrative and economic classification for the period 2019-2021 are given on pages 17-955. Expenditure estimates by functional classification for the period 2019-2021 are given on pages 13-14.

Peer Reviewer

Opinion: Agree

Comments: Always two-years beyond the budget year, never more than 2 years

Government Reviewer

Opinion: Agree

7b. Based on the response to Question 7, check the box(es) to identify which expenditure classifications have estimates for a multi-year period in the Executive's Budget Proposal?

Answer:

Administrative classification

Economic classification

Functional classification

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditure estimates by administrative and economic classification for the period 2019-2021 are given on pages 17-955. Expenditure estimates by functional classification for the period 2019-2021 are given on pages 13-14.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

8. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by program?

GUIDELINES:

Question 8 asks if multi-year expenditure estimates are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as *le plan comptable* or *le plan comptable detaillé*. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for at least two years beyond the budget year. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures over the multi-year period. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates for programs that account for less than two-thirds of expenditures. Answer "d" applies if multi-year estimates are not presented by program.

Revenues generally are separated into two major categories: "tax" and "non-tax" revenues. Taxes are compulsory transfers that result from government exercising its sovereign power. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes. The category of non-tax revenues is more diverse, ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services. Note that some forms of revenue, such as contributions to social security funds, can be considered either a tax or non-tax revenue depending on the nature of the approach to these contributions. Particularly because different revenues have different characteristics, including who bears the burden of paying the tax and how collections are affected by economic conditions, it is helpful when estimates for revenues are disaggregated and displayed based on their sources.

For more information, please refer to the 2001 GFS manual, in particular Appendix 4 (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>).

Answer:

a. Yes, multi-year estimates for programs accounting for all expenditures are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studenti/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

The expenditure estimates by individual programs for the period 2019-2021 are given on pages 17-955. The given estimates account for all expenditures.

Peer Reviewer

Opinion: Agree

Comments: Comment doesn't include information that there is no detail analytics for two-years beyond the budget year, only up to second level of GFS codes. However, answer is correct

Government Reviewer

Opinion: Agree

9. Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of tax revenue (such as income tax or VAT) for the budget year?

GUIDELINES:

Question 9 assesses the degree to which the individual sources of "tax" revenue are disaggregated in the budget. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of tax revenue that when combined account for at least two-thirds of all tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of tax revenue that account for less than two-thirds of tax revenues. Answer "d" applies if individual sources of tax revenue are not presented.

Answer:

a. Yes, individual sources of tax revenue accounting for all tax revenue are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

The individual sources of tax revenue for the budget year 2019 are presented on page 2. The given overview accounts for all tax revenue and the category 'other revenue' represents less than 3% of the total.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

10. Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of non-tax revenue (such as grants, property income, and sales of government-produced goods and services) for the budget year?

GUIDELINES:

Question 10 assesses the degree to which the individual sources of "non-tax" revenue are disaggregated in the budget. The category of non-tax revenues is diverse, and can include revenue ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of non-tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all non-tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of non-tax revenue that when combined account for at least two-thirds of all non-tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of non-tax revenue that account for less than two-thirds of non-tax revenues. Answer "d" applies if individual sources of non-tax revenue are not presented.

Answer:

a. Yes, individual sources of non-tax revenue accounting for all non-tax revenue are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

The individual sources of non-tax revenue for the budget year are presented on pages 2-5. The given overview accounts for all non-tax revenue and the category 'other revenue' represents less than 3% of the total.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

11. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for a multi-year period (at least two-years beyond the budget year)?

GUIDELINES:

Question 11 evaluates whether revenue estimates are presented for a multi-year period (at least two years beyond the budget year) by "category," that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of revenues classified by category for at least two years following the budget year in question.

Answer:

a. Yes, multi-year estimates of revenue are presented by category.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Revenue estimates by category for the period 2019-2021 are given on pages 2-5.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

12. Does the Executive's Budget Proposal or any supporting budget documentation present estimates for individual sources of revenue presented for a multi-year period (at least two-years beyond the budget year)?

GUIDELINES:

Question 12 evaluates whether revenue estimates for individual sources of revenue are presented for a multi-year period (at least two years beyond the budget year). The question applies to both tax and non-tax revenue.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented for a multi-year period.

Answer:

a. Yes, multi-year estimates for individual sources of revenue accounting for all revenue are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Information on individual sources of revenue for the period 2019-2021 is presented on pages 2-5. The given overview accounts for all revenue and the category 'other revenue' represents less than 3% of the total.

Peer Reviewer

Opinion: Agree
Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer
Opinion: Agree

13. Does the Executive's Budget Proposal or any supporting budget documentation present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

GUIDELINES:

Question 13 asks about three key estimates related to borrowing and debt that the budget should include:

- *the amount of net new borrowing required during the budget year;*
- *the central government's total debt burden at the end of the budget year; and*
- *the interest payments on the outstanding debt for the budget year.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the IMF.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all three estimates of borrowing and debt. For a "b" answer, the Executive's Budget Proposal or its supporting documentation must present two of those three estimates. For a "c" answer, the Executive's Budget Proposal or its supporting documentation must present one of the three estimates. Answer "d" applies no information on borrowing and debt is presented for the budget year.

Answer:

a. Yes, all three estimates related to government borrowing and debt are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Information on the amount of net new borrowing is presented on page 15. Information on the interest payments on the outstanding debt is given on page 7 (items 341 and 342).

Details on the total debt outstanding at the end of the budget year are given on the last page of the document (see Grafikon 1: Javni dug u razdoblju 2015. – 2021.).

The answer selected demonstrates an improvement in performance from the previous round.

Peer Reviewer
Opinion: Agree
Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer
Opinion: Agree

13b. Based on the response to Question 13, check the box(es) below to identify which estimates of government borrowing and debt are presented in the Executive's Budget Proposal:

Answer:

The amount of net new borrowing required during the budget year
The interest payments on outstanding debt for the budget year
The central government's total debt burden at the end of the budget year

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>.

Comment:

Information on the amount of net new borrowing is presented on page 15. Information on the interest payments on the outstanding debt is given on page 7 (items 341 and 342). Details on the total debt outstanding at the end of the budget year are given on the last page of the document (see Grafikon 1: Javni dug u razdoblju 2015. – 2021.).

The answer selected demonstrates an improvement in performance from the previous round.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

14. "Does the Executive's Budget Proposal or any supporting budget documentation present information related to the composition of the total debt outstanding at the end of the budget year?"

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

GUIDELINES:

Question 14 focuses on the composition of government debt at the end of the budget year, asking whether "core" information related to its composition is presented. These core components include:

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 13, domestic debt is held by a country's citizens, banks, and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.

Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the composition of government debt at the end of the budget year as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding at the end of the budget year.

Answer:

d. No, information related to composition of total debt outstanding is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives any information on the central government's total debt.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, information is presented, but it excludes some core elements.

Comments: I have huge doubt regarding this question. EBP have some information but not all. For example: Pp 985 includes discussion regarding total interest payments in 2019-21- Pp 951 include projections of deficit (balance) in period 2019-21 Pp 992-993 includes analysis of Financing account, i.e. how will deficit be financed. For example, here is stated that 6,6 billion kunas will be acquired on financial markets but do not specify domestic or international. 1 billion kunas will be acquired through privatization etc. Pp 994-995 includes information regarding unsettled liabilities in detail etc. So, we have some information. There are not clear and you have to have certain knowledge in public debt issues to understand what is provided in EBP. Furthermore, supporting document Financing account provides in detail where (domestic or international market) debt will be issued, and which instrument (loan, bond, treasury bills etc.) . That document is stated in Sources as 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studen/124%20sjednica%20VRH//124%20-%201.7.pdf> Probably we will discuss this question additionally with your experts Furthermore, such information are not secret. They are delivered in Public Debt Management Strategy, which is delivered each May. But, that document is not part of Executive's Budget Proposal. Such document was published in May 2018 <http://www.mfin.hr/adminmax/docs/Strategija%20upravljanja%20javnim%20dugom%202018-2020.pdf> . This document is not in sources list

Government Reviewer

Opinion: Agree

Researcher Response

Peer reviewer correctly spotted places where some of the elements evaluated in this question are briefly mentioned. However, this is not sufficient according to the OBS methodology. Answers a)-c) would be possible only if the Executive's Budget Proposal contained some of the tables and figures provided in Public Debt Management Strategy (e.g. Tablica 1, Grafikon 6, Grafikon 8). However, this document is not part of EBP, so it cannot be taken into account.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The existing response of "d" is maintained.

14b. Based on the response to Question 14, check the box(es) to identify which elements of the composition of the total debt outstanding are presented in the Executive's Budget Proposal:

Answer:

None of the above

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

republike-hrvatske-24680/24680).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrta prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives any information on the central government's total debt.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Total interest payments, Whether the debt is domestic or external

Comments: similar comment as for q14

Government Reviewer

Opinion: Disagree

Suggested Answer: In the Justification of the Proposal of the State Budget of the Republic of Croatia for 2019 and Projection for 2020 and 2021 there are some information beyond the core elements (structure of the debt, debt in the period 2015 - 2021) on the page 30 and 31 (see: <http://www.mfin.hr/adminmax/docs/Obrazlozenje%20Drzavnog%20proracuna%20P19.pdf>)

Researcher Response

See our response to the previous question.

15. "Does the Executive's Budget Proposal or any supporting budget documentation present information on the macroeconomic forecast upon which the budget projections are based?"

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)"

GUIDELINES:

Question 15 focuses on the macroeconomic forecast that underlies the budget's revenue and expenditure estimates, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

- *nominal GDP level;*
- *inflation rate;*
- *real GDP growth; and*
- *interest rates.*

While the core macroeconomic information should be a standard feature of the Executive's Budget Proposal, the importance of some types of macroeconomic assumptions may vary from country to country. For example, the budget estimates of some countries are particularly affected by changes in the price of oil and other commodities.

Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short and long-term interest rates; rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core

elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.

Answer:

c. Yes, information is presented, but it excludes some core elements.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

On page 974 (numbered 8) there is information on two core elements, namely inflation rate and real GDP growth (see Tablica 1. Projekcije makroekonomskih pokazatelja RH). Yet, none of the 14 EBP document-items presents information on nominal GDP level and interest rates, and therefore the answer c) applies.

There has not been any improvement in comparison with the previous EBP in this respect.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

15b. Based on the response to Question 15, check the box(es) to identify which elements of the macroeconomic forecast are included in the Executive's Budget Proposal:

Answer:

Inflation rate

Real GDP growth

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

On page 974 (numbered 8) there is information on two core elements, namely inflation rate and real GDP growth (see Tablica 1. Projekcije makroekonomskih pokazatelja RH). Yet, none of the 14 EBP document-items presents information on nominal GDP level and interest rates.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

16. "Does the Executive's Budget Proposal or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget?"

(The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP

growth, and interest rates.)"

GUIDELINES:

Question 16 focuses on the issue of whether the Executive's Budget Proposal shows how different macroeconomic assumptions affect the budget estimates (known as a "sensitivity analysis"). It asks whether "core" information related to a sensitivity analysis is presented, estimating the impact on expenditures, revenue, and debt of different assumptions for:

- *inflation rate;*
- *real GDP growth; and*
- *interest rates.*

A sensitivity analysis shows the effect on the budget of possible changes in some macroeconomic assumptions, and is important for understanding the impact of the economy on the budget; for instance, what would happen to revenue collections if GDP growth were slower than what is assumed in the budget proposal? Or what would happen to expenditure if inflation were higher than estimated? Or how will revenue be affected by a decrease in the price of oil?

As noted for Question 15, changes in certain macroeconomic assumptions, such as the price of oil and other commodities, can have a significant impact on the budget estimates. As a result, some sensitivity analyses may also examine the impact on the budget estimates of changes in assumptions such as the price of oil that are beyond the core elements of the inflation rate, real GDP growth, and interest rates.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to a "sensitivity analysis" as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to a "sensitivity analysis" is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on "sensitivity analysis" is presented.

Answer:

d. No, information related to different macroeconomic assumptions is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetska učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items provides the sensitivity analysis.

There has not been any improvement in comparison with the previous EBP in this respect.

Peer Reviewer

Opinion: Agree

Comments: I agree

Government Reviewer

Opinion: Agree

17. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect expenditures?

GUIDELINES:

Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.

Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on the impact of new policy proposals.

Answer:

a. Yes, estimates that show how all new policy proposals affect expenditures are presented, along with a narrative discussion.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Pages 980-990 (numbered 14-24) provide information on expenditures (by the sources of financing, as well as by economic and functional classifications) for the period 2017-2021, along with a narrative discussion about the effect of new policy proposals on the budget outlays.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

18. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect revenues?

GUIDELINES:

Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.

Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on the impact of new policy proposals.

Prior-year information constitutes an important benchmark for assessing the proposals for the upcoming budget year. Estimates of prior years should be presented in the same formats (in terms of classification) as the budget year to ensure that year-to-year comparisons are meaningful. For example, if the budget proposes shifting responsibility for a particular program from one administrative unit to another – such as shifting responsibility for the training of nurses from the health department to the education department – the prior-year figures must be adjusted before year-to-year comparisons of administrative budgets can be made.

Typically, when the budget proposal is submitted, the year prior to the budget year (BY-1), also known as the current year, has not ended, so the executive will

provide estimates of the anticipated outcome for BY-1. The soundness of these estimates is directly related to the degree to which they have been updated to reflect actual expenditures to date, legislative changes that have occurred, and anticipated changes in macroeconomic, caseload, and other relevant factors for the remainder of the year.

The first year that can reflect actual outcomes, therefore, is generally two years before the budget year (BY-2). Thus the OECD recommends that data covering at least two years before the budget year (along with two years of projections beyond the budget year) are provided in order to assess fully the trends in the budget.

Answer:

c. Yes, information that shows how some but not all new policy proposals affect revenues are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Pages 975-979 (numbered 9-13) provide a short narrative discussion only on the few most important policy changes. The answer selected therefore indicates no change in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, estimates that show how all new policy proposals affect revenues are presented, along with a narrative discussion.

Comments: For revenues even more narrative explanation are delivered that in expenditure part. I don't understand which policies are not presented. There are even projections of fiscal impact for two-years beyond the budget year

Government Reviewer

Opinion: Agree

Researcher Response

This is one of the questions which were debated about in previous rounds of the survey. For all such questions, the chosen answer is identical to those from earlier rounds if the current document brings the same range of information compared to the previous years (see the last sentence in our original comment above). Answer a) would be justifiable only if both exact estimates and narratives were given for every new policy proposal. However, pages 975-979 provide only aggregate overview for different groups of revenues.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The existing response of "c" is maintained.

19. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 19 asks if expenditure estimates for the year prior to the budget year (BY-1) are presented by one of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-1 by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-1 must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-1 are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-1 are not presented by any of the three classifications.

Answer:

a. Yes, expenditure estimates for BY-1 are presented by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditure estimates by administrative and economic classifications for two preceding years (2017 and 2018) are given on pages 17-955. Expenditure estimates by functional classification for two preceding years (2017 and 2018) are given on page 990 (numbered 24).

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

20. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

GUIDELINES:

Question 20 asks if expenditure estimates for the year before the budget year (BY-1) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-1. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-1. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Answer:

a. Yes, programs accounting for all expenditures are presented for BY-1.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by individual programs see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditures by individual programs for two preceding years (2017 and 2018) are presented on pages 17-955.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

21. In the Executive's Budget Proposal or any supporting budget documentation, have expenditure estimates of the year prior to the budget year (BY-1) been updated from the original enacted levels to reflect actual expenditures?

GUIDELINES:

Question 21 asks whether the expenditure estimates for the year before the budget year (BY-1) have been updated from the original enacted levels. Updates can reflect actual experience to date; revised estimates due to shifting of funds by the executive, as permitted under the law; enactment of supplemental

budgets; and revised assumptions regarding macroeconomic conditions, caseload, and other relevant factors for the remainder of the year.

Answer "a" applies if the estimates have been updated; answer "b" applies if the original estimates are still being used.

Answer:

a. Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

The original and amended budget for BY-1 are available from:

(B) 2018 EBP:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2017/10%20listopad/64%20sjednica%20Vlade%20Republike%20Hrvatske//64%20-%201.1.pdf>

(C) 2018 Budget amendments: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%203.1.pdf>

Comment:

On 9 November 2018 the government proposed revision of the 2018 Budget (which was adopted by the Parliament on 3 December 2018). In the 2019 EBP these revised estimates for 2018 have been updated from the original enacted levels to reflect actual expenditures.

Compare for instance values on p. 1 in the document (A) with those on p. 1 in the document (B), as well as with the values in the document (C) provided in the "Sources" box.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

22. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure for more than one year prior to the budget year (that is, BY-2 and prior years) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 22 asks if expenditure estimates for more than one year prior to the budget year (BY-2 and prior years) are presented by any of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-2 and prior years by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-2 and prior years must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-2 and prior years are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-2 and prior years are not presented by any of the three classifications

Answer:

a. Yes, expenditure estimates for BY-2 and prior years are presented by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditure estimates by administrative and economic classifications for two preceding years (2017 and 2018) are given on pages 17-955.

Expenditure estimates by functional classification for two preceding years (2017 and 2018) are given on page 990 (numbered 24).

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

22b. Based on the response to Question 22, check the box(es) to identify which expenditure classifications have estimates for more than one year prior to the budget year in the Executive Budget Proposal:

Answer:

Administrative classification

Economic classification

Functional classification

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditure estimates by administrative and economic classifications for two preceding years (2017 and 2018) are given on pages 17-955.

Expenditure estimates by functional classification for two preceding years (2017 and 2018) are given on page 990 (numbered 24).

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

23. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for more than one year preceding the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Question 23 asks if expenditure estimates for more than one year before the budget year (BY-2 and prior years) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-2 and prior years. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-2 and prior years. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Answer:

a. Yes, programs accounting for all expenditures are presented for BY-2 and prior years.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by individual programs see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Expenditures by individual programs for two preceding years (2017 and 2018) are presented on pages 17-955.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

24. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

GUIDELINES:

Question 24 asks for which year the actual outcomes for expenditures are shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated all its expenditure data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

Answer:

a. Two years prior to the budget year (BY-2).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>).

In addition, the 2017 Year-End Report is available from:

(B) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

The most recent year with expenditures reflecting actual outcomes is 2017, which is two years prior to the budget year in consideration. Compare the values for 2017 on pages 17-955 of the 2019 EBP (document (A) in the "Sources" field) with those given in the 2017 YER (document (B) in the "Sources" field).

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

25. Does the Executive's Budget Proposal or any supporting budget documentation present revenue by category (such as tax and non-tax) for the year preceding the budget year (BY-1)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, revenue estimates for BY-1 are presented by category.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Revenue by category for two preceding years (2017 and 2018) is given on pages 2-5.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

26. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for the year preceding the budget year (BY-1)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-1.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Information on individual sources of revenue for two preceding years (2017 and 2018) is presented on pages 2-5. The given overview accounts for all revenue.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

27. In the Executive's Budget Proposal or any supporting budget documentation, have the original estimates of revenue for the year prior to the budget year (BY-1) been updated to reflect actual revenue collections?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, revenue estimates for BY-1 have been updated from the original enacted levels.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

The original and amended budget for BY-1 are available from:

(B) 2018 EBP:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2017/10%20listopad/64%20sjednica%20Vlade%20Republike%20Hrvatske//64%20-%201.1.pdf>

(C) 2018 Budget amendments: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%203.1.pdf>

Comment:

On 9 November 2018 the government proposed revision of the 2018 Budget (which was adopted by the Parliament on 3 December 2018). In the 2019 EBP these revised estimates for 2018 have been updated from the original enacted levels to reflect actual revenue collection.

Compare the values on pages 2-5 in the document (A) with those on pages 2-3 in the document (B), as well as with those in the document (C) provided in the "Sources" box.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

28. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for more than one year prior to the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, revenue estimates for BY-2 and prior years are presented by category.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Revenue estimates by category for two preceding years (2017 and 2018) are given on pages 2-5.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

29. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for more than one year prior to the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-2 and prior years.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Information on individual sources of revenue for two preceding years (2017 and 2018) is presented on pages 2-5. The given overview accounts for all revenue.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

30. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Two years prior to the budget year (BY-2).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>).

In addition, the 2017 Year-End Report is available from:

(B) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

The most recent year with all revenues reflecting actual outcomes is 2017, which is two years prior to the budget year in consideration. Compare the values for 2017 on pages 17-955 of the 2019 EBP (document (A) in the "Sources" field) with those given in the 2017 YER (document (B) in the "Sources" field).

Peer Reviewer
Opinion: Agree
Comments: Everything is fine and clear.

Government Reviewer
Opinion: Agree

31. "Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1)?"

(The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

GUIDELINES:

Question 31 focuses on prior-year debt information, rather than on prior-year expenditures or revenues, asking whether "core" information is provided on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1).

The "core" information includes:

- total debt outstanding at the end of BY-1;
- amount of net new borrowing required during BY-1;
- interest payments on the debt;
- interest rates on the debt instruments;
- maturity profile of the debt; and
- whether it is domestic or external debt.

This core information for BY-1 is consistent with the budget year information for borrowing and debt, which is examined in Questions 13 and 14.

In addition, some governments provide information beyond the core elements, such as gross new borrowing required during BY-1; currency of the debt; whether the debt carries a fixed or variable interest rate; whether it is callable; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); where appropriate, what the debt is being used to finance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to government borrowing and debt, including its composition, for BY-1 as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to government borrowing and debt, including its composition, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on government borrowing and debt for BY-1.

Answer:

c. Yes, information is presented, but it excludes some core elements.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Information on the amount of net new borrowing for two preceding years (2017 and 2018) is presented on page 15. Information on the interest payments on the outstanding debt for two preceding years (2017 and 2018) is given on page 7 (items 341 and 342).

Details on the total debt outstanding at the end of the budget year (from 2015 onwards) are given on the last page of the document (see Grafikon 1: Javni dug u razdoblju 2015. – 2021.).

The answer selected demonstrates an improvement in performance from the previous round.

Peer Reviewer
Opinion: Agree

Comments: I agree but pages delivered in comments are wrong, so: total debt outstanding at the end of BY-1 (page 997, last page) amount of net new borrowing required during BY-1; (in supporting document that I already mentioned "1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika" <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.7.pdf> interest payments on the debt; (Page 985) interest rates on the debt instruments; (no info) maturity profile of the debt (no info) whether it is domestic or external debt (possible to extract from supporting document 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020.

i 2021. godinu – analitika” <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.7.pdf>)

Government Reviewer
Opinion: Agree

Researcher Response

Peer reviewer correctly spotted additional pages which provide information on net new borrowing required. On the other hand, we cannot find separate figures on interest payments on page 985. Nevertheless, it is also correct that the division domestic/external can be seen in the supporting document 1.7. Thank you for emphasising this. Finally, it is also true that interest rates on the debt instruments and maturity profile of the debt are not discussed in the budget proposal. This is why our initial answer was c) Yes, information is presented, but it excludes some core elements. However, we changed our answer to b) upon the request of IBP (e-mail correspondence from June 25, 2019).

IBP Comment

The comments from the researcher and peer reviewer are well-noted. After additional review, the initial response is reverted from "b" to "c."

32. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

GUIDELINES:

Question 32 asks for which year the actual outcome for debt is shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated its debt data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

It is essential that all government activities that may have an impact on the budget – in the current budget year or in future budget years – be fully disclosed to the legislature and the public in budget documents. In some countries, for instance, entities outside central government (such as public corporations) undertake fiscal activities that could affect current and future budgets. Similarly, activities that can have a significant impact on the budget, such as payment arrears and contingent liabilities, sometimes are not properly captured by the regular presentations of expenditure, revenue, and debt.

Answer:

a. Two years prior to the budget year (BY-2).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

Details on the total debt outstanding at the end of the budget year (from 2015 onwards) are given on the last page of the document (see Grafikon 1: Javni dug u razdoblju 2015. – 2021.).

The debt figures for 2017 reflect actual outcomes, which can be easily concluded after comparing them with the figures provided on pages 8-11 of the Public debt management strategy for the period 2018-2020 (see:

<http://www.mfin.hr/adminmax/docs/Strategija%20upravljanja%20javnim%20dugom%202018-2020.pdf>).

In line with this, the answer a) applies.

The answer selected demonstrates an improvement in performance from the previous round.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear

Government Reviewer

Opinion: Agree

33. "Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)"

GUIDELINES:

Question 33 focuses on extra-budgetary funds, asking whether "core" information related to these funds, which exist outside the budget, are presented. These core components include:

- *a statement of purpose or policy rationale for the extra-budgetary fund (i.e., why was a particular fund set up? what is it used for?); and*
- *estimates of its income, expenditure, and financing. (These estimates should be presented on a gross basis so that it is possible to tell how much money flows through each extra-budgetary fund.)*

In most countries, governments engage in certain budgetary activities that are not included in the central government's budget. Known as extra-budgetary funds, they can range in size and scope. For example, countries frequently set up pension and social security programs as extra-budgetary funds, where the revenues collected and the benefits paid are recorded in a separate fund outside the budget. Another example of an extra-budgetary fund can be found in countries dependent on hydrocarbon/mineral resources, where revenues from producing and selling those resources are channeled through systems outside the annual budget.

In some cases, the separation engendered by an extra-budgetary fund serves a legitimate political purpose, and the finances and activities of these funds are well documented. In other cases, however, this structure is used for obfuscation, and little or nothing is known about a fund's finances and activities.

The availability of information related to extra-budgetary funds is essential for a comprehensive understanding of the government's true fiscal position. In addition to the core information, other information about extra-budgetary funds is also desirable. Such information includes a discussion of the risks associated with the extra-budgetary fund; expenditures classified by economic, functional, or administrative unit; and the rules and procedures that govern the operations and management of the extra-budgetary fund.

For more information about extra-budgetary funds, see the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 2.1.1 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to extra-budgetary funds as well as some additional information beyond the core elements. A "b" answer applies if the Executive's Budget Proposal or supporting documentation presents all of the core information. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to extra-budgetary funds is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on extra-budgetary funds.

Answer:

a. Yes, information beyond the core elements is presented for all extra-budgetary funds.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to document-items 1.2.a - 1.2.e:

(A) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20a.pdf>

(B) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20b.pdf>

(C) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20c.pdf>

(D) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20d.pdf>

(E) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>

Comment:

Each of the documents (A)-(E) gives detailed information on one extra-budgetary fund, as follows: (A) Extra-budgetary fund 'Hrvatske vode'; (B) Extra-budgetary fund 'Hrvatske ceste'; (C) Extra-budgetary fund 'Fond za zaštitu okoliša i energetske učinkovitost'; (D) Extra-budgetary fund 'Državna agencija za osiguranje štednih uloga i sanaciju banaka'; (E) Extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje'.

Each document present estimates of income, expenditure, financing and a statement of purpose for that particular extra-budgetary fund. There is also additional information beyond these core elements, as each document for instance provides a narrative discussion on revenues, expenditures and programs.

The answer selected demonstrates an improvement in performance from the previous round.

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

The document (E) refers to the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje' [Eng. Croatian Health Insurance Fund], which administers the health care system in Croatia. Since information beyond the core elements is presented for this extra-budgetary fund, the answer a) applies for the health sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear

Government Reviewer

Opinion: Agree

34. Does the Executive's Budget Proposal or any supporting budget documentation present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year?

GUIDELINES:

Question 34 asks whether the Executive's Budget Proposal or supporting documents present the finances of the central government on a consolidated basis, showing both its budgetary and extra-budgetary activities. Virtually all of the questions in the OBS questionnaire focus on budgetary central government – the activities of the ministries, departments, or agencies of central government. In addition, Question 33 asks about extra-budgetary funds, such as social security funds that are not included in the budget.

Coverage is an important aspect of fiscal reporting. Budget documents should cover the full scope of government's financial activity. In many countries, extra-budgetary activities are substantial, and can represent a sizable share of the central government's activities. To get a full picture of the central government's finances, therefore, it is necessary to examine both activities that are included in the budget and those that are extra-budgetary. This question asks whether such a consolidated presentation of central government finances is provided.

The central government is only one component of the overall public sector. The public sector also includes other levels of government, such as state and local government, and public corporations. (See Box 2.1 under Principle 1.1.1 of the IMF's Fiscal Transparency Handbook (2018):

<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>. For the purpose of answering this question, please consider only the central government level.

In order to answer "a," the Executive's Budget Proposal or supporting documentation must present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year.

Answer:

a. Yes, central government finances are presented on a consolidated basis.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Central government finances (both budgetary and extra-budgetary) on a consolidated basis for the period 2017-2021 are given on pages 965-966.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer
Opinion: Agree

35. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of intergovernmental transfers for at least the budget year?

GUIDELINES:

Question 35 asks about intergovernmental transfers. In many cases, the central government supports the provision of a good or service by a lower level of government through an intergovernmental transfer of funds. This is necessary because, independent from the level of administrative decentralization that exists in a given country, the capacity for revenue collection of a local government is unlikely to be sufficient to pay for all its expenses. However, because the activity is not being undertaken by an administrative unit of the central government, it is unlikely to receive the same level of review in the budget. Thus it is important to include in the budget proposal a statement that explicitly indicates the amount and purposes of these transfers.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all intergovernmental transfers and a narrative discussing these transfers. If a narrative discussion is not included, but estimates for all intergovernmental transfers are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, intergovernmental transfers (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of intergovernmental transfers are presented.

Answer:

a. Yes, estimates of all intergovernmental transfers are presented, along with a narrative discussion.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Aggregate estimates are presented on page 8. Estimates by administrative units and programs for the period 2017-2021 are presented on pages 17-955, specifically all items under the heading 366 - 'Pomoći proračunskim korisnicima drugih proračuna'. Narrative discussion is provided on pages 986-987 (numbered 20-21) - section "Pomoći".

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

Intergovernmental transfers related to the health sector are given on pages 770-834 of the attached document (also under the heading 366 - 'Pomoći proračunskim korisnicima drugih proračuna'), while the corresponding amounts for the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje' are given in a separate document (i.e. one of the 13 remaining EBP document-items: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>). In the latter case, the aggregate estimates are provided on page 2, while the narrative discussion can be found on page 14. In line with this, the answer a) applies for the health sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

36. Does the Executive's Budget Proposal or any supporting budget documentation present alternative displays of expenditures (such as by gender, by age, by income, or by region) to illustrate the financial impact of policies on different groups of citizens, for at least the budget year?

GUIDELINES:

Question 36 asks about "alternative displays" of expenditures that highlight the financial impact of policies on different groups of citizens. As discussed above, expenditures are typically presented by at least one of three classifications – administrative, functional, and economic classifications (see Questions 1-5) – and by individual program (Question 6). In addition, governments can provide alternative displays to emphasize different aspects of expenditure policies and to show who benefits from these expenditures.

For the purpose of answering this question, the alternative presentation must differ from the presentations (such as administrative, functional, or economic

classifications or presentation by program) used to answer other questions. The alternative display can cover all expenditures or only a portion of expenditures. For instance, it can show how all expenditures are distributed according to geographic region or it can show how selected expenditures (such as the health budget or the agriculture budget) are distributed to different regions. But such a geographic display must be something different than the presentation of intergovernmental transfers used to answer question 35. One exception is when a country includes a special presentation of all policies intended to benefit the most impoverished populations (and is used to answer Question 52) then that can be considered an alternative display for purposes of answering this question as well. Finally, brief fact sheets showing how proposals in the budget benefit particular groups would be insufficient; only more detailed presentations would be considered.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of the importance of alternative displays of budget information and provides a number of examples. For instance,

- Bangladesh in its 2017-18 Budget included a detailed supplementary Gender Budgeting Report, which presents the spending dedicated to advancing women across various departments. (<https://mof.portal.gov.bd/site/page/3bb14732-b5b1-44df-9921-efedf1496295>).
- The UK's 2017 budget included a supplementary analysis that provided a distributional analysis of the budget by households in different income groups (see https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661465/distributional_analysis_autumn_budget_2017.pdf)
- South Africa's 2017 Budget Review goes beyond the standard presentation of intergovernmental transfers, discussing the redistribution that results from national revenue flowing to the provinces and municipalities and presenting the allocations on a per capita basis (see chapter 6, <http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBR.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must include at least three different presentations that illustrate the financial impact of policies on different groups of citizens for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must include at least two different alternative displays of expenditures. A "c" applies if only one type of alternative display of expenditure is presented. Answer "d" applies if no alternative display of expenditure is presented.

Answer:

d. No, alternative displays of expenditures are not presented to illustrate the financial impact of policies on different groups of citizens.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - a) Hrvatske vode
 - b) Hrvatske ceste
 - c) Fond za zaštitu okoliša i energetske učinkovitost
 - d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items presents alternative displays of expenditures.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Unfortunately

Government Reviewer

Opinion: Agree

36b. Based on the response to Question 36, select the box(es) below to identify which types of alternative displays are included in the Executive's Budget Proposal:

Answer:

None of the above

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetska učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items presents alternative displays of expenditures.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

37. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of transfers to public corporations for at least the budget year?

GUIDELINES:

Question 37 asks about transfers to public corporations. It is often the case that governments have a stake in enterprises that manage resources that are particularly relevant for the public good (such as electricity, water, and oil). While these public corporations can operate independently, in some cases the government will provide direct support by making transfers to these corporations, including to subsidize capital investment and operating expenses.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all transfers to public corporations and a narrative discussing the purposes of these transfers. If a narrative discussion is not included, but estimates for all transfers to public corporations are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, transfers to public corporations (regardless of whether it also includes a narrative discussion). Answer "c" also applies if estimates of transfers to public corporations are presented as a single line item. Answer "d" applies if no estimates of transfers to public corporations are presented.

Answer:

c. Yes, estimates of some but not all transfers to public corporations are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Aggregate estimates are presented on page 8 (Heading 351 - 'Subvencije trgovačkim društvima u javnom sektoru' [Eng. Transfers to public corporations]). Estimates by administrative units and programs are presented on pages 17-955 (all items under Heading 351 - 'Subvencije trgovačkim društvima u javnom sektoru'). Yet, only totals are given and there are no details on exact allocation. For instance, p. 269 of the document provides information on subventions given by the Ministry of Economy, Entrepreneurship and Crafts so as to improve the competitiveness of small- and mid-sized public companies. However, as in all other cases, transfers are here presented only as totals and therefore it is not possible to determine which companies are to be given these resources nor the exact amounts given to each of them.

There is also rather insufficient narrative discussion on transfers to public corporations on page 986 (numbered 20). In line with the presented, the answer c) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

According to the expenditures estimates of the Ministry of Health, which are presented on pages 770-834, there were no transfers to public corporations in this sector. The same holds true in the case of the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje', whose financial details are given in the document-item 1.2.e (<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>). The answer e) hence applies for the health sector budget transparency.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

38. Does the Executive's Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)

GUIDELINES:

Question 38 focuses on quasi-fiscal activities, asking whether "core" information related to such activities is presented. These core components include:

- *A statement of purpose or policy rationale for the quasi-fiscal activity (i.e., what is the reason for engaging in this activity?);*
- *The identification of intended beneficiaries of the quasi-fiscal activity.*

The term "quasi-fiscal activities" refers to a broad range of activities that are fiscal in character and could be carried out through the regular budget process but are not. For example, a quasi-fiscal activity could take place if, instead of providing a direct subsidy through the budget for a particular activity, a public financial institution provides an indirect subsidy by offering loans at below-market rates for that activity. Similarly, it is a quasi-fiscal activity when an enterprise provides goods or services at prices below commercial rates to certain individuals or groups to support the government's policy goals.

The above examples are policy choices that may be approved by the government and legislature. However, quasi-fiscal activities can also involve activities that violate or circumvent a country's budget process laws or are not subject to the regular legislative approval process for expenditures. For example, the executive may issue an informal order to a government entity, such as a public commercial enterprise, to provide the executive with goods and services that normally would have to be purchased with funding authorized by the legislature. All quasi-fiscal activities should be disclosed to the public and subject to public scrutiny.

Beyond the core information, some governments may also provide other information about quasi-fiscal activities, including for example: the anticipated duration of the quasi-fiscal activity; a quantification of the activity and the assumptions that support these estimates; and a discussion of the fiscal significance and potential risks associated with the activity, including the impact on the entity carrying out the activity. Principle 3.3.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) provides examples of quasi-fiscal activities that can be consulted as needed. And more details on quasi-fiscal activities can be found in the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to all quasi-fiscal activities for at least the budget year as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to quasi-fiscal activities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on quasi-fiscal activities.

If quasi-fiscal activities do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question.

Answer:

d. No, information related to quasi-fiscal activities is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives information on quasi-fiscal activities.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: unfortunately

Government Reviewer

Opinion: Agree

39. Does the Executive's Budget Proposal or any supporting budget documentation present information on financial assets held by the government for at least the budget year?

(The core information must include a listing of the assets, and an estimate of their value.)

GUIDELINES:

Question 39 focuses on financial assets held by the government, asking whether "core" information related to these assets is presented. These core components include:

- A listing of the financial assets; and
- An estimate of their value.

Governments own financial assets such as cash, bonds, or equities. Unlike private sector businesses, however, few governments maintain balance sheets that show the value of their assets and liabilities.

Beyond the core information, some governments may also provide other information about financial assets, including for example: a discussion of their purpose; historical information on defaults; differences between reported values and market values; and a summary of financial assets as part of the government's balance sheet.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to all financial assets held by the government as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but

additional information beyond the core elements is presented. A "c" answer applies if some information related to financial assets is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on financial assets held by the government.

Answer:

d. No, information related to financial assets is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1) 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives information on financial assets held by the government.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

40. Does the Executive's Budget Proposal or any supporting budget documentation present information on nonfinancial assets held by the government for at least the budget year?

(The core information must include a listing of the assets by category.)

GUIDELINES:

Question 40 focuses on nonfinancial assets held by the government, asking whether "core" information related to these assets is presented. The core information is a listing of nonfinancial assets, grouped by the type (or category) of asset.

Nonfinancial assets are things of value that the government owns or controls (excluding financial assets) such as land, buildings, and machinery. The valuation of public nonfinancial assets can be problematic, particularly in cases where the asset is not typically available on the open market (such as a government monument). In these cases, it is considered acceptable to provide summary information in budget documents from a country's register of assets. But, in some cases, governments are able to value their nonfinancial assets; some present a summary of nonfinancial assets as part of their balance sheets. For an example of how nonfinancial assets are presented in one of the many supporting documents to the New Zealand Executive's Budget Proposal, see the Forecast Financial Statement 2011, Notes to the Financial Statements (Continued), Note 14, accessible here: <https://treasury.govt.nz/sites/default/files/2011-05/befu11-pt6of8.pdf>.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year a listing by category of all nonfinancial assets held by the government as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to nonfinancial assets is presented, but some nonfinancial assets are not included. Answer "d" applies if no information is presented on nonfinancial assets held by the government.

Answer:

d. No, information related to nonfinancial assets is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetska učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives information on nonfinancial assets held by the government.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

41. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure arrears for at least the budget year?

GUIDELINES:

Question 41 asks about estimates of expenditure arrears, which arise when government has entered into a commitment to spend funds but has not made the payment when it is due. (For more information see sections 3.49-3.50 of the IMF's GFS Manual 2001, <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf> (page 29)). Though equivalent to borrowing, this liability is often not recorded in the budget, making it difficult to assess fully a government's financial position. Moreover, the obligation to repay this debt affects the government's ability to pay for other activities.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all expenditure arrears and a narrative discussing the arrears. If a narrative discussion is not included, but estimates for all expenditure arrears are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, expenditure arrears (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of expenditure arrears are presented.

If expenditure arrears do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question. Public expenditure management laws and regulations often will allow for reasonable delays, perhaps 30 or 60 days, in the routine payment of invoices due. Expenditure arrears impacting a small percentage of expenditure that are due to contractual disputes should not be considered a significant problem for the purpose of answering this question.

Answer:

d. No, estimates of expenditure arrears are not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:
<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Estimates of expenditure arrears by administrative units are given on page 994 (numbered 28).

Estimates of expenditure arrears for extra-budgetary funds are given on page 995 (numbered 29).

Yet, narrative discussion is not included and therefore the answer b) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

The initial answer was incorrect. Pages 994 and 995 (numbered 28 and 29) provide figures for the previous period only (up to 30 September 2018). Estimates of expenditure arrears for 2019 are not given, and therefore the answer d) applies.

42. Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs, for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

GUIDELINES:

Question 42 focuses on contingent liabilities, asking whether "core" information related to these liabilities is presented. These core components include:

- a statement of purpose or policy rationale for each contingent liability;
- the new contingent liabilities for the budget year, such as new guarantees or insurance commitments proposed for the budget year; and
- the total amount of outstanding guarantees or insurance commitments at the end of the budget year. This reflects the gross exposure of the government in the case that all guarantees or commitments come due (even though that may be unlikely to occur).

Contingent liabilities are recognized under a cash accounting method only when the contingent event occurs and the payment is made. An example of such liabilities is the case of loans guaranteed by the central government, which can include loans to state-owned banks and other state-owned commercial enterprises, subnational governments, or private enterprises. Under such guarantees, government will only make a payment if the borrower defaults. Thus a key issue for making quantitative estimates of these liabilities is assessing the likelihood of the contingency occurring.

In the budget, according to the OECD, "[w]here feasible, the total amount of contingent liabilities should be disclosed and classified by major category reflecting their nature; historical information on defaults for each category should be disclosed where available. In cases where contingent liabilities cannot be quantified, they should be listed and described."

Beyond the core information, some governments may also provide other information about contingent liabilities, including for example: historical default rates for each program, and likely default rates in the future; the maximum guarantee that is authorized by law; any special financing associated with the guarantee (e.g., whether fees are charged, whether a reserve fund exists for the purpose of paying off guarantees, etc.); the duration of each guarantee; and an estimate of the fiscal significance and potential risks associated with the guarantees.

For more details on contingent liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and page 59 (Box 11) and Principle 3.2.3 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to contingent liabilities as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to contingent liabilities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on contingent liabilities.

Answer:

d. No, information related to contingent liabilities is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem
- (2-6) 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetska učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives information on contingent liabilities as defined above.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

43. Does the Executive's Budget Proposal or any supporting budget documentation present projections that assess the government's future liabilities and the sustainability of its finances over the longer term?

(The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

GUIDELINES:

Question 43 focuses on government's future liabilities and the sustainability of its finances over the longer-term, asking whether "core" information related to these issues is presented. These core components must include:

- *Projections that cover a period of at least 10 years.*
- *The macroeconomic and demographic assumptions used in making the projections.*
- *A discussion of the fiscal implications and risks highlighted by the projections. Good public financial management calls for budgets to include fiscal sustainability analyses.*

The IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) recommends that governments regularly publish the projected evolution of the public finances over the longer term (see Principle 3.1.3.). Future liabilities are a particularly important element when assessing the sustainability of public finances over the long term. Future liabilities are the result of government commitments that, unlike contingent liabilities, are virtually certain to occur at some future point and result in an expenditure. A typical example consists of government obligations to pay pension benefits or cover health care costs of future retirees. Under a cash accounting system, only current payments associated with such obligations are recognized in the budget. To capture the future impact on the budget of these liabilities, a separate statement is required.

Beyond the core information, some governments may also provide other information about the sustainability of their finances, including for example: projections that cover 20 or 30 years; multiple scenarios with different sets of assumptions; assumptions about other factors (such as the depletion of natural resources) that go beyond just the core macroeconomic and demographic data; and a detailed presentation of particular programs that have long time horizons, such as civil service pensions.

For more details on future liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to future liabilities and the sustainability of government finances over the longer term as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to future liabilities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on future liabilities and the sustainability of government's finances

Answer:

d. No, information related to future liabilities and the sustainability of finances over the longer term is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetska učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items presents such projections.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Such information is not included in EBP but they exist in other documents like Public debt management strategy that I mentioned before

Government Reviewer

Opinion: Agree

44. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of the sources of donor assistance, both financial and in-kind, for at least the budget year?

GUIDELINES:

Question 44 asks about estimates of donor assistance, both financial and in-kind assistance. Such assistance is considered non-tax revenue, and the sources of this assistance should be explicitly identified. In terms of in-kind assistance, the concern is primarily with the provision of goods (particularly those for which there is a market that would allow goods received as in-kind aid to be sold, thereby converting them into cash) rather than with in-kind aid like advisors from a donor country providing technical assistance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all donor assistance and a narrative discussing the assistance. If a narrative discussion is not included, but estimates for all donor assistance are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, donor assistance (regardless of whether it also includes a narrative discussion). Answer "c" also applies if the sources of donor assistance are not presented, but the total amount of donor assistance is presented as a single line item. Answer "d" applies if no estimates of donor assistance are presented. Select answer "e" if your country does not receive donor assistance.

Answer:

c. Yes, estimates of some but not all sources of donor assistance are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

The heading 63 'Pomoći iz inozemstva i od subjekata unutar općeg proračuna' [Assistance from abroad and from the entities within the general budget] contains the following subheadings: 631 Pomoći od inozemnih vlada [Assistance from foreign governments]; 632 Pomoći od međunarodnih organizacija te institucija i tijela EU [Assistance from international organisations and EU bodies]; 633 Pomoći proračunu iz drugih proračuna [Assistance from other budgets]; 634 Pomoći od izvanproračunskih korisnika ostalih subjekata unutar općeg proračuna [Assistance from extra-budgetary users]; 636 Pomoći proračunskim korisnicima iz proračuna koji im nije nadležan [Assistance to budgetary users from non-related budgets]; 638 Pomoći iz državnog proračuna temeljem prijenosa EU sredstava [Assistance based on transfers of EU funds]; 639 Prijenosi između proračunskih korisnika istog proračuna [Transfers between budgetary users].

However, only the aggregated amounts are shown (see for instance pages 2-3) and no further differentiation is given. There is also a rather short narrative discussion on this matter on p. 977 (numbered 11). In line with the presented, the answer c) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

45. Does the Executive's Budget Proposal or any supporting budget documentation present information on tax expenditures for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.)

GUIDELINES:

Question 45 focuses on tax expenditures, asking whether "core" information related to these tax preferences is presented. These core components must include for both new and existing tax expenditures:

- a statement of purpose or policy rationale;
- a listing of the intended beneficiaries; and
- an estimate of the revenue foregone.

Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. Tax expenditures often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, encouraging a company to engage in more research through a special tax break can have the same effect as subsidizing it directly through the expenditure side of the budget, as it still constitutes a cost in terms of foregone revenues. However, expenditure items that require annual authorization are likely to receive more scrutiny than tax breaks that are a permanent feature of the tax code.

Beyond the core information, some governments may also provide other information about tax expenditures, including for example: the intended beneficiaries by sector and income class (distributional impact); a statement of the estimating assumptions, including the definition of the benchmark against which the foregone revenue is measured; and a discussion of tax expenditures as part of a general discussion of expenditures for those program areas that receive both types of government support (in order to better inform policy choices). For more details on tax expenditures, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 1.1.4 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, all of the core information related to tax expenditures as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to tax expenditures is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on tax expenditures.

Answer:

d. No, information related to tax expenditures is not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem
- (2-6) 1.2. Nacrti prijedloga finansijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetske učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga finansijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items gives information on tax expenditures.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, information is presented, but it excludes some core elements or some tax expenditures.

Comments: You can find an estimate of the revenue foregone in narrative explanation of tax policy changes i.e. revenue losses because of new reliefs or tax rates cuts. Page 975-978.

Government Reviewer

Opinion: Agree

Researcher Response

Peer reviewer correctly spotted places where some of the elements evaluated in this question were briefly mentioned. However, this is not sufficient according to OBS methodology. Answers a)-c) would be possible only if there was a detailed overview of all tax expenditures, including both new and existing ones.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The existing response of "d" is maintained.

46. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues for at least the budget year?

GUIDELINES:

Question 46 asks about estimates of earmarked revenues, which are revenues that may only be used for a specific purpose (for example, revenues from a tax on fuel that can only be used for building roads). This information is important in determining which revenues are available to fund the government's general expenses, and which revenues are reserved for particular purposes.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all earmarked revenues and a narrative discussing the earmarks. If a narrative discussion is not included, but estimates for all earmarked revenues are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, earmarked revenues (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of earmarked revenues are presented. An "e" response applies if revenue is not earmarked or the practice is disallowed by law or regulation.

Answer:

c. Yes, estimates of some but not all earmarked revenues are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Health Insurance Act - <https://www.zakon.hr/z/192/Zakon-o-obveznom-zdravstvenom-osiguranju>

Roads Act - https://narodne-novine.nn.hr/clanci/sluzbeni/2011_07_84_1790.html

Comment:

The EBP gives estimates for some of earmarked revenues. For instance, information on social security contributions, which are used to finance pension, health, and unemployment funds, is given on p. 2. However, many other earmarked revenues are not individually identified. For example, according to the Health Insurance Act - 80/13, 137/13 (Article 72), the Croatian Health Insurance Fund is entitled to 32% of collected excise tax on tobacco products. Also, according to the Roads Act - 84/11, 22/13, 54/13, 148/13, 92/14 (Article 91), a part of excise tax on petrol and gas oil used as propellant represents the revenue of Croatian Highways (Hrvatske autoceste) and Croatian Roads (Hrvatske ceste). Yet, estimates for these earmarked revenues are not given separately. In line with this, the answer c) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

47. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

a. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, along with a narrative discussion.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-items 1.9 and 1.1:

(A) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>

(B) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>.

Comment:

The whole document (A) is dedicated to this matter. There is also an additional discussion on pages 980-990 (numbered 14-24) of the document (B).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

48. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for a multi-year period (for at least two years beyond the budget year)?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

a. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, along with a narrative discussion.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-items 1.9 and 1.1:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>

(B) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>).

Comment:

See document (A), as well as pages 980-990 (numbered 14-24) of the document (B).

Peer Reviewer
Opinion: Agree
Comments: Everything is fine and clear, first link especially

Government Reviewer
Opinion: Agree

49. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on inputs to be acquired for at least the budget year?

GUIDELINES:

Question 49 asks about the availability of nonfinancial data on inputs for the budget year. (Nonfinancial data on outputs and outcomes are addressed in Question 50.)

The budget should disclose not only the amount of money that is being allocated on a program but also any information needed to analyze that expenditure. Nonfinancial data and performance targets associated with budget proposals are used to assess the success of a given policy. For example, even when allocated funds are spent according to plan, there remains the question of whether the policy delivered the results that it aimed to achieve.

Nonfinancial data can include information on:

Inputs - These are the resources assigned to achieve results. For example, in regards to education, nonfinancial data on inputs could include the number of books to be provided to each school or the materials to be used to build or refurbish a school.

Outputs - These are products and services delivered as a result of inputs. For example, the number of pupils taught every year; the number of children that received vaccines; or the number of beneficiaries of a social security program.

Outcomes - These are the intended impact or policy goals achieved. For example, an increase in literacy rates among children under 10, or a reduction in rates of maternal mortality.

In addition, governments that set performance targets must use nonfinancial data for outputs and outcomes to determine if these targets have been met.

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on inputs for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on inputs for each individual program is organized by functions. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on inputs for all administrative units or all functions, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on inputs are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on inputs is presented.

Answer:

d. No, nonfinancial data on inputs are not presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

Those are:

- 1) 1.1. Nacrt prijedloga državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, s obrazloženjem (2-6)
- 1) 1.2. Nacrti prijedloga financijskih planova izvanproračunskih korisnika za 2019. godinu i projekcija planova za 2020. i 2021. godinu, s obrazloženjem, za:
 - 2) a) Hrvatske vode
 - 3) b) Hrvatske ceste
 - 4) c) Fond za zaštitu okoliša i energetska učinkovitost
 - 5) d) Državnu agenciju za osiguranje štednih uloga i sanaciju banaka
 - 6) e) Hrvatski zavod za zdravstveno osiguranje
- 7) 1.3. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna
- 8) 1.4. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i ekonomskoj klasifikaciji
- 9) 1.5. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po korisnicima proračuna i izvorima financiranja
- 10) 1.6. Prijedlog državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu po svim izvorima financiranja
- 11) 1.7. Račun financiranja državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu – analitika
- 12) 1.8. Analitički prikaz podprojekata planiranih unutar proračunskih aktivnosti/projekata koji se financiraju iz sredstava Europske unije u državnom proračunu Republike Hrvatske za 2019. godinu i projekcijama za 2020. i 2021. godinu
- 13) 1.9. Obrazloženje prijedloga financijskih planova korisnika državnog proračuna za 2019. godinu i projekcija za 2020. i 2021. godinu
- 14) 2. Nacrt konačnog prijedloga zakona o izvršavanju Državnog proračuna Republike Hrvatske za 2019. godinu

Comment:

None of the 14 EBP document-items presents nonfinancial data on inputs to be acquired.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

No information about nonfinancial data on inputs related to the health sector is provided, and hence the answer d) applies for the sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Comments: Such information is not included in EBP but they exist in other documents like Ministry of education reports

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, nonfinancial data on inputs are presented for some programs and/or some administrative units (or functions).

Comments: The nonfinancial data on inputs by administrative units and programs are presented in Executive's Budget Proposal Justification (see:

<http://www.mfin.hr/adminmax/docs/Obrazlozenje%20FP%20proracunskih%20korisnika%20P19.pdf>

Researcher Response

This is one of the questions which were debated about in previous rounds of the survey. For all such questions, the chosen answer is identical to those from earlier rounds if the current document brings the same range of information compared to the previous years.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The existing response of "d" is maintained.

50. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on results (in terms of outputs or outcomes) for at least the budget year?

GUIDELINES:

Question 50 asks about the availability of nonfinancial data on results for the budget year. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 49).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on results for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on results for each individual program is organized by functional classification. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on results for all administrative units or all functional classifications, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on results are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on results is presented.

Answer:

c. Yes, nonfinancial data on results are presented for some programs and/or some administrative units (or functions).

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.9:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>

Comment:

Nonfinancial data on results for programs within administrative units are given in the attached document. However, in some important cases not all essential information is presented. For instance, there is no information on the number of beneficiaries of the Guaranteed Minimum Income (see section 'Zajamčena minimalna naknada' on pages 1342-1343), which was also the case in the previous round of the Survey.

Since there has not been any change in this respect in comparison with the previous round of the Survey, the answer c) applies as before.

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

The attached document also provides nonfinancial data on results for programs related to the health sector (see pages 1213-1305). However, again not all essential information is presented. For instance, page 1223 discusses the program for prevention, early detection, treatment and rehabilitation of addicts, but no information about the number of beneficiaries is given. In line with this, the answer c) applies for the health sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

51. Are performance targets assigned to nonfinancial data on results in the Executive's Budget Proposal or any supporting budget documentation?

GUIDELINES:

Question 51 asks about performance targets assigned to nonfinancial data on results for the budget year. The question applies to those nonfinancial results shown in the budget, and that were identified for purposes of Question 50.

To answer "a," the Executive's Budget Proposal or supporting documentation must assign performance targets to all nonfinancial data on results shown in the

budget for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must assign performance targets to a majority (but not all) of the nonfinancial data on results shown in the budget. A "c" response applies performance targets are assigned only to less than half of the nonfinancial data on results. Answer "d" applies if no performance targets are assigned to nonfinancial data on results shown in the budget, or the budget does not present nonfinancial results.

Answer:

c. Yes, performance targets are assigned to some nonfinancial data on results.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.9:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>

Comment:

Performance targets are assigned only to some of the presented nonfinancial data on results. For instance, the Government has secured additional funds for parental leave benefits and equipment for new-borns so as to address negative demographic trends. Yet, the discussion in this respect, which is given on page 1322, does not include the estimates of how this change will affect the fertility rate.

Since there has not been any change in this respect in comparison with the previous round of the Survey, the answer c) applies as before.

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

Performance targets are assigned only to some of the presented nonfinancial data on results related to the health sector (see pages 1213-1305). For instance, page 1223 discusses the program for prevention, early detection, treatment and rehabilitation of addicts, but nothing is said about how this program will contribute to the mitigation of the problem. In line with this, the answer c) applies for the health sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

52. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations in at least the budget year?

GUIDELINES:

Question 52 asks whether the budget highlight policies, both new and existing, that benefit the poorest segments of society. This question is intended to assess only those programs that directly address the immediate needs of the poor, such as through cash assistance programs or the provision of housing, rather than indirectly, such as through a stronger national defense. This information is of particular interest to those seeking to bolster government's commitment to anti-poverty efforts. For purposes of answering this question, a departmental budget (such as for the Department of Social Welfare) would not be considered acceptable. In general, this question is asking whether the EBP includes a special presentation that pulls together estimates of all the relevant policies in one place. However, if the country uses "program budgeting," where programs are presented as expenditure categories with specific and identified objectives, and it identifies anti-poverty programs within each administrative unit, then that is also acceptable for this question.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?"

(<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of countries that have provided information on how its policies affect the poor.

For instance, Pakistan provides a detailed breakdown of pro-poor expenditure as part of its 2017-18 budget proposal. In one document, the government sets out policy priorities, expected outputs, and estimates of past and future spending for several programs aimed at poverty alleviation. Another supporting document provides a comprehensive overview of ongoing policies, including a chapter on social safety nets, covering both financial and performance information of poverty alleviation schemes over a period of eight years. (http://www.finance.gov.pk/budget/mtbf_2018_21.pdf and http://www.finance.gov.pk/survey_1718.html).

To answer "a," the Executive's Budget Proposal or supporting documentation must for at least the budget year both present estimates covering all policies that are intended to benefit the most impoverished populations and include a narrative discussion that specifically addresses these policies. (For countries using program budgeting that breaks out individual anti-poverty programs, there should be a separate narrative associated with each such program.) Answer "b" if a narrative discussion is not included, but estimates for all policies that are intended to benefit the most impoverished populations are presented. Answer "c" if the presentation includes estimates covering only some, but not all, policies that are intended to benefit the most impoverished populations (regardless of whether it also includes a narrative discussion). Answer "d" if no estimates of policies that are intended to benefit the most impoverished populations are presented.

Answer:

c. Yes, estimates of some but not all policies that are intended to benefit directly the country's most impoverished populations are presented.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.9:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>

Comment:

Pages 1305-1369 show the programs of the Ministry of Demographics, Family, Youth and Social Policy intended for the most vulnerable groups. However, the discussion does not contain all essential indicators (such as the number of beneficiaries, their income status, poverty rate, etc.).

Since there has not been any change in this respect in comparison with the previous round of the Survey, the answer c) applies as before.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

53. Does the executive release to the public its timetable for formulating the Executive's Budget Proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation)?

GUIDELINES:

Question 53 asks about the budget timetable. An internal timetable is particularly important for the executive's management of the budget preparation process, in order to ensure that the executive accounts for the views of the different departments and agencies in the proposed budget. The timetable would, for instance, set deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. So that civil society is aware of the various steps in the budget formulation process, and when opportunities may exist to engage the executive, it is essential that this timetable be made available to the public.

To answer "a," the executive must prepare a detailed budget timetable and release it to the public. A "b" answer applies if the timetable is made public, but some details are not included. A "c" response applies if the timetable is made public, but many important details are excluded, reducing its value for those outside government. Answer "d" applies if no timetable is made available to the public. As long as a timetable for formulating the Executive's Budget Proposal is released, answer "a," "b," or "c" may be selected, even if the Executive's Budget Proposal is not made publicly available.

Answer:

a. Yes, a detailed timetable is released to the public.

Source:

(A) <http://www.mfin.hr/adminmax/docs/State%20Budget%20Act%20Consolidated%20text.pdf>

(B) <http://www.mfin.hr/hr/proracun>

Comment:

A detailed timetable is given in articles 22-39 of the Budget Act (see document (A)). In addition, the summarised timetable is provided at the official website of the Ministry of Finance (see subheading: "Planiranje državnog proračuna" [State Budget Planning] at the link (B)).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

54. Does the Pre-Budget Statement present information on the macroeconomic forecast upon which the budget projections are based?

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)

GUIDELINES:

Question 54 focuses on the macroeconomic forecast that underlies the Pre-Budget Statement, asking whether “core” information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

- nominal GDP level;
- inflation rate;
- real GDP growth; and
- interest rates.

Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short- and long-term interest rates; the rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.

To answer “a,” the Pre-Budget Statement must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer “b,” the Pre-Budget Statement must present all of the core components noted above. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer “d” applies if no information on the macroeconomic forecast is presented.

Answer:

c. Yes, information is presented, but it excludes some core elements.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

The forecasts for the nominal GDP level, real GDP growth and inflation rate are given on p. 7 (see Tablica 1: Makroekonomski okvir u razdoblju 2017. – 2021.). Yet, no information on interest rates is given in the document and therefore not all core elements are presented.

The answer selected demonstrates an improvement in performance given that in the previous round of the Survey this document had not been considered publicly available (i.e. published too late).

Peer Reviewer

Opinion: Agree

Comments: Interest rates discussed at page 16 but only for 2017. Narrative approach is used, no table or chart or international comparison. That is why it should be answer B

Government Reviewer

Opinion: Agree

55. Does the Pre-Budget Statement present information on the government’s expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget?

(The core information must include a discussion of expenditure policies and priorities and an estimate of total expenditures.)

GUIDELINES:

Question 55 focuses on the government’s expenditure policies and priorities in the Pre-Budget Statement, asking whether “core” information related to these policies is presented. These core components include:

- a discussion of expenditure policies and priorities; and
- an estimate of total expenditures.

Although a Pre-Budget Statement is unlikely to include detailed programmatic proposals (such detailed information is typically only presented in the budget itself), it should include a discussion of broad policy priorities and a projection of at least total expenditures associated with these policies for the budget year. The Pre-Budget Statement can include some detail, for instance, estimates provided by any of the three expenditure classifications – by administrative, economic, and functional classifications.

To answer “a,” the Pre-Budget Statement must present for the upcoming budget year all of the core information related to the government’s expenditure policies and priorities as well as some additional information beyond the core elements. To answer “b,” the Pre-Budget Statement must present all of the core components noted above for the upcoming budget year. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to the government’s expenditure policies and priorities is presented,

but some of the core pieces of information are not included. Answer "d" applies if no information on the government's expenditure policies and priorities is presented.

Answer:

a. Yes, information beyond the core elements is presented for the government's expenditure policies and priorities.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

The discussion about expenditure policies and priorities is given on pages 12-21. Estimates of total expenditures for the period 2019-2021 are given on p. 14 (Tablica 5: Kretanje ukupnih rashoda državnog proračuna u razdoblju 2017. – 2021.).

Besides these core elements, the document also contains some additional information. For instance, estimates of the expenditures by administrative units are given on page 21 (Tablica 6: Limiti ukupnih rashoda po razdjelima državnog proračuna za izvore financiranja: opći prihodi i primici, doprinosi i namjenski primici za razdoblje 2019. – 2021.).

The answer selected demonstrates an improvement in performance given that in the previous round of the Survey this document had not been considered publicly available (i.e. published too late).

Peer Reviewer

Opinion: Agree

Comments: Everything is clear

Government Reviewer

Opinion: Agree

56. Does the Pre-Budget Statement present information on the government's revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget?

(The core information must include a discussion of revenue policies and priorities and an estimate of total revenues.)

GUIDELINES:

Question 56 focuses on the government's revenue policies and priorities in the Pre-Budget Statement, asking whether "core" information related to these policies is presented. These core components include:

- a discussion of revenue policies and priorities; and
- an estimate of total revenue.

Although a Pre-Budget Statement is unlikely to include detailed revenue proposals, it should include a discussion of broad policy priorities and a projection of at least the total revenue associated with these policies for the budget year. The Pre-Budget Statement can also include more detail, for instance, with estimates provided by revenue category – tax and non-tax – or some of the major individual sources of revenue, such as the Value Added Tax or the income tax.

To answer "a," the Pre-Budget Statement must present for the upcoming budget year all of the core information related to the government's revenue policies and priorities as well as some additional information beyond the core elements. To answer "b," the Pre-Budget Statement must present all of the core components noted above for the upcoming budget year. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the government's revenue policies and priorities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the government's revenue policies and priorities is presented.

Answer:

a. Yes, information beyond the core elements is presented for the government's revenue policies and priorities.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

The discussion about revenue policies and priorities is given on pages 10-12. Estimates of total revenues for the period 2019-2021 are given on p. 12 (Tablica 2: Kretanje prihoda državnog proračuna u razdoblju 2017. – 2021.).

Besides these core elements, the same table also contains estimates for the major individual (tax and non-tax) sources of revenue (income tax and surtax, VAT, revenue from the financial and nonfinancial asset, etc.).

The answer selected demonstrates an improvement in performance given that in the previous round of the Survey this document had not been considered publicly available (i.e. published too late).

Peer Reviewer

Opinion: Agree

Comments: Everything is clear

Government Reviewer

Opinion: Agree

57. Does Pre-Budget Statement present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

GUIDELINES:

Question 57 asks whether the Pre-Budget Statement includes three key estimates related to borrowing and debt:

- the amount of net new borrowing needed in the upcoming budget year;*
- the central government's total debt burden at the end of the upcoming budget year; and*
- the interest payments on the outstanding debt for the upcoming budget year.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens, banks, and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," the Pre-Budget Statement must present all three estimates of borrowing and debt for at least the upcoming budget year. For a "b" answer, the Pre-Budget Statement must present two of those three estimates. For a "c" answer, the PBS must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the PBS.

Answer:

c. Yes, one of the three estimates related to government borrowing and debt are presented.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

Interest payments on the outstanding debt for 2019 are briefly discussed on p. 16. On the other hand, there is no information on the amount of net new borrowing needed. As well, there is no information on the central government's total debt burden at the end of 2019.

The answer selected demonstrates an improvement in performance given that in the previous round of the Survey this document had not been considered publicly available (i.e. published too late).

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear

Government Reviewer

Opinion: Agree

58. Does the Pre-Budget Statement present estimates of total expenditures for a multi-year period (at least two-years beyond the budget year)?

GUIDELINES:

Question 58 asks about multi-year expenditure estimates in the Pre-Budget Statement.

To answer "a," expenditure estimates for at least two years beyond the upcoming budget year must be presented. The estimates must be for at least total expenditures, but could include more detail than just the aggregate total.

Answer:

a. Yes, multi-year expenditure estimates are presented.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/07%20srpanj/110%20sjednica%20VRH//110%20-%201.pdf>

Comment:

Estimates of total expenditures for the period 2019-2021 are given on p. 14 (Tablica 5: Kretanje ukupnih rashoda državnog proračuna u razdoblju 2017. – 2021).

The answer selected demonstrates an improvement in performance given that in the previous round of the Survey this document had not been considered publicly available (i.e. published too late).

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear

Government Reviewer

Opinion: Agree

59. Does the Enacted Budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 59 asks if expenditure estimates in the Enacted Budget are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," the Enacted Budget must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of the three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications. Answer "d" applies if expenditure estimates are not presented by any of the three classifications.

Answer:

a. Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Expenditure estimates by administrative and economic classifications are given on pages 17-609. Expenditure estimates by functional classification are presented on pages 13-14.

The answer selected demonstrates an improvement in performance from the previous round.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear

Government Reviewer
Opinion: Agree

59b. Based on the response to Question 59, check the box(es) to identify which expenditure classifications are included in the Enacted Budget:

Answer:

Administrative classification
Economic classification
Functional classification

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Expenditure estimates by administrative and economic classifications are given on pages 17-609. Expenditure estimates by functional classification are presented on pages 13-14.

The answer selected demonstrates an improvement in performance from the previous round.

Peer Reviewer

Opinion: Agree

Comments: Everything is clear

Government Reviewer

Opinion: Agree

60. Does the Enacted Budget present expenditure estimates for individual programs?

GUIDELINES:

Question 60 asks if expenditure estimates in the Enacted Budget are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Enacted Budget must present all programs, which account for all expenditures, in the budget year. To answer "b," the Enacted Budget must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Enacted Budget presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Enacted Budget.

Answer:

a. Yes, the Enacted Budget presents estimates for programs accounting for all expenditures.

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Expenditure estimates for individual programs are given on pages 17-609. See for instance the part on expenses of the Office of the President of the Republic of Croatia (pages 20-22). There are headings ADMINISTRACIJA I UPRAVLJANJE (Eng. Administration and management), TEHNIČKI I POMOĆNI POSLOVI UREDA PREDSJEDNICE (Eng. Other responsibilities of the Office), OBVEZE PO SUDSKIM SPOROVIMA (Eng. Liabilities arising from legal proceedings), INFORMATIZACIJA (Eng. Computerisation), UREĐENJE OKOLIŠA PREDSJEDNIČKIH DVORA (Eng. Landscaping work related to the Presidential palace), etc.

Peer Reviewer
Opinion: Agree
Comments: Everything is clear

Government Reviewer
Opinion: Agree

61. Does the Enacted Budget present revenue estimates by category (such as tax and non-tax)?

GUIDELINES:

Question 61 asks whether revenue estimates in the Enacted Budget are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Enacted Budget must present revenue estimates classified by category.

Answer:

a. Yes, the Enacted Budget presents revenue estimates by category.

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Revenue estimates by category are given on pages 5-7.

Peer Reviewer
Opinion: Agree
Comments: Everything is clear

Government Reviewer
Opinion: Agree

62. Does the Enacted Budget present individual sources of revenue?

GUIDELINES:

Question 62 asks whether revenue estimates for individual sources of revenue are presented in the Enacted Budget. The question applies to both tax and non-tax revenue.

To answer "a," the Enacted Budget must present all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Enacted Budget must present individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Enacted Budget presents individual sources of revenue that account for less than two-thirds of revenues. Answer "d" applies if individual sources of revenue are not presented.

Answer:

a. Yes, the Enacted Budget presents individual sources of revenue accounting for all revenue.

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Pages 5-7 present individual sources of revenue accounting for all revenue. The category 'other revenue' accounts for less than 3% of the total amount.

Peer Reviewer
Opinion: Agree
Comments: Everything is clear

Government Reviewer
Opinion: Agree

63. Does the Enacted Budget present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

GUIDELINES:

Question 63 asks about three key estimates related to borrowing and debt:

- the amount of net new borrowing required during the budget year;*
- the total debt outstanding at the end of the budget year;*
- the interest payments on the outstanding debt for the budget year.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens, banks, and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," the Enacted Budget must present all three estimates of borrowing and debt. For a "b" answer, the Enacted Budget must present two of those three estimates. For a "c" answer, the Enacted Budget must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the Enacted Budget.

Answer:

b. Yes, two of the three estimates related to government borrowing and debt are presented.

Source:

<https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

The amount of net new borrowing required during the budget year is given on page 15. The interest payments on the outstanding debt for the budget year are given on page 9 (items 341 and 342). There is no information on the total debt outstanding at the end of the budget year.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Everything is clear and well explained

Government Reviewer

Opinion: Agree

64. What information is provided in the Citizens Budget?

(The core information must include expenditure and revenue totals, the main policy initiatives in the budget, the macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens.)

GUIDELINES:

Question 64 focuses on the content of the Citizens Budget, asking whether "core" information is presented. These core components include:

- expenditure and revenue totals;
- the main policy initiatives in the budget;
- the macroeconomic forecast upon which the budget is based; and
- contact information for follow-up by citizens.

To answer "a," the Citizens Budget or supporting documentation must present all of the above core information as well as some additional information beyond the core elements. To answer "b," the Citizens Budget must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if the Citizens Budget includes some of the core components above, but other core pieces of information are not included. Answer "d" applies if a Citizens Budget is not published.

Answer:

c. The Citizens Budget provides information, but it excludes some core elements.

Source:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:

Given that the "citizens version" of the 2019 EB was published after the cut-off date (2 January 2019), the one referring to the budget year 2018 was used to answer this part of the survey.

The document contains information on 3 core elements: expenditure and revenue totals, the main policy initiatives, and the macroeconomic forecast upon which the budget is based:

- 1) Revenue and expenditure totals are given on pages 3-7 (see Tablica 2 and Tablica 4)
- 2) The main policy initiatives are discussed on p. 1.
- 3) The macroeconomic forecast upon which the budget is based is presented on p. 2 (see Tablica 1)

Yet, no contact information for follow-up by citizens is provided. In line with this, the answer c) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine and clear. In comment everything is well explained

Government Reviewer

Opinion: Agree

65. How is the Citizens Budget disseminated to the public?

GUIDELINES:

Question 65 asks how the Citizens Budget is disseminated to the public. Citizens Budgets should be made available to a variety of audiences. Therefore paper versions and an Internet posting of a document might not be sufficient.

To answer "a," the executive must use three or more different types of creative media tools to reach the largest possible share of the population, including those who otherwise would not normally have access to budget documents or information. Dissemination would also be pursued at the very local level, so that the coverage is targeted both by geographic area and population group (e.g., women, elderly, low income, urban, rural, etc.). Option "b" applies if significant dissemination efforts are made through a combination of two means of communications, for instance, both posting the Citizens Budget on the executive's official website and distributing printed copies of it. Option "c" applies if the Citizens Budget is disseminated through only posting on the executive's official website. Option "d" applies when the executive does not publish a Citizens Budget.

Answer:

c. A Citizens Budget is disseminated only by using one means of dissemination.

Source:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:

Given that the "citizens version" of the 2019 EB was published after the cut-off date (2 January 2019), the one referring to the budget year 2018 was used to answer this part of the survey.

The 2018 Citizens Budget was disseminated to the public only by posting it on the official website of the Ministry of Finance.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer
Opinion: Agree
Comments: Comment is fine

Government Reviewer
Opinion: Agree

66. Has the executive established mechanisms to identify the public's requirements for budget information prior to publishing the Citizens Budget?

GUIDELINES:

Question 66 asks whether the executive has established mechanisms to identify the public's requirements for budget information before publishing a Citizens Budget. What the public wants to know about the budget might differ from the information the executive includes in technical documents that comprise the Executive's Budget Proposal or the Enacted Budget; similarly, different perspectives might exist on how the budget should be presented, and this may vary depending on the context. For this reason the executive should consult with the public on the content and presentation of the Citizens Budget.

To answer "a," the executive must have established mechanisms to consult with the public, and these mechanisms for consultation are both accessible and widely used by the public. Such mechanisms can include focus groups, social networks, surveys, hotlines, and meetings/events in universities or other locations where people gather to discuss public issues. In countries where Citizens Budgets are consistently produced and released, it may be sufficient for the government to provide the public with contact information and feedback opportunities, and subsequently use the feedback to improve its management of public resources.

Option "b" applies if the executive has established mechanisms for consultation that are accessible to the public, but that the public nonetheless does not use frequently. That is, the public does not typically engage with the executive on the content of the Citizens Budget, even though the executive has created opportunities for such consultation. Option "c" applies if the executive has established mechanism for consultation with the public, but they are poorly designed and thus not accessible to the public. Option "d" applies if the executive has not created any mechanisms to seek feedback from the public on the content of the Citizens Budget.

Answer:

d. No, the executive has not established any mechanisms to identify the public's requirements for budget information in the Citizen's Budget.

Source:

<http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

Comment:

We have not found evidence that the executive has established mechanisms to consult with the public about the design of the Citizens Budget. As well, the cited document does not contain invitation to give feedback information.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer
Opinion: Agree
Comments: Comment is fine

Government Reviewer
Opinion: Agree

67. Are "citizens" versions of budget documents published throughout the budget process?

GUIDELINES:

Question 67 asks if "citizens" versions of budget documents are published throughout the budget process. While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle.

To answer "a," a citizens version of at least one budget document is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit) – for a total of at least four citizens budget documents throughout the process. Option "b" applies if a citizens version of a

budget document is published for at least two of the four stages of the budget process. Option "c" applies if a citizens version of a budget document is published for at least one of the four stages of the budget process. Select option "d" if no "citizens" version of budget documents is published.

Answer:

b. A citizens version of budget documents is published for at least two of the four stages of the budget process.

Source:

(A) <http://www.mfin.hr/adminmax/docs/Drzavni%20proracun%20za%202018.%20godinu%20i%20projekcije%20za%202019.%20i%202020.pdf>

(B) <http://www.mfin.hr/adminmax/docs/IZVRSENE%20DP%20ZA%202017.%20-VODIC%20ZA%20GRADANE.pdf>

Comment:

Citizens versions of budget documents are regularly published for the enactment stage (document (A) above) and the execution stage (document (B)).

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: comment is fine

Government Reviewer

Opinion: Agree

68. Do the In-Year Reports present actual expenditures by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 68 asks if expenditure estimates in In-Year Reports are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above.

Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," In-Year Reports must present actual expenditures by all three of the expenditure classifications. To answer "b," actual expenditures must be presented by two of these three classifications. A "c" answer applies if actual expenditures are presented by one of the three classifications. Answer "d" applies if actual expenditures are not presented by any of the three classifications in In-Year Reports.

Answer:

b. Yes, the In-Year Reports present actual expenditures by two of the three expenditure classifications.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/Izvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology – State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

Expenditures by administrative units are given in the document (A) above. Expenditures by economic classification are given in the documents (B) and (D) above. Expenditures by functional classification are not presented.

There has not been any change in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Comment is fine

Government Reviewer

Opinion: Agree

68b. Based on the response to Question 68, check the box(es) to identify which expenditure classifications are included in the In-Year Reports:

Answer:

Administrative classification

Economic classification

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/Izvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology – State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]:

<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]:

<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

Expenditures by administrative units are given in the document (A) above. Expenditures by economic classification are given in the documents (B) and (D) above. Expenditures by functional classification are not presented.

There has not been any change in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Comment is fine

Government Reviewer

Opinion: Agree

69. Do the In-Year Reports present actual expenditures for individual programs?

GUIDELINES:

Question 69 asks if expenditure estimates in In-Year Reports are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as *le plan comptable* or *le plan comptable detaillé*. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," In-Year Reports must present actual expenditures for all individual programs, accounting for all expenditures. To answer "b," In-Year Reports

must present actual expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if In-Year Reports present actual expenditures for programs that account for less than two-thirds of expenditures. Answer "d" applies if actual expenditures are not presented by program in In-Year Reports.

Answer:

d. No, the In-Year Reports do not present actual expenditures by program.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/Izvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology – State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

None of the enumerated documents presents actual expenditures for individual programs.

There has not been any change in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Comments: Unfortunately

Government Reviewer

Opinion: Agree

70. Do the In-Year Reports compare actual year-to-date expenditures with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

GUIDELINES:

Question 70 asks whether In-Year Reports compare actual expenditures to-date with either the enacted levels or actual expenditures for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date expenditures in a format that allows for a comparison with the budget's forecast expenditures (based on enacted levels) for the same period.

To answer "a," comparisons must be made for expenditures presented in the In-Year Reports

Answer:

a. Yes, comparisons are made for expenditures presented in the In-Year Reports.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/Izvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology – State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the

accounting plan]:
<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:
Documents (A), (B) and (D) provide a comparison of the actual year-to-date expenditures with those for the same period in the previous year (see for instance columns F and H in the document (A)).

Peer Reviewer

Opinion: Agree

Comments: Comment is fine

Government Reviewer

Opinion: Agree

71. Do In-Year Reports present actual revenue by category (such as tax and non-tax)?

GUIDELINES:

Questions 71 asks whether In-Year Reports present actual revenues by "category" – that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," In-Year Reports must present revenue estimates classified by category.

Answer:

a. Yes, In-Year Reports present actual revenue by category.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]:

<http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology – State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]:

<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]:

<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

See the first Sheet, titled 'Prihodi' (Eng. Revenue), in the document (B).

Peer Reviewer

Opinion: Agree

Comments: Comment is fine

Government Reviewer

Opinion: Agree

72. Do In-Year Reports present the individual sources of revenue for actual revenues collected?

GUIDELINES:

Question 72 asks whether In-Year Reports present actual collections of individual sources of revenue (such as income taxes, VAT, etc.). The question applies to both tax and non-tax revenue.

To answer "a," In-Year Reports must present actual collections for all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," In-Year Reports must present actual collections for individual sources of revenue that when combined account for at least two-thirds of all revenue collected, but not all revenue. A "c" answer applies if In-Year Reports present individual sources of actual revenue that account for less than two-thirds of all revenue collected. Answer "d" applies if individual sources of actual revenue are not presented.

Answer:

a. Yes, In-Year Reports present individual sources of actual revenue accounting for all revenue.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology - State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

See the first Sheet, titled 'Prihodi' (Eng. Revenue), in the document (B).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

73. Do the In-Year Reports compare actual year-to-date revenues with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

GUIDELINES:

Question 73 asks whether In-Year Reports compare actual revenues to-date with either the enacted levels or actual revenues for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date revenues in a format that allows for a comparison with the budget's forecast revenues (based on enacted levels) for the same period.

To answer "a," comparisons must be made for revenues presented in the In-Year Reports.

Answer:

a. Yes, comparisons are made for revenues presented in the In-Year Reports.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology - State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

unskom%20planu%20do%20listopada%202018.xls

Comment:

Document (C) compares actual year-to-date revenues with those referring to the same period in previous years (starting from January 2009).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

74. Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

GUIDELINES:

Question 74 asks about three key estimates related to borrowing and debt:

- the amount of net new borrowing so far during the year;*
- the central government's total debt burden at that point in the year; and*
- the interest payments to-date on the outstanding debt.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," In-Year Reports must present all three estimates of borrowing and debt. For a "b" answer, In-Year Reports must present two of those three estimates. For a "c" answer, IYRs must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in In-Year Reports.

Answer:

b. Yes, two of the three estimates related to government borrowing and debt are presented.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]:

<http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology – State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]:

<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]:

<http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

Information on net new borrowing is given in the document (B) (see the Sheet titled 'Transakcije u obvezama'). Information on interest payments are given in the document (B) (see the Sheet titled 'Rashodi'), as well as in the document (D). Information on debt is not given.

There has not been any change in this respect in comparison with the previous round of the Survey.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

75. Do In-Year Reports present information related to the composition of the total actual debt outstanding?

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

GUIDELINES:

Question 75 focuses on the composition of government debt, asking whether "core" information related to its composition is presented. These core components include:

- interest rates on the debt;
- maturity profile of the debt; and
- whether the debt is domestic or external.

The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 74, domestic debt is held by a country's citizens and banks and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.

Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.

To answer "a," In-Year Reports must present all of the core information related to the composition of government debt to-date as well as some additional information beyond the core elements. To answer "b," In-Year Reports must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding in In-Year Reports.

Answer:

d. No, information related to composition of total actual debt outstanding is not presented.

Source:

(A) Mjesečni izvještaj po organizacijskoj klasifikaciji Državnog proračuna [Monthly Report by Administrative Units]: <http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-listopad%202018..xlsx>

(B) Vremenske serije podataka prema GFS2001 metodologiji - Državni proračun- siječanj-rujan 2018 [Time series according to GFS2001 methodology - State Budget - January-September 2018]: http://www.mfin.hr/adminmax/docs/Drzavni%20proracun_sijecanj-rujan%202018.xlsx

(C) Najznačajnije kategorije prihoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20prihoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xlsx>

(D) Najznačajnije kategorije rashoda državnog proračuna prema računskom planu [Central government budget expenditures according to the accounting plan]: <http://www.mfin.hr/adminmax/docs/Najzna%C4%8Dajnije%20kategorije%20rashoda%20dr%C5%BEavnog%20prora%C4%8Duna%20prema%20ra%C4%8Dunskom%20planu%20do%20listopada%202018.xls>

Comment:

In-Year Reports do not present any information related to the composition of the total actual debt outstanding.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer
Opinion: Agree
Comments: Comment is fine

Government Reviewer

Opinion: Agree

76. Does the Mid-Year Review of the budget include an updated macroeconomic forecast for the budget year underway?

GUIDELINES:

Question 76 asks whether the Mid-Year Review includes an updated macroeconomic forecast for the budget year, and provides an explanation of the update.

Refer to Question 15 for the components of the macroeconomic forecast presented in the Executive's Budget Proposal.

To answer "a," the Mid-Year Review must include an updated macroeconomic forecast and explain all of the differences between the initial forecast presented in the Executive's Budget Proposal and the updated forecast. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the macroeconomic forecast must be updated, but only some of the differences between the initial and updated forecasts are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes an updated macroeconomic forecast, but does not provide an explanation for the revisions. A "d" response applies if the macroeconomic forecast has not been updated.

Answer:

d. No, the estimates for macroeconomic forecast have not been updated.

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the estimates for macroeconomic forecast have been updated, but an explanation of the differences between the original and updated forecast is not presented.

Comments: see pages 383-386. Only updated forecast is explained

Government Reviewer

Opinion: Agree

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Pages 383-386 only discuss macroeconomic situation during the first six months, and therefore answer d) still applies.

77. Does the Mid-Year Review of the budget include updated expenditure estimates for the budget year underway?

GUIDELINES:

Question 77 asks whether the Mid-Year Review includes updated estimates of expenditure for the budget year, and provides an explanation of the update.

To answer "a," the Mid-Year Review must include updated expenditure estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. The expenditure estimates must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated expenditure estimates, but does not provide an explanation for the revisions. A "d" response applies if the expenditure estimates have not been updated.

Answer:

b. Yes, expenditure estimates have been updated, and an explanation of some of the differences between the original and updated expenditure estimates is presented.

Source:
n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, expenditure estimates have been updated, and an explanation of some of the differences between the original and updated expenditure estimates is presented.

Comments: As I mentioned at MYR-2 question, there are no precise presentation of differences between the original and updated figures, but they can be analyzed. On page 4 there are next columns: • Column 2 – realization in first 6 months in previous budget year • Column 3 – original plan (budget) • Column 4 – current plan (budget) (original and current plans are equal. There should be difference only in budget was amended during current fiscal year. If that was case, that we can follow what was original plan, what is current plan, and how current plan is being realized (column 5) • Column 5 realization in first 6 months in current budget year • Column 6 – index calculates as $5/4 \times 100$. This indicator, from my point of view, provides forecasts for expenditures For explanation see pages 394-405

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, expenditure estimates have been updated, and an explanation of some of the differences between the original and updated expenditure estimates is presented.

Comments: Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months but also contains updated expenditure estimates for the budget year underway on the page 401 and 402 (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>)

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. There are some minor updates, which can be seen by comparing columns 3 and 4 in tables on page 4. Short explanation for some (but not all) of the differences is given on pages 401-402. In line with this, answer b) applies.

IBP Comment

IBP is in agreement with the researcher's "Response to Review." The response has been updated from "d" to "b."

78. Does the Mid-Year Review of the budget present expenditure estimates for the budget year underway by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 78 asks if expenditure estimates in the Mid-Year Review are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," the Mid-Year Review must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of these three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications. Answer "d" applies if expenditure estimates are not presented by any of the three classifications in the Mid-Year Review.

Answer:

a. Yes, the Mid-Year Review presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Source:
n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Comments: Administrative pp 25-29 economic pp 9-11 functional pp 14-15

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Mid-Year Review presents expenditure estimates by only one of the three expenditure classifications.

Comments: Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months but also contains expenditure estimates by economic classification on the page 401 and 402 (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>)

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Expenditure estimates by administrative classification are given on pages 25-29. Economic classification is presented on pages 9-11, while functional classification is elaborated on page 15. The answer a) hence applies.

IBP Comment

IBP is in agreement with the researcher's and peer reviewer's comments; the response is revised from "d" to "a."

78b. Based on the response to Question 78, check the box(es) to identify which expenditure classifications are included in the Mid-Year Review:

Answer:

Administrative classification

Economic classification

Functional classification

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Administrative classification Economic classification Functional classification

Government Reviewer

Opinion: Disagree

Suggested Answer: Administrative classification, economic classification and functional classification

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Expenditure estimates by administrative classification are given on pages 25-29. Economic classification is presented on pages 9-11, while

functional classification is elaborated on page 15.

IBP Comment

Per the IBP comment on question 78, the options "Administrative classification," "Economic classification," and "Functional classification" have been selected.

79. Does the Mid-Year Review of the budget present expenditure estimates for the budget year underway for individual programs?

GUIDELINES:

Question 79 asks if expenditure estimates in the Mid-Year Review are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Mid-Year Review must present expenditures for all individual programs, accounting for all expenditures. To answer "b," the Mid-Year Review must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Mid-Year Review presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Mid-Year Review.

Answer:

a. Yes, the Mid-Year Review presents estimates for programs accounting for all expenditures.

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents estimates for programs accounting for all expenditures.

Comments: pp 30-354

Government Reviewer

Opinion: Agree

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Estimates for programs, accounting for all expenditures, are presented on pages 31-353. The answer a) hence applies.

IBP Comment

IBP is in agreement with the researcher's and peer reviewer's comments; the response is revised from "d" to "a."

80. Does the Mid-Year Review of the budget include updated revenue estimates for the budget year underway?

GUIDELINES:

Question 80 asks whether the Mid-Year Review includes updated estimates of revenue for the budget year, and provides an explanation of the update.

To answer "a," the Mid-Year Review must include updated revenue estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the revenue estimates must be updated, but only some

of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated revenue estimates, but no explanation for the revisions is provided. A "d" response applies if the revenue estimates have not been updated.

Answer:

c. Yes, revenue estimates have been updated, but an explanation of the differences between the original and updated revenue estimates is not presented.

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, revenue estimates have been updated, and an explanation of all of the differences between the original and updated revenue estimates is presented.

Comments: Numerical values are given on pages 4-8. Narrative discussion is presented on pages 387-393

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, revenue estimates have been updated, but an explanation of the differences between the original and updated revenue estimates is not presented.

Comments: Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and a detailed review of revenues and expenditures during the first six months but also contains updated revenue estimates for the budget year underway on the page 388 (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>)

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Numerical values are given on pages 4-8, while short explanation for some (but not all) of the differences is given on pages 388-392. In line with this, answer b) applies and the answer is revised from d).

IBP Comment

The 387-393 page range focuses on developments for the first 6 months of FY 2018, as well as comparisons with the same period in FY 2017. For the purposes of cross-country consistency, the response is revised from "b" to "c."

81. Does the Mid-Year Review of the budget present revenue estimates for the budget year underway by category (such as tax and non-tax)?

GUIDELINES:

Question 81 asks whether revenue estimates in the Mid-Year Review are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Mid-Year Review must present revenue estimates classified by category.

Answer:

a. Yes, the Mid-Year Review presents revenue estimates by category.

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues,

and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents revenue estimates by category.

Comments: Numerical values are given on pages 4-8. Narrative discussion is presented on pages 387-393

Government Reviewer

Opinion: Agree

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Revenue estimates by category are given on pages 4-8. In line with this, answer a) applies.

IBP Comment

IBP is in agreement with the researcher's and peer reviewer's comments; the response is revised from "b" to "a."

82. Does the Mid-Year Review of the budget present individual sources of revenue for the budget year underway?

GUIDELINES:

Question 82 asks whether revenue estimates for individual sources of revenue are presented in the Mid-Year Review. The question applies to both tax and non-tax revenue.

To answer "a," the Mid-Year Review must present all sources of revenue individually, accounting for all revenues, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Mid-Year Review must present individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Mid-Year Review presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented in the Mid-Year Review.

Answer:

a. Yes, the Mid-Year Review presents individual sources of revenue accounting for all revenue.

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents individual sources of revenue accounting for all revenue.

Comments: Numerical values are given on pages 6-8. Narrative discussion is presented on pages 387-393

Government Reviewer

Opinion: Agree

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Individual sources of revenue for the budget year underway are given on pages 6-8. In line with this, answer a) applies.

IBP Comment

IBP is in agreement with the researcher's "Response to Review," and the response is revised from "d" to "a."

83. Does the Mid-Year Review of the budget include updated estimates of government borrowing and debt, including its composition, for the budget year underway?

GUIDELINES:

Question 83 asks whether the Mid-Year Review includes updated estimates of borrowing and debt, including its composition, for the budget year, and provides an explanation of the update.

Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:

- *The amount of net new borrowing required during the budget year;*
- *The central government's total debt burden at the end of the budget year; and*
- *The interest payments on the outstanding debt for the budget year.*

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

To answer "a," the Mid-Year Review must include an updated estimates of borrowing and debt, including its composition, and explain all of the differences between the initial estimates presented in the Executive's Budget Proposal (or Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the estimates of borrowing and debt must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated estimates, but no explanation for the revisions is provided. A "d" response applies if the estimates of borrowing and debt have not been updated.

Answer:

c. Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.

Source:

n/a

Comment:

Ministry of Finance regularly produces the half-year report which contains the overview of macroeconomic indicators and detailed information on revenues and expenditures during the first six months (see: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/09%20rujan/114%20sjednica%20Pula//114%20-%203%201.pdf>). However, this document cannot be recognized as the Mid-Year Review according to the IBP's Guidelines as it lacks updated forecasts for expenditures, revenues, and debt, reflecting the impact of actual experience to-date and revised projections for the full fiscal year. The same issue was identified in the previous rounds of the Survey.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of government borrowing and debt have been updated, and information on all of the differences between the original and updated estimates is presented.

Comments: This MYR have all these information while other document do not (PBS, EBP etc.) amount of net new borrowing required during the budget year – p 4 (table B) and in detail pp 17-18 central government's total debt burden at the end of the (previous) budget year and at current half-year – by each debt instrument pp 363-368, and total pp 369 interest payments on the outstanding debt for the budget year – pp 9 (account 34) interest rates on the debt – only narrative explanation of realized interest rates - pp 355-356 maturity profile of the debt – pp 361-362 whether the debt is domestic or external - pp 355-357

Government Reviewer

Opinion: Agree

Researcher Response

Following the suggestion of IBP, we decided to accept this document as a valid Mid-Year Report. However, this is first and foremost the result of methodological changes, given that the document is essentially identical to the Half-Year reports evaluated in the previous rounds of the survey. Peer reviewer correctly pointed at the pages providing information on borrowing and debt. We agreed with the suggestion and changed our answer from d) into a).

IBP Comment

The comments from the researcher and peer reviewer are well received. Given that information is not presented on all of the differences between the

original and updated estimates, and that information is not shown for the total debt burden for the entirety of the budget year underway (2018), the response is revised from "a" to "c."

84. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

GUIDELINES:

Question 84 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual expenditures for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion. Answer "b" if estimates of the differences for all expenditures are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all expenditures, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report

Answer:

a. Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, along with a narrative discussion.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Differences between the enacted levels and the actual outcome for all expenditures are presented on pages 444-451, along with a narrative discussion.

Peer Reviewer

Opinion: Agree

Comments: Everything is fine

Government Reviewer

Opinion: Agree

85. Does the Year-End Report present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 85 asks if expenditure estimates in the Year-End Report are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," the Year-End Report must present expenditure estimates by all three of the expenditure classifications. Answer "b" if expenditure estimates are presented by two of these three classifications. Answer "c" if expenditure estimates are presented by one of the three classifications. Answer "d" if expenditure estimates are not presented by any of the three classifications in the Year-End Report.

Answer:

a. Yes, the Year-End Report presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Expenditure estimates by administrative classification are given on pages 28-30. Expenditure estimates by economic classification are given on pages 32-389, as well as on pages 9-11. Expenditure estimates by functional classification are given on page 15, as well as on page 453.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

85b. Based on the response to Question 85, check the box(es) to identify which expenditure classifications are included in the Year-End Report:

Answer:

Administrative classification
Economic classification
Functional classification

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Expenditure estimates by administrative classification are given on pages 28-30. Expenditure estimates by economic classification are given on pages 32-389, as well as on pages 9-11. Expenditure estimates by functional classification are given on page 15, as well as on page 453.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

86. Does the Year-End Report present expenditure estimates for individual programs?

GUIDELINES:

Question 86 asks if expenditure estimates in the Year-End Report are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Year-End Report must present expenditure estimates for all individual programs, accounting for all expenditures. Answer "b" if the Year-End Report presents expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. Answer "c" if the Year-End Report presents programs that account for only less than two-thirds of expenditures. Answer "d" if expenditures are not presented by program in the Year-End Report.

Answer:

a. Yes, the Year-End Report presents estimates for programs accounting for all expenditures.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

All expenditure estimates for individual programs are given on pages 32-389.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

87. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

GUIDELINES:

Question 87 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual revenues for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all revenues, along with a narrative discussion. Answer "b" if estimates of the differences for all revenues are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all revenues, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report.

Answer:

a. Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Numerical values are given on pages 6-8. Narrative discussion is presented on pages 435-442, which also provide additional numerical information on differences between the enacted levels and the actual outcome for revenues.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

88. Does the Year-End Report present revenue estimates by category (such as tax and non-tax)?

GUIDELINES:

Question 88 asks whether revenue estimates in the Year-End Report are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Year-End Report must present revenue estimates classified by category.

Answer:

a. Yes, the Year-End Report presents revenue estimates by category.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

See pages 6-8 and pages 435-442.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

89. Does the Year-End Report present individual sources of revenue?

GUIDELINES:

Question 89 asks whether revenue estimates for individual sources of revenue are presented in the Year-End Report. The question applies to both tax and non-tax revenue.

To answer "a," the Year-End Report must present all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. Answer "b" if the Year-End Report presents individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. Answer "c" if the Year-End Report presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" if individual sources of revenue are not presented in the Year-End Report.

Answer:

a. Yes, the Year-End Report presents individual sources of revenue accounting for all revenue.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

See pages 6-8 and pages 435-442. The category "other revenue" accounts for less than 3% of all revenue.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90. Does the Year-End Report present the differences between the original estimates of government borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 90 asks whether the Year-End Report includes estimates of the differences between the original estimates and the actual outcome for the fiscal year for borrowing and debt, including its composition, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:

- *the amount of net new borrowing required during the budget year;*
- *the central government's total debt burden at the end of the budget year; and*
- *the interest payments on the outstanding debt for the budget year.*

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between some but not all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

The amount of net new borrowing required during the budget year is given on pages 17-21. The central government's total debt burden at the end of the budget year is discussed on pages 391-405. The interest payments on the outstanding debt for the budget year are given on page 9. The structure of debt (domestic vs external) is given on page 396.

Yet, information on interest rates and maturity profile is given only for some of the total borrowing (see pages 391-405) and therefore the answer c) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90b. Based on the response to Question 90, check the box(es) to identify which estimates of government borrowing and debt, including its composition, have the differences between the original forecast and the actual outcome for the year presented in the Year-End Report:

Answer:

The amount of net new borrowing required during the budget year
The central government's total debt burden at the end of the budget year
The interest payments on outstanding debt for the budget year
Whether the debt is domestic or external

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

The amount of net new borrowing required during the budget year is given on pages 17-21. The central government's total debt burden at the end of the budget year is discussed on pages 391-405. The interest payments on the outstanding debt for the budget year are given on page 9. The structure of debt (domestic vs external) is given on page 396.

Yet, information on interest rates and maturity profile is given only for some of the total borrowing (see pages 391-405).

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

91. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.

To answer "a" the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the

original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year is not presented.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

There is no any comparison of original macroeconomic forecast for the fiscal year and the actual outcome.

The answer selected therefore demonstrates deterioration in performance from the previous round the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

91b. Based on the response to Question 91, check the box(es) to identify which elements of the macroeconomic forecast have the differences between the original forecast and the outcome for the year presented in the Year-End Report:

Answer:

None of the above

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

There is no any comparison of original macroeconomic forecast for the fiscal year and the actual outcome.

The answer selected therefore demonstrates deterioration in performance from the previous round the research.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

92. Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?

GUIDELINES:

Question 92 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 49 for the nonfinancial data on inputs included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome are not presented.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

There is no information on nonfinancial data on inputs.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

Health sector is not an exception in this regards and hence the answer d) applies for the health sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

93. Does the Year-End Report present the differences between the original estimates of nonfinancial data on results and the actual outcome?

GUIDELINES:

Question 93 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 92).

Refer to Question 50 for the nonfinancial data on results included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

a. Yes, estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome are presented, along with a narrative discussion.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Differences between the original estimates of nonfinancial data on results and the actual outcome are presented on pages 547-1985 (numbered 1-1439).

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

The corresponding data related to the health sector is presented on pages 1745-1817 (numbered 1197-1269) of the attached document. In line with this, the answer a) applies for the health sector budget transparency as well.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

94. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

GUIDELINES:

Question 94 asks whether the Year-End Report includes estimates of the differences between the enacted level of funds for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 52 for assistance to the most impoverished populations in the Executive's Budget Proposal.

To answer "a," the Year-End Report must present estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit the country's most impoverished populations and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

There is just a brief overview of this matter on pages 1829-1836 (numbered 1281-1288). Only total expenditures for this purpose are presented, without detailed elaboration on individual policy measures that have been implemented. In line with this, the answer c) applies.

There has not been any improvement in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

95. Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

GUIDELINES:

Question 95 asks whether the Year-End Report presents estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 33 for estimates of extra-budgetary funds in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

a. Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, along with a narrative discussion.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented on pages 466-545, along with a narrative discussion (see pages 476-479; 492-494; 504-506; 516-517; 525-528; 539-543; 544-545).

Note on the health sector, which was evaluated as part of the Sector Budget Transparency module:

One of the extra-budgetary funds is 'Hrvatski zavod za zdravstveno osiguranje' [Eng. Croatian Health Insurance Fund], which administers the health

care system in Croatia. Differences between the original estimates for this fund and the actual outcome are presented on pages 529-538, followed by a narrative discussion on pages 539-543. In line with this, the answer a) applies for the health sector budget transparency as well.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

96. Is a financial statement included as part of the Year-End Report or released as a separate report?

GUIDELINES:

Question 96 asks whether a financial statement is included as part of the Year-End Report, or whether it is released as a separate report. The financial statement can include some or all of the following elements: a cash flow statement, an operating statement, a balance sheet, and notes on accounting. For purposes of responding to this question, the financial statement in question does not need to be audited. For an example of a financial statement, see the document "Financial Statements of the Government of New Zealand 2013" (<https://treasury.govt.nz/sites/default/files/2013-10/fsgnz-year-jun13.pdf>)

To answer "a," a financial statement must either be included in the Year-End Report or must be released as a separate report. Answer "a" applies if a financial statement is released as a separate report, even if the Year-End Report is not publicly available. Answer "b" applies if no financial statement is released either as part of the Year-End Report or as a separate report.

Answer:

b. No, a financial statement is neither part of the Year-End Report nor released as a separate report.

Source:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

97. What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

GUIDELINES:

Question 97 asks about the types of audits conducted by the Supreme Audit Institution (SAI). There are three basic types of audits:

- *Financial audits are intended to determine if an entity's financial information is accurate (free from errors or fraud) and presented in accordance with the applicable financial reporting and regulatory framework. See ISSAI 200 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more detail.*
- *Compliance audits look at the extent to which the relevant regulations and procedures have been followed. See ISSAI 400 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details.*
- *Performance audits assess whether activities are adhering to the principles of economy, efficiency, and effectiveness. See ISSAI 300 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details. ≈*

Financial and compliance audits are more common than performance audits, which usually occur only once a performance framework has been agreed upon. In some countries, the SAI's mandate limits the type of audit it can conduct.

To answer "a," the SAI must have conducted all three types of audit – financial, compliance, and performance – and made all of them available to the public. A "b" response applies if the SAI has conducted two of the three audit types, and a "c" applies if it has conducted only one type of audit. Answers "b" and "c" may be selected even if the Audit Report is not publicly available, as long as the SAI has conducted compliance or performance audits and made them available to the public. A "d" response applies if the SAI has not conducted any of the three types of audits, or has not made them available to the public.

Answer:

a. The SAI has conducted all three types of audits (compliance, financial, or performance) and made them available to the public.

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

The report presents findings for all three types of audits, which can be seen from the section 'Ciljevi i područja revizije' (Eng. 'Goals of the Audit and Audited Areas') on page 27. Regarding the performance audit, there are several recommendations related to the principles of economy, efficiency and effectiveness in the document. For instance, the second paragraph on page 33 (starting with 'Državni ured za reviziju je mišljenja'...) says: "The State Audit Office argues that not only should the financial planning for the budgetary users and budget in general take account of the results on the fulfilment of strategic plans, but these indicators actually ought to be given the key priority in this respect.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

98. What percentage of expenditures within the mandate of the Supreme Audit Institution (SAI) has been audited?

GUIDELINES:

Question 98 focuses on the coverage of audits by the Supreme Audit Institution (SAI), asking what percentage of expenditures within the SAI's mandate has been audited.

The SAI's mandate is typically defined in statute. Only expenditures related to budgetary central government (ministries, departments, and agencies) that are within the SAI's mandate should be considered for this question. (Question 99 addresses audits of extra-budgetary funds.) Further, the question does not apply to "secret programs" (for example, security-related expenditures that are confidential). Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.

Only the Audit Report identified in Section 1 should be used to answer this question. Financial audits and compliance audits, or a hybrid of the two, can be taken into account to answer this question. Performance audits should not be considered for this question.

To answer "a," all expenditures within the SAI's mandate must be audited. A "b" response applies if at least two-thirds, but not all, expenditures within the SAI's mandate have been audited. A "c" response is appropriate when less than two-thirds of expenditures within the SAI's mandate have been audited. A "d" response applies when no expenditures have been audited.

Answer:

a. All expenditures within the SAI's mandate have been audited.

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

All expenditures within the SAI's mandate have been audited.

There has not been any change in this respect in comparison with the previous round of the Survey.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

99. What percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited?

GUIDELINES:

Question 99 focuses on audits of extra-budgetary funds, asking what percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited. These funds, although technically outside the budget, are governmental in nature and thus should be subject to the same audit requirement as other government programs.

The SAI's mandate is typically defined in statute. Only expenditures related to extra-budgetary funds within the SAI's mandate should be considered for this question. (Question 98 addresses audits of budgetary central government.) Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.

To answer "a," all extra-budgetary funds within the SAI's mandate must be audited. A "b" response applies if extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited. A "c" response applies if extra-budgetary funds accounting for less than two-thirds of expenditures associated with extra-budgetary funds within the SAI's mandate have been audited. A "d" response applies if extra-budgetary funds have not been audited.

Answer:

b. Extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited.

Source:

(A) http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

(B) <http://www.revizija.hr/datastore/filestore/179/HRVATSKI-ZAVOD-ZA-ZDRAVSTVENO-OSIGURANJE.pdf>

Comment:

The only available report related to audits of extra-budgetary funds for the analysed fiscal year (2017) is the one for the Croatian Health Insurance Fund (see the document (B) above). However, since this extra-budgetary user accounted for more than two thirds of all expenditures associated with extra-budgetary funds, the answer b) applies.

The answer selected demonstrates an improvement in performance from the previous round.

Clarification: In order to make the management of the resources for the major extra-budgetary users (the Croatian Pension Insurance Institute and the Croatian Employment Service) more efficient, their revenue and expenditure have been included in the public budget since 2007 (the same applied to the Croatian Health Insurance Fund until 2015, but its revenue and expenditure are now again presented separately). Since the Croatian Pension Insurance Institute and the Croatian Employment Service are technically inside the state budget, the question 99 does not apply to them. The question 99 therefore applies only to 'Hrvatske vode [Croatian Water]; 'Hrvatske ceste' [Croatian Roads]; Restructuring and Sale Center; Environmental Protection and Energy Efficiency Fund; State Agency for Deposit Insurance and Bank Resolution; and Croatian Health Insurance Fund.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

100. Does the annual Audit Report(s) prepared by the Supreme Audit Institution (SAI) include an executive summary?

GUIDELINES:

Question 100 asks whether the annual Audit Report includes an executive summary. Only the Audit Report identified in Section 1 should be used to answer this question. The Audit Report can be a fairly technical document, and an executive summary of the report's findings can help make it more accessible to the media and the public.

To answer "a," the Audit Report must include at least one executive summary summarizing the report's content. Answer "b" applies if the Audit Report does not include an executive summary, or the Audit Report is not made publicly available.

Answer:

a. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

An executive summary of the Audit Report is given on pages i-ii.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

101. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

GUIDELINES:

Question 101 asks whether the executive reports to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution (SAI). The ultimate purpose of audits is to verify that the budget was executed in a manner consistent with existing law, and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the SAI's audit reports.

To answer "a," the executive must report publicly on the steps it has taken to address all audit findings. A "b" response applies if the executive reports publicly on the steps it has taken to address most, but not all, audit findings. A "c" response applies if the executive reports publicly on the steps it has taken to address only some audit findings. As long as the executive reports publicly on the steps it has taken to address audit finding, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if the executive does not report at all on its steps to address audit findings.

Answer:

d. No, the executive does not report on steps it has taken to address audit findings.

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

According to our review of the websites and published documents, the executive does not provide any report on steps it has taken to address recommendations from the audit.

There has not been any change in this respect in comparison with the previous round of the Survey.

Peer Reviewer
Opinion: Agree
Comments: Unfortunately

Government Reviewer
Opinion: Agree

102. Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

GUIDELINES:

Question 102 asks whether the Supreme Audit Institution (SAI) or the legislature track actions by the executive to address audit recommendations. After audit results and recommendations are discussed and validated by the legislature, the executive is normally asked to take certain actions to address the audit findings. For accountability purposes, the public needs to be informed about the status of those actions, and steps the executive has taken to address audit recommendations. In addition to the executive reporting on its actions (see Question 101), the SAI and legislature – as the key oversight institutions – have a responsibility to keep the public informed by tracking the executive's progress in addressing audit recommendations.

To answer "a," the SAI or legislature must report publicly on what steps the executive has taken to address all audit findings. A "b" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address most, but not all, audit findings. A "c" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address only some audit findings. As long as the SAI or legislature reports publicly on the steps the executive has taken, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if neither the SAI nor the legislature reports on the executive's steps to address audit findings.

Answer:

a. Yes, the SAI or legislature reports publicly on what steps the executive has taken to address all audit recommendations.

Source:

http://www.revizija.hr/datastore/filestore/160/DRZAVNI_PRORACUN_REPUBLIKE_HRVATSKE_ZA_2017.pdf

Comment:

Steps taken to address recommendations from previous audits are always given in the latest Audit Report by the State Audit Office. For instance, the Audit Report on the Executed State Budget of the Republic of Croatia for 2017 brings the overview of the executive's responses to the recommendations from earlier audits (see pages 61-68).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

103. Is there an Independent Fiscal Institution (IFI) that conducts budget analyses for the budget formulation and/or approval process?

GUIDELINES:

Question 103 examines whether an Independent Fiscal Institution (IFI) exists that contributes budget analyses to the budget formulation and/or approval process. According to the Principles for Independent Fiscal Institutions, adopted by the OECD Council in 2014, "independent fiscal institutions are publicly funded, independent bodies under the statutory authority of the executive or the legislature which provide non-partisan oversight and analysis of, and in some cases advice on, fiscal policy and performance"; and with "a forward-looking ex ante diagnostic task". In practice, they come in two main forms:

- *Parliamentary budget offices (also known as PBOs) such as the Congressional Budget Office in the United States (<https://www.cbo.gov/>), the Parliamentary Budget Office in South Africa (<https://www.parliament.gov.za/parliamentary-budget-office>), and the Center for Public Finance Studies in Mexico (Centro de Estudios de las Finanzas Públicas, <http://www.cefp.gob.mx/>); or*
- *Fiscal councils such as the Office for Budget Responsibility in the United Kingdom (<https://obr.uk/>), the Fiscal Policy Council in Sweden (Finanspolitiska Rådet, <http://www.finanspolitiskaradet.com/>), and the High Council for Public Finances in France (Haut Conseil des finances publiques, <https://www.hcfp.fr/>).*

For more information, see von Trapp et al. 'Principles for Independent Fiscal Institutions and Case Studies', OECD Journal on Budgeting 15:2 (special issue, 2016), <https://doi.org/10.1787/budget-15-5jm2795tv625>.

To answer "a," there must be an IFI, and its independence must be set in law. In addition, it must have sufficient staffing and resources, including funding, to carry out its tasks. Answer "b" applies if an IFI exists, but either its independence is not set in law or its staffing and resources are insufficient to carry out its tasks. Answer "c" applies if an IFI exists, but its independence is not set in law and it lacks sufficient staffing and resources. Answer "d" applies if no IFI exists.

If the answer is "a," "b," or "c," please specify in the comments the name and type of IFI that exists (e.g., parliamentary budget office or fiscal council). If the answer is "a" or "b," identify the law that guarantees its independence, and provide evidence in support of the assessment of the adequacy of its staffing and resources. This can include the IFI's total budget allocation over recent years, any press reports that discuss perceived funding shortfalls, assessments by international organizations, and/or information from interviews with staff of the IFI.

Answer:

b. Yes, there is an IFI, but either its independence is not set in law or its staffing and resources, including funding, are insufficient to carry out its tasks.

Source:

(A) Email sent by Mr. Danijel Nestić [member of the Fiscal Policy Commission], January 17, 2019 (B) Email sent by Mr. Vjekoslav Bratić [member of the Fiscal Policy Commission], January 21, 2019 (C) For Fiscal Policy Commission, see on the Internet: (<http://www.sabor.hr/en/committees/commission-fiscal-policy-9-term>)

Comment:

Both Mr. Nestić and Mr. Bratić answered "b".

Mr. Nestić also wrote "The Fiscal Policy Commission (Povjerenstvo za fiskalnu politiku) is established by the Decision of the Croatian parliament as "a professional and independent body aimed at improving the system of public finances and monitoring the application of fiscal rules as established by the Act on Fiscal Responsibility..." (Art 1. of the Decision). Although established by the Parliament, the Fiscal Policy Commission acts more as a fiscal council-type of IFIs. The members of the Commission are selected from the experts/representatives from academia and research institutes, but also from the central bank and the State Audit Office. However, the President of the Commission is the member of the Parliament (i.e. politician) at the same time acting as the President of the Parliamentary Finance and Budget Committee. Although it seems that the independence is set in law (that is way I prefer answer b) over c)), one may challenge that status by saying that the Decision of the Croatian parliament is not an Act and that an IFI lead by a member of the Parliament cannot be treated as an independent body. The Fiscal Policy Commission lacks staffing (Commission has no its own secretariat) and funding to conducts in-depth budget analysis. The Commission has no its own budget, although certain costs can be paid

upon request by the Parliament.

The above described situation refers to 2018. However, on 3 December 2018, the Parliament has adopted new Act on Fiscal Responsibility which substantially changes the position of the Fiscal Policy Commission. The Commission will be fully independent institution with its own budget and the President that will be appointed by the Parliament following public tender and public hearings. The President cannot be member of any political party and should be a respectable expert. The Act came into effect on 1 January 2019, while the new institution should be set in the following three months."

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

104. Does the Independent Fiscal Institution (IFI) publish macroeconomic and/or fiscal forecasts?

GUIDELINES:

Question 104 assesses whether an Independent Fiscal Institution (IFI) has a role in producing the macroeconomic forecast (e.g., GDP growth, inflation, interest rates, etc.) and/or the fiscal forecast (revenues, expenditure, deficits, and debt), and if so, what kind of role it has. Macroeconomic and/or fiscal forecasting is a typical core function across IFIs, but their role in forecasting takes several forms (von Trapp et al. 2016, p. 17 and Table 2). Some IFIs produce just a macroeconomic forecast, while others produce a complete fiscal forecast (which also typically requires an underlying macroeconomic forecast). In some cases, the fiscal forecast reflects continuation of current budget policies; such forecasts can be used by the legislature, the media, or the public to assess the projections in the executive's budget reflecting the government's policy proposals.

Some IFIs produce the official macroeconomic and fiscal forecasts used in the executive's budget. In other cases, IFIs do not prepare their own independent forecasts, but rather produce an assessment of the official estimates, or provide an opinion on, or endorsement of, the government's forecasts. Some others have no role at all in forecasting.

To answer "a", there must be an IFI that publishes both its own macroeconomic AND fiscal forecasts. Answer "b" applies if an IFI publishes its own macroeconomic OR fiscal forecast (but not both). Answer "c" applies if the IFI does not publish a macroeconomic or fiscal forecast, but rather publishes an assessment of the official forecasts produced by the executive and used in the budget. Choose option "d" if there is no IFI; or if there is an IFI that neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts for the budget.

Macroeconomic forecasts may include indicators relating to economic output and economic growth, inflation, and the labor market, amongst others. Fiscal forecasts may include estimates of revenues, expenditures, the budget balance, and debt. If the answer is "a" or "b," please specify which indicators and estimates are included in the forecasts and whether the forecast is used by government as the official forecast. If the answer is "c," please describe the nature and depth of the assessment (e.g., the length of the commentary, or whether it covers both economic and fiscal issues).

Answer:

c, No, the IFI does not publish its own macroeconomic or fiscal forecast, but it does publish an assessment of the official macroeconomic and/or fiscal forecasts produced by the executive.

Source:

(A) Email sent by Mr. Danijel Nestić [member of the Fiscal Policy Commission], January 17, 2019. (B) Email sent by Mr. Vjekoslav Bratić [member of the Fiscal Policy Commission], January 21, 2019.

Comment:

Both Mr. Nestić and Mr. Bratić answered "c"

Mr. Nestić also wrote "The commentaries prepared by the Fiscal Policy Commission (Position Papers) are several pages long and cover both macroeconomic and fiscal issues. See on the Internet (<http://www.sabor.hr/en/positions-fiscal-policy-commission>)"

The above described situation refers to 2018. However, on December 3, 2018, the Parliament has adopted new Act on Fiscal Responsibility. The new Act came into effect on January 1, 2019.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

105. Does the Independent Fiscal Institution (IFI) publish its own costings of new policy proposals, to assess their impact on the budget?

GUIDELINES:

Question 105 assesses whether an Independent Fiscal Institution (IFI) has a costing function that involves assessing the budgetary implications of new policy proposals for both revenues and expenditures, and if so, what kind of role it has. Many IFIs have a costing role, but with substantial diversity in the nature and extent of this work (von Trapp et al 2016, pp. 17-18 and Table 2). Some assess virtually all new policy proposals, while others cost only a selection of new policy proposals. Others only publish opinions on, or scrutinize the costings of, budget measures produced by the executive.

To answer "a," the IFI must publish its own costings of all (or virtually all) new policy proposals. Answer "b" applies if the IFI publishes its own costings, but only for major new policy proposals – for instance, only those proposals that cost or save above a certain amount. Answer "c" applies if the IFI publishes its own costings, but only on a limited number of proposals. This could occur, for instance, if the IFI lacked the capacity to assess proposals dealing with certain sectors. Instead of producing a cost estimate, it can also publish an assessment of the estimates produced by the executive. Answer "d" applies if there is no IFI; or if the IFI does not publish its own costings of new policy proposals or provide an assessment of the official costings of new policy proposals.

Answer:

d. No, there is no IFI; or the IFI does not publish its own costings of new policy proposals.

Source:

(A) Email sent by Mr. Danijel Nestić [member of the Fiscal Policy Commission], January 17, 2019. (B) Email sent by Mr. Vjekoslav Bratić [member of the Fiscal Policy Commission], January 21, 2019. (C) Fiscal Policy Commission. See on the Internet: (<http://www.sabor.hr/en/positions-fiscal-policy-commission>)

Comment:

Both Mr. Nestić and Mr. Bratić answered "d".

Mr. Nestić also wrote "The Fiscal Policy Commission does not publish its own costings of new policy proposals."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

106. In the past 12 months, how frequently did the head or a senior staff member of the Independent Fiscal Institution (IFI) take part and testify in hearings of a committee of the legislature?

GUIDELINES:

Question 106 concerns the interaction between two important oversight actors and assesses how frequently the Independent Fiscal Institution (IFI) made high-level inputs to the work of legislative committees. Almost all IFIs interact with the legislature in some form (von Trapp et al 2016, p. 18), but the intensity of the interaction varies. This question assesses this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the IFI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the IFI staff member in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). As evidence to support your answer, you can refer to official records of legislative committees, websites and annual reports of the IFI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; and "c" for once or twice. Answer "d" should be selected if the head or a senior staff member of the IFI never took part and testified in hearings of a committee of the legislature, or if there is no IFI.

Answer:

d. Never, or there is no IFI.

Source:

(A) Email sent by Mr. Danijel Nestić [member of the Fiscal Policy Commission], January 17, 2019. (B) Email sent by Mr. Vjekoslav Bratić [member of the Fiscal Policy Commission], January 21, 2019.

Comment:

Both Mr. Nestić and Mr. Bratić answered "d".

Mr. Nestić also wrote "Specific situation of Croatia is that the head of IFI is at the same time the head of Parliamentary Finance and Budget Committee. The Position Papers on key budgetary documents that are prepared by IFI are formally sent to the Finance and Budget Committee, but the head of IFI has no obligation to defend the position of IFI at the Committee meetings."

The above described situation refers to 2018. However, on December 3, 2018, the Parliament has adopted new Act on Fiscal Responsibility. The new Act came into effect on January 1, 2019.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

107. Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal?

GUIDELINES:

Question 107 asks whether the legislature debates budget policies prior to the tabling of the Executive's Budget Proposal. In general, prior to discussing the Executive's Budget Proposal for the coming year, the legislature should have an opportunity to review the government's broad budget priorities and fiscal parameters. Often times this information is laid out in a Pre-Budget Statement, which the executive presents to the legislature for debate. (See Questions 54-58.)

A number of countries conduct a pre-budget debate in the legislature around six months before the start of the budget year. In some cases, they adopt laws that guide the upcoming budget, for example the Budget Guidelines Law in Brazil and the Spring Fiscal Policy Bill in Sweden. A pre-budget debate can serve two main purposes: 1) to allow the executive to inform the legislature of its fiscal policy intentions by presenting updated reports on its annual and medium-term budget strategy and policy priorities; and 2) to establish "hard" multi-year fiscal targets or spending ceilings, which the government must adhere to when preparing its detailed spending estimates for the upcoming budget year.

To answer "a," the full legislature must debate budget policy prior to the tabling of the Executive's Budget Proposal and approve recommendations for the upcoming budget.

Answer "b" applies if a legislative committee (but not the full legislature) debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the budget. Option "b" also applies if, in addition to the action by the committee, the full legislature also debates budget policy in advance of the budget, but does not approve recommendations.

Answer "c" applies if the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but does not approve recommendations for the budget. Answer "d" applies if neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

In your comment, please indicate the dates of the budget debate, and if both the full legislature and a legislative committee held a debate. Note that a debate does not need to be open to the public, but a public record of the meeting or a public notice that the meeting occurred is required. In addition, please indicate whether the budget debate was focused on a Pre-Budget Statement published by the Executive. If the Executive did not publish a Pre-Budget Statement, then please indicate what served as the focus of the legislature's debate (for instance, a report released by an IFI or some other institution).

Answer:

d. No, neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

Source:

(A) Croatian Parliament: Agenda of the plenary sessions. See on the Internet (<http://www.sabor.hr/hr/sjednice/dnevni-red>)

(B) Croatian Parliament: Minutes of the Finance and Budget Committee. See on the Internet (<http://www.sabor.hr/hr/radna-tijela/odbor-za-financije-i-drzavni-proracun-9-saziv>)

Comment:

Only at the moment when the Executive's Budget Proposal should be voted on it is presented to the Parliament and then the members of the Parliament have a chance to formally debate it. Agenda of the plenary sessions and Minutes of the Finance and Budget Committee prove that prior to the tabling of the 2019 Executive's Budget Proposal, there was no formal debate.

Peer Reviewer
Opinion: Disagree

Suggested Answer:

b. Yes, a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the upcoming budget.

Comments: Parliament's Finance and Central Budget Committee debates and Executive's Budget Proposal before parliament discussion and voting. Such discussion is done in mid November. Here is link for such discussion and decision for 2018 Executive's Budget Proposal. In Minutes you cannot see details of discussion but final decision reveals that there was voting: "Nakon provedene rasprave, Odbor za financije i državni proračun Hrvatskoga sabora odlučio je većinom glasova (6 glasova „ZA“ i 1 glasom „SUZDRŽAN“)..." or in English "After discussion Finance and Central Budget Committee has made decision with majority votes (6 votes "YES" and 1 vote "NO")...." <https://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-522?keyword=prora%C4%8Dun>

Government Reviewer
Opinion: Agree

Researcher Response

Debates mentioned by peer reviewer are considered as part of budget approval process and are considered under q 112 – q 113.

IBP Comment

IBP agrees with the researcher's assessment. In addition, the debate linked by the peer reviewer pertains to the FY 2018 EBP rather than that for 2019. The existing response of "d" is maintained.

108. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

GUIDELINES:

Question 108 examines how far in advance of the start of the budget year the legislature receives the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be submitted to the legislature far enough in advance to allow the legislature time to review it properly, or at least three months prior to the start of the fiscal year. (See, for instance, Principle 2.2.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>)).

For the purposes of responding to this question, if – and only if – the most recent budget submission occurred later than usual as a result of a particular event, such as an election, please use a more normal year as the basis for the response. If, however, delays have been observed for more than one budget year, and the legislature has not received the Executive's Budget Proposal in a timely manner on more than one occasion in the last three years, then "d" will be the appropriate answer.

To answer "a," the legislature must receive the Executive's Budget Proposal at least three months in advance of the start of the budget year. Answer "b" applies if the legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year. Answer "c" applies if the legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year. Answer "d" applies if the legislature does not receive the Executive's Budget Proposal at least one month prior to the start of the budget year, or does not receive it at all.

Answer:

c. The legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year.

Source:

Vlada u Sabor šalje prijedlog proračuna za 2019., ali i prijedlog rebalansa za ovu godinu [Government sends a budget proposal for 2019 to the Parliament, as well as the budget amendments for this year], November 8, 2018.
See on the Internet (<https://direktno.hr/domovina/vlada-sabor-salje-prijedlog-proracuna-2019-i-prijedlog-rebalansa-ovu-godinu-138595/>)

Comment:

The legislature received the Executive's Budget Proposal on November 9, 2018, and budget year started on January 1, 2019.

Peer Reviewer

Opinion: Agree

Comments: As I commented in previous question, Finance and Central Budget Committee discussed budget proposal in mid November

Government Reviewer

Opinion: Agree

109. When does the legislature approve the Executive's Budget Proposal?

GUIDELINES:

Question 109 examines when the legislature approves the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be approved by the legislature before the start of the fiscal year the budget proposal refers to. This gives the executive time to implement the budget in its entirety, particularly new programs and policies.

In some countries, the expenditure and revenue estimates of the Executive's Budget Proposal are approved separately; for purposes of this question, at least the expenditure estimates must be approved. Further, approval of the budget implies approval of the full-year budget, not just a short-term continuation of spending and revenue authority.

To answer "a," the legislature must approve the Executive's Budget Proposal at least one month before the start of the budget year. Answer "b" applies if the legislature approves the Executive's Budget Proposal less than one month in advance of the start of the budget year, but at least by the start of the budget year. Answer "c" applies if the legislature approves the Executive's Budget Proposal less than one month after the start of the budget year. Answer "d" applies if the legislature approves the Executive's Budget Proposal more than one month after the start of the budget year, or does not approve the budget.

Answer:

b. The legislature approves the budget less than one month in advance of the start of the budget year, but at least by the start of the budget year.

Source:

Sabor izglasao proračun za 2019. godinu [Parliament approves 2019 State Budget], December 3, 2018. See on the Internet: (<https://net.hr/danas/sabor-izglasao-proracun-za-2019-prihodi-136-rashodi-140-milijardi-kuna-vladajuci-pokazali-kakvom-velicinom-raspolazu/>)

Comment:

The legislature approved The Proposal of the State Budget of the Republic of Croatia for 2019, with Projections for 2020 and 2021 on December 3, 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

110. Does the legislature have the authority in law to amend the Executive's Budget Proposal?

GUIDELINES:

Question 110 examines the legislature's power to amend—as opposed to simply accept or reject—the budget proposal presented by the executive. This question is about legal authority rather than actions the legislature takes in practice. The legislature's powers to amend the budget can vary substantially across countries.

The "a" response is appropriate only if there are no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus. The "b" response would be appropriate if, for instance, the legislature is restricted from changing the deficit or surplus, but it still has the power to increase or decrease funding and revenue levels. The more limited "c" response would apply if, for instance, the legislature can only re-allocate spending within the totals set in the Executive's Budget Proposal or can only decrease funding levels or increase revenues. Finally, response "d" would apply if the legislature may not make any changes (or only small technical changes), or if amendments must first be approved by the executive. In these cases, the legislature is essentially only able to approve or reject the budget as a whole. If the answer is "b" or "c", please indicate the nature of the amendment powers available to the Parliament and how they are limited.

Answer:

b. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.

Source:

Article 38 in Zakon o proračunu [Budget Act]. See on the Internet (<http://www.mfin.hr/adminmax/docs/Budget%20Act%20-%20consolidated%20text.pdf>)

Comment:

Limitations are described in Article 38 of the Budget Act. The legislature is restricted from changing the deficit. All amendments have to be aligned with the established amount of the allowed deficit of the State Budget and projections. If the goal of an amendment is to increase budget expenditures and expenses above an amount stated in the Budget Proposal, then a decrease of expenditures and expenses for another budget item should be proposed at the same time. Proposals which seek an increase in expenditures and expenses must not require additional indebtedness or may not burden the budgetary reserve or liabilities assumed before.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

111. During the most recent budget approval process, did the legislature use its authority in law to amend the Executive's Budget Proposal?

GUIDELINES:

Question 111 assesses whether any formal authority of the legislature to amend the Executive's Budget Proposal is used in practice. The responses to this question should be determined based on action by the legislature related to the Enacted Budget used in the OBS. Choose answer "a" if the legislature used its

authority in law to amend the Executive's Budget Proposal during the most recent budget approval process, and amendments were adopted (all, or at least some of them). Answer "a" also applies if the legislature used its authority in law to amend the Executive's Budget Proposal, but the amendments were rejected by executive veto. Answer "b" applies if the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but none of these amendments were adopted. Answer "c" applies if the legislature has the authority in law to amend the budget, but no amendments were proposed during its consideration. Answer "d" applies when the legislature does not have any authority to amend the budget (that is, Question 110 is answered "d").

If the answer is "a" or "b", please specify in the comments the number of amendments introduced by the legislature (and in the case of an "a" response, the number adopted, or if applicable, information about an executive veto) and describe their nature. For example, did the amendments result in an increase or decrease of the deficit? What were the most significant amendments to revenues and to expenditures in terms of the sums involved? How did amendments affect the composition of expenditures? If the answer is "a," please specify which amendments were adopted, and provide evidence for it.

Answer:

a. Yes, the legislature used its authority in law to amend the Executive's Budget Proposal, and (at least some of) its amendments were adopted.

Source:

Parliament adopted State Budget for 2019. See on the Internet (<https://www.index.hr/vijesti/clanak/sabor-usvojio-proracun-za-2019-godinu/2047218.aspx>)

Comment:

Out of the 217 amendments, how many members of parliament and parliamentary clubs submitted to the State Budget Proposal, the Government accepted only three, and such a vote was confirmed by the Parliament. The accepted were the amendments of Marija Puh, Ivana Šipić and Žarko Tušek, worth 10 million HRK, and two amendments of HDZ's Pero Cosic, Ljubica Maksimčuk and Marko Šimić in the amount of 15 and 5 million HRK for the university and a school in the City of Slavonski Brod.

The Parliament has also accepted two government's amendments that do not change the total amount of the budget, but are related to redistribution within the existing limits.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

112. During the last budget approval process, did a specialized budget or finance committee in the legislature examine the Executive's Budget Proposal?

GUIDELINES:

Question 112 assesses the role of a specialized budget or finance committee during the budget approval stage. Effective committee involvement is an essential condition for legislative influence in the budget process. Specialized committees provide opportunities for individual legislators to gain relevant expertise, and to examine budgets and policy in depth. Yet, the involvement of committees differs across legislatures. Some legislatures have separate committees to examine spending and tax proposals, while others have a single finance committee. Not all legislatures have a specialized budget or finance committee to examine the budget. In addition, there can be differences in the time available for the committee's analysis of the budget.

A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, therefore it must be published before the legislature has adopted the budget.

Response "a" requires that, in the last budget approval process, a specialized budget or finance committee had one month or more to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted. Response "b" applies where such a committee examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if a committee examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where a specialized budget or finance committee did not examine the Executive's Budget Proposal.

Please specify in your comment the name of the committee and the number of days it had available to examine the budget and to publish a report. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a copy of the report. Please note also if a report is published, but only after the budget has been adopted.

Answer:

b. Yes, a specialized budget or finance committee had less than one month to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted.

Source:

(A) Croatian Parliament: Description of duties of Finance and Central Budget Committee, See on the Internet: (<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

(B) Usvojen prijedlog proračuna za 2019., rebalans za 2018. i paket od devet poreznih zakona, 9. studenog, 2018. (Adopted 2019 Budget Proposal,

2018 Supplementary Budget and package of nine tax acts, November 9, 2018). See on the Internet: (<https://vlada.gov.hr/vijesti/usvojen-prijedlog-proracuna-za-2019-rebalans-za-2018-i-paket-od-devet-poreznih-zakona/24694>)

(C) Hrvatski sabor: Izvješće Odbora za financije i državni proračun o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 16. studenoga 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 16, 2018). See on the Internet:

(<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-549>)

(D) Sabor izglasao proračun za 2019. godinu (Parliament approves 2019 State Budget), December 3, 2018. See on the Internet:

(<https://net.hr/danas/sabor-izglasao-proracun-za-2019-prihodi-136-rashodi-140-milijardi-kuna-vladajuci-pokazali-kakvom-velicinom-raspolazu/>)

Comment:

The Parliament received the 2019 State Budget Proposal on November 9, 2018. The Parliamentary Finance and Central Budget Committee had session regarding the 2019 State Budget Proposal on November 16, 2018. The 2019 State Budget was adopted by the Parliament on December 3, 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

113. During the last approval process, did legislative committees, responsible for particular sectors (e.g., health, education, defense, etc.), examine spending in the Executive's Budget Proposal related to the sector for which they are responsible?

GUIDELINES:

Question 113 assesses the role of committees of the legislature that are responsible for particular sectors (e.g., health, education, defense, etc.) during the budget approval stage. The role of sectoral committees differs across legislatures. Some legislatures do not involve them in the budget approval process, while others do. In addition, the time available for committee analysis differs.

A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, so therefore must be published before the legislature has adopted the budget. Response "a" requires that sector committees had one month or more to examine the Executive's Budget Proposal, and published a report with findings and recommendations prior the budget being adopted. Response "b" applies where such committees examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if sectoral committees examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where sectoral committees did not examine the Executive's Budget Proposal.

Please provide in the comments a brief overview of the committee structure and specify the number of days that sectoral committees had available to examine the budget and to publish their reports. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a sample copy of at least one of the reports. Please note if a report is published, but only after the budget has been adopted.

For purposes of responding to this question, use those sectoral committees that are best performing – that is, the ones that examine the budget the longest and that publish reports.

Answer:

b. Yes, sector committees had less than one month to examine the Executive's Budget Proposal, and they published reports with findings and recommendations prior to the budget being adopted.

Source:

(A) Usvojen prijedlog proračuna za 2019., rebalans za 2018. i paket od devet poreznih zakona, 9. studenog, 2018. (Adopted 2019 Budget Proposal, 2018 Supplementary Budget and package of nine tax acts, November 9, 2018). See on the Internet: (<https://vlada.gov.hr/vijesti/usvojen-prijedlog-proracuna-za-2019-rebalans-za-2018-i-paket-od-devet-poreznih-zakona/24694>)

(B) Hrvatski sabor: Izvješće Odbora za zdravstvo i socijalnu politiku o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 21. studenoga 2018. (Croatian Parliament: The report of the Health and Social Policy Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 21, 2018). See on the Internet:

(<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-zdravstvo-i-socijalnu-politiku-o-128?keyword=prora%C4%8Dun>)

(C) Hrvatski sabor: Izvješće Odbora za obrazovanje, znanost i kulturu o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 16. studenoga 2018. (Croatian Parliament: The report of the Education, Science and Culture Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 16, 2018). See on the Internet:

(<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-obrazovanje-znanost-i-kulturu-o-168?keyword=prora%C4%8Dun>)

(D) Hrvatski sabor: Izvješće Odbora za obranu o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 20. studenoga 2018. (Croatian Parliament: The report of the Defense Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 20, 2018). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-obranu-o-prijedlogu-drzavnog-proracuna-8?keyword=prora%C4%8Dun>)

(E) Sabor izglasao proračun za 2019. godinu (Parliament approves 2019 State Budget), December 3, 2018. See on the Internet:

(<https://net.hr/danas/sabor-izglasao-proracun-za-2019-prihodi-136-rashodi-140-milijardi-kuna-vladajuci-pokazali-kakvom-velicinom-raspolazu/>)

Comment:

The Parliament received the 2019 State Budget Proposal on November 9, 2018. The Health and Social Policy Committee had session regarding the 2019 State Budget Proposal on November 21, 2018. The Education, Science and Culture Committee had session regarding the 2019 State Budget Proposal on November 16, 2018. The Defense Committee had session regarding the 2019 State Budget Proposal on November 20, 2018. The 2019 State Budget was adopted by the Parliament on December 3, 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

114. In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

GUIDELINES:

Question 114 is about legislative oversight of budget execution. It assesses whether and how often a committee examined the implementation of the budget during the budget execution period (i.e., financial year) for which it was approved, and whether this resulted in an official report with findings and recommendations. This question does not apply to the ex post review of implementation following the end of the budget year as part of the audit stage, which is assessed separately. Nor does it apply to the legislature's review of the budget that it may undertake as part of the process of considering a supplemental budget during the year. In-year monitoring by the legislature will be affected by the frequency that the executive publishes In-Year Reports.

To answer "a," a committee must have examined in-year implementation of the Enacted Budget at least three times during the course of the relevant budget year and published reports with findings and recommendations. Answer "b" applies where this occurred only once or twice during the year.

Exception: If a legislature is in session only twice during the year, and it examines the implementation of the budget during both sessions, then it would be eligible for an "a" response.

Choose "c" if a committee examined in-year implementation (without regard to frequency), but did not publish any report with findings and recommendations. Answer "d" applies where no committee examined in-year implementation.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed budget implementation, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation.

For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.

Answer:

b. Yes, a committee examined in-year implementation on one or more occasion (but less than three times), and it published a report with findings and recommendations.

Source:

(A) Hrvatski sabor: Izvješće Odbora za financije i državni proračun o Prijedlogu polugodišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za prvo polugodište 2018. godine i Prijedlogu polugodišnjeg izvještaja o primjeni fiskalnih pravila za prvo polugodište 2018. godine, 20. rujna 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Proposal of the 2018 Half-Year Report on the execution of the State Budget of the Republic of Croatia and the Proposal of the 2018 Half-Year Report on the implementation of fiscal rules, September 20, 2018). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-546?keyword=POLUGODI%C5%A0NJ>)

Comment:

In the last 12 months Finance and Budget Committee examined 2018 Half-Year Report on State Budget execution and 2018 Half-Year Report on implementation of fiscal rules.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

115. Does the executive seek approval from the legislature prior to shifting funds between administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

GUIDELINES:

Question 115 examines whether the executive seeks approval from the legislature prior to shifting funds between administrative units, and whether it is legally required to do so.

In some countries, the executive has the power in law to adjust funding levels for specific appropriations during the execution of the budget. This question examines rules around shifting funds between administrative units (ministries, departments, or agencies) or whatever funding unit (or "vote") is specified in the Enacted Budget.

The conditions under which the executive may exercise its discretion to shift funds should be clearly defined in publicly available regulations or law. In addition, the amount of funds that the executive is allowed to transfer between administrative units should not be so excessive as to undermine the accountability of the executive to the legislature.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before shifting funds between administrative units, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before shifting funds between administrative units, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before shifting funds, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to shift funds between administrative units and the executive does not obtain legislative approval in practice. Answer "d" also applies if the executive is authorized to shift an amount considered so excessive as to undermine accountability (roughly equal to 3 percent of total budgeted expenditures). A "d" response applies if the legislature only approves the shifting of funds after it has already occurred.

In the comments, please indicate any law or regulation that provides the executive with standing authority to shift funds between administrative units and, if so, describe that authority. Similarly, legislative approval for shifting funds between administrative units typically occurs with the adoption of legislation such as a supplemental budget. But if other formal procedures for gaining approval from the legislature exist, then please provide information about that approval process.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to shifting funds between administrative units, and in practice the executive shifts funds between administrative units before obtaining approval from the legislature.

Source:

Article 46 in Zakon o proračunu (Budget Act). See on the Internet: (<http://www.mfin.hr/adminmax/docs/Budget%20Act%20-%20consolidated%20text.pdf>)

Comment:

The Minister of Finance needs to approve these shifts of funds, and not the legislature. According to the Budget Act, the allocation of funds under budgetary line-items within a budget user or between budgetary users and within extra-budgetary user may be executed up to 5% of expenditures and outlays of the budgetary line-items adopted by the Parliament, if the Minister of Finance approves it. Exceptionally, the reallocation of up to 15% of expenditures and outlays of the budgetary line-items mentioned above adopted by the Parliament, if the Minister of Finance approves it, is allowed if it ensures an increase in the funds for the national participation planned in the budget for financing projects co-financed by the European Union.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

116. Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.

Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to spending excess revenues, and in practice the executive spends these funds before obtaining approval from the legislature.

Source:

(A) Article 50 in Zakon o proračunu (Budget Act). See on the Internet: (<http://www.mfin.hr/adminmax/docs/Budget%20Act%20-%20consolidated%20text.pdf>)

(B) Article 52 in Zakon o proračunu (Budget Act)

(C) Article 42 in Zakon o izvršavanju Državnog proračuna Republike Hrvatske za 2018. godinu [2018 Act on Execution of the State Budget of the Republic of Croatia]. See on the Internet: (<https://www.zakon.hr/z/977/Zakon-o-izvr%C5%A1avanju-Dr%C5%BEavnog-prora%C4%8Duna-Republike-Hrvatske-za-2018.-godinu>)

Comment:

Article 50 of Budget Act stipulates the following: "Paid-in and transferred aid, donations and special-purpose revenues which have been under-budgeted may be executed above the level established in the state budget and up to the level of paid-in and transferred funds. Paid-in and transferred earmarked receipts from borrowing which have been underbudgeted may be executed above the amounts established in the budget, up to the level of paid-in and transferred funds, with the prior consent of the Ministry of Finance. Paid-in and transferred aid, donations, special-purpose revenues and earmarked receipts from borrowing which have not been budgeted may be used for subsequently established activities and/or projects in the budget with the prior consent of the Finance Minister."

Article 52 of Budget Act stipulates the following: "Own revenues shall be revenues which budget users generate from the performance of activities in the market and under market conditions, which are not financed from the budget. Paid-in and transferred, but under-planned revenues may be executed above the amount established in the budget, up to the level of paid-in and transferred funds. Paid-in but unplanned own revenues may be used according to subsequently established activities and/or project, with the prior consent of the Ministry of Finance."

Article 42 of 2018 Act on Execution of the State Budget of the Republic of Croatia stipulates that with their own revenues budget users settle the expenses incurred by doing business on the market, on the basis of which their own revenues have been realized. If their own revenues are realized in excess of the amount needed to meet the expenses mentioned above, own revenues may be used to settle the expenses of their regular activity.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

117. Does the executive seek approval from the legislature prior to reducing spending below the levels in the Enacted Budget in response to revenue shortfalls (that is, revenues lower than originally anticipated) or other reasons during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 117 examines whether the executive receives approval from the legislature prior to cutting spending below the levels in the Enacted Budget in response to revenue shortfalls or for any other reason, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if less revenue is collected unexpectedly during the year, the legislature should approve or reject any proposed reductions in expenditures that are implemented as a result. If such requirements are not in place, the executive might substantially change the composition of the budget at the executive's discretion, with no legislative control.

Typically, legislative approval of proposals to reduce spending below the levels reflected in the Enacted Budget would occur as part of the supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before implementing spending cuts in response to revenue shortfalls or for other reasons, and it does so in practice. Answer "b" applies if the executive received legislative approval before implementing such cuts, but is not legally required to do so. Answer "c" applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to implement such cuts and the executive does not obtain such approval in practice. A "d" response applies if the legislature only approves the spending cuts after they have already occurred.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to reducing spending below enacted levels, and in practice the executive implements these spending cuts before seeking prior approval from the legislature.

Source:

(A) Article 50 in Zakon o proračunu (Budget Act). See on the Internet: (<http://www.mfin.hr/adminmax/docs/Budget%20Act%20-%20consolidated%20text.pdf>)

(B) Article 52 in Zakon o proračunu (Budget Act). See on the Internet: (<http://www.mfin.hr/adminmax/docs/Budget%20Act%20-%20consolidated%20text.pdf>)

Comment:

Article 50 stipulates that if earmarked revenues and receipts are paid in at a level lower than that presented in the state budget, the user may assume and pay liabilities only to the level of actually paid-in, or available funds.

Article 52 stipulates that if own revenues are paid in amounts less than the level shown in the state budget, the user may assume and settle liabilities only to the level of actually generated, or available funds.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

118. Did a committee of the legislature examine the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI)?

GUIDELINES:

Question 118 is about ex post oversight following the implementation of the budget. It probes whether a committee examined the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI), and whether this resulted in an official report with findings and recommendations. A key issue is how soon after the SAI releases the report does it legislature review it. This question does not apply to the legislative scrutiny of in-year implementation of the Enacted Budget during the relevant budget execution period, which is assessed separately. Also, the question is asking specifically about the SAI's annual report on the execution of the budget, not about other audit reports that the SAI may produce. (This is the Audit Report used for responding to Question 98.)

To answer "a," a legislative committee must have examined the annual Audit Report within three months of it being released by the SAI, and then published a report (or reports) with findings and recommendations. (Note that the three-month period should only take into account time when the legislature is in session.)

Answer "b" applies when the committee examines it within six months of it being released (but more than three months), and then published a report with its findings and recommendations. Choose "c" if a committee examined the annual Audit Report more than six months after it became available or it did not publish any report with findings and recommendations. Answer "d" applies where no committee examined the annual Audit Report.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed the Audit Report, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation. Answers "a," "b," or "c" may be selected if the Audit Report is produced by the SAI but not made publicly available.

Answer:

a. Yes, a committee examined the Audit Report on the annual budget within three months of its availability, and it published a report with findings and recommendations.

Source:

(A) Croatian Parliament: Description of duties of Finance and Central Budget Committee, See on the Internet: (<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

(B) Hrvatski sabor: Izvješće Odbora za financije i državni proračun s rasprave o Izvješću o obavljenoj reviziji Godišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za 2017. godinu, 20. rujna 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Report on the conducted audit of the Annual Report on the Execution of the State Budget of the Republic of Croatia for 2017, September 20, 2018). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-s-rasprave-o-175?keyword=dr%C5%BEavni%20ured%20za%20revizij>)

Comment:

The Audit Report on the annual budget was published on May 30, 2018. The Finance and Central Budget Committee examined the Audit Report on the annual budget on September 20, 2018.

The Croatian Parliament meets regularly twice a year: first time between January 15 and July 15, and the second time between September 15 and December 15.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

119. Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

GUIDELINES:

Question 119 concerns the appointment process of the current head of the Supreme Audit Institution (SAI). Appointment procedures vary greatly across countries, as well as across different types of SAIs. Moreover, conventions and informal practices can greatly affect the de facto independence of the head of the SAI. While these factors make it difficult to devise a single metric against which all SAIs can be assessed with regard to this particular aspect, this question focuses on whether the legislature or judiciary must appoint or approve the appointment of the head of the SAI as a way to ensure the SAI's independence from the executive. However, if the appointment is carried out in another way that nonetheless ensures the independence of the SAI head, then that approach could be also considered.

To answer "a," the legislature or judiciary must appoint (or re-appoint) the head of the SAI, or approve the recommendation of the executive, as a way that ensure his or her independence from the executive. (As noted above, alternative approaches may also be acceptable.) Choose "b" if the appointment process does not ensure the independence of the head of the SAI, e.g. the executive may appoint the head of the SAI without the final consent of the legislature or judiciary.

Irrespective of which answer you selected, provide a description of how the head of the SAI is appointed.

Answer:

a. Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.

Source:

(A) Article 8 in Zakon o Državnom uredu za reviziju (The State Audit Office Act), See on the Internet:(<http://www.revizija.hr/en/about-us/laws-and-regulations/act-on-the-state-audit-office>) (B) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office, January 17, 2019

Comment:

Article 8 of the State Audit Office Act stipulates the following: "The head of the SAI is appointed by the Croatian Parliament at the proposal of the Elections, Appointments and Administration Parliamentary Committee, with the opinion of the Parliamentary Committee for Finance and Central Budget."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

120. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

GUIDELINES:

Question 120 covers the manner in which the head or senior members of the SAI may be removed from office. This question draws on best practices identified in the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>), including measures intended to guarantee the office's independence from the executive.

To answer "a," the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before the head of the SAI is removed. For example, the legislature or judiciary may give final consent following a certain external process, such as a criminal proceeding. So while the executive may initiate a criminal proceeding, the final consent of a member of the judiciary – or a judge – is necessary to render a verdict of wrongdoing that may lead to the removal from office of the head of the SAI. Answer "b" applies if the executive may remove the head of the SAI without the final consent of the judiciary or legislature.

Answer:

a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.

Source:

(A) Article 10 in Zakon o Državnom uredu za reviziju (The State Audit Office Act). See on the Internet: (<http://www.revizija.hr/en/about-us/laws-and-regulations/act-on-the-state-audit-office>) (B) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office,

January 17, 2019

Comment:

Article 10 in Zakon o Državnom uredu za reviziju (The State Audit Office Act) stipulates:

"(1) The Croatian Parliament shall terminate the mandate of the Auditor General before the expiry of the period of appointment:

if the Auditor General submits such a request,

if the Auditor General is to be appointed to another position with his/her consent,

if the Auditor General is permanently incapacitated to perform his/her duties, and

if the Auditor General is sentenced to a non-appealable verdict for a criminal offence.

(2) If there is a legal process against the Auditor General for which he/she is prosecuted, and for which he/she can get a 5 years' imprisonment, or a graver verdict, then the Auditor General cannot perform his/her duty until the end of that process. The decision on the Auditor General's end of term shall be brought by the Croatian Parliament."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

121. Who determines the budget of the Supreme Audit Institution (SAI)?

GUIDELINES:

Question 121 asks who determines the budget of the Supreme Audit Institution (SAI). To ensure objective audits of government budgets, another important component of the SAI's independence from the executive is the extent to which the SAI's budget is determined by a body other than the executive, and whether the SAI has adequate resources to fulfill its mandate.

Answer "a" applies if the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate, AND either the SAI determines its own budget and then submits it to the executive (which accepts it with little or no change) or directly to the legislature, or the budget of the SAI is determined directly by the legislature or judiciary (or some independent body). Answer "b" applies if the SAI's budget is determined by the executive (absent a recommendation from the SAI), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. Answer "c" applies if the legislature or judiciary (or some independent body) determines the SAI's budget, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Answer "d" applies if the executive determines the SAI's budget, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Please provide evidence in support of the assessment that the funding level is or is not broadly consistent with the resources the SAI needs to fulfill its mandate.

Answer:

a. The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

Source:

(A) Article 3 in Zakon o Državnom uredu za reviziju (The State Audit Office Act). See on the Internet: (<http://www.revizija.hr/en/about-us/laws-and-regulations/act-on-the-state-audit-office>) (B) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office, January 17, 2019

Comment:

Article 3 in Zakon o Državnom uredu za reviziju (The State Audit Office Act) stipulates "The State Audit Office shall autonomously plan for funds necessary for its work and the Croatian Parliament shall identify(define) them in the State Budget."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

122. Does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

GUIDELINES:

Question 122 explores the scope of the investigative powers of the Supreme Audit Institution (SAI) as prescribed in law.

Question 97 asks which of the three types of audits – financial, compliance, and performance – the SAI conducts. This question asks if the SAI is constrained by law (rather than by a lack of capacity or an inadequate budget) from undertaking any form of audit or investigating irregularities in any program or activity.

There are numerous examples of limitations. For instance, some SAIs are not permitted by their legal mandate to audit joint ventures or other public-private arrangements. Others are only allowed to undertake financial audits, precluded from conducting performance or value-for-money audits. The SAIs in some countries do not have the legal mandate to review arrangements involving oil or stabilization funds, or other types of special or extra-budgetary funds. The SAI may also not have the ability to audit commercial projects involving the public and private sector.

To answer "a," the SAI must have full discretion in law to decide which audits to undertake. Answer "b" applies if some limitations exist, but the SAI enjoys significant discretion to undertake those audits it wishes to. Answer "c" applies if the SAI has some discretion, but significant legal limitations exist. Answer "d" applies if the SAI has no power at all to choose which audits to undertake

Consulting the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>) may be useful in answering this question as its provisions serve to define the appropriate scope of a SAI's legal mandate and jurisdiction.

Answer:

a. The SAI has full discretion to decide which audits it wishes to undertake.

Source:

(A) Article 9 and 12 in Zakon o Državnom uredu za reviziju (The State Audit Office Act). See on the Internet: (<http://www.revizija.hr/en/about-us/laws-and-regulations/act-on-the-state-audit-office>) (B) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office, January 17, 2019

Comment:

Article 9 in Zakon o Državnom uredu za reviziju (The State Audit Office Act) stipulates: "The Auditor General shall:

Organise the work of the State Audit Office,

Pass a Strategic Plan of the State Audit Office,

Pass an Annual Programme and Work Plan of the State Audit Office..."

Article 12 in Zakon o Državnom uredu za reviziju (The State Audit Office Act) stipulates: "The State Audit Office shall plan and carry out audits in line with the scope laid down in the Annual Programme and Plan of Work, as well as according to the request of the Croatian Parliament if Auditor General assesses the request as justified."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

123. Are the audit processes of the Supreme Audit Institution (SAI) reviewed by an independent agency?

GUIDELINES:

Question 123 assesses whether and to what extent the audit processes of the Supreme Audit Institution (SAI) are subject to review by an independent agency. The latter could be a peer SAI, an international organization, an academic institution with relevant expertise, or an independent domestic agency with quality assurance functions in the area of financial reporting.

To answer "a," an independent agency must conduct and publish a review of the audit processes of the SAI on an annual basis. Answer "b" applies if a review was carried out within the past five years, and published, but it is not conducted annually, but. Choose answer "c" if the SAI has an internal unit that reviews the audit processes of the SAI on a regular basis, but an independent agency does not conduct such a review. Answer "d" applies if the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.

If the answer is either "a" or "b," please specify the name of the independent agency and when last it conducted such a review, and provide a copy of the published report. If the answer is "c," please specify the name of the unit within the SAI that is tasked with conducting such reviews.

Answer:

c. No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

Source:

(A) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office, January 17, 2019. (B) Telephone call with Ms. Biserka Čoh Mikulec, January 28, 2019 (C) State Audit Office - Organisation, see on the Internet (<http://www.revizija.hr/en/about-us/organisation>)

Comment:

The SAI has an Internal Audit Department.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

124. In the past 12 months, how frequently did the head or a senior staff member of the Supreme Audit Institution (SAI) take part and testify in hearings of a committee of the legislature?

GUIDELINES:

Question 124 concerns the interaction between two important oversight actors and assesses how frequently the Supreme Audit Institution (SAI) made high-level inputs to the work of legislative committees. Many SAIs interact with the legislature in some form, but the nature and intensity of the interaction varies. This question probes this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the SAI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the SAI representative in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). You can refer to official records of legislative committees, websites and annual reports of the SAI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; "c" for once or twice, and "d" for never.

Answer:

a. Frequently (i.e., five times or more).

Source:

(A) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office, January 17, 2019.

(B) Telephone call with Biserka Čoh Mikulec, January 28, 2019

(C) Hrvatski sabor: Izvješće Odbora za financije i državni proračun o Prijedlogu zakona o Državnom uredu za reviziju, prvo čitanje, 21. studeni, 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Draft of the State Audit Office Act, first reading, November, 21, 2018.). See on the Internet (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-550?keyword=dr%C5%BEavni%20ured%20za%20revizij>)

(D) Hrvatski sabor: Izvješće Odbora za financije i državni proračun s rasprave o Izvješću o obavljenoj reviziji Godišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za 2017. godinu, 20. rujna 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Report on the conducted audit of the Annual Report on the Execution of the State Budget of the Republic of Croatia for 2017, September, 20, 2018.). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-s-rasprave-o-175?keyword=dr%C5%BEavni%20ured%20za%20revizij>)

(E) Hrvatski sabor: Izvješće Odbora za financije i državni proračun o Prijedlogu zakona o dopuni Zakona o Državnom uredu za reviziju, s Konačnim prijedlogom zakona, hitni postupak, prvo i drugo čitanje, 23. svibnja, 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Draft Act on Amending the State Audit Office Act, with the Final Draft Act, Emergency Procedure, First and Second Readings, May, 23, 2018.). See on the Internet (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-538?keyword=revizij>)

(F) Hrvatski sabor: Izvješće Odbora za financije i državni proračun s rasprave o Izvješću o radu Državnog ureda za reviziju za 2017., 14. ožujka 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the State Audit Office's Work Report for 2017, March, 14, 2018.). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-s-rasprave-o-171?keyword=dr%C5%BEavni%20ured%20za%20revizij>)

(G) Hrvatski sabor: Izvješće Odbora za financije i državni proračun s rasprave o Izvješću o obavljenoj financijskoj reviziji političkih stranaka, nezavisnih zastupnika i članova predstavničkih tijela jedinica lokalne i područne (regionalne) samouprave izabranih s liste grupe birača za 2016., 31. siječnja 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Report on the conducted financial audit of political parties, independent representatives and members of the representative bodies of local and regional self-government units elected from the list of voters for 2016, January, 31, 2018.). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-s-rasprave-o-170?keyword=dr%C5%BEavni%20ured%20za%20revizij>)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

GUIDELINES:

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and revenue levels, and macro-fiscal planning.

To answer "a," the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

c. Yes, the executive uses participation mechanisms during the budget formulation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Source:

- (A) Interview with Ms. Ivana Jakir-Bajo, Assistant Minister and Chief State Treasurer (Ministry of Finance, January 21, 2019)
- (B) Email sent by Mr. Ivan Mišetić, president of the Economic and Social Council on national level (February 21, 2019).
- (C) Gospodarsko socijalno vijeće (Economic and Social Council). See on the Internet: (<http://www.sssh.hr/en/static/fields-of-work/social-dialogue/economic-and-social-council-43>)
- (D) Sporazum o osnivanju Gospodarsko-socijalnog vijeća (Agreement establishing Economic and Social Council). See on the Internet: (http://gsv.socijalno-partnerstvo.hr/wp-content/uploads/2014/02/Sporazum-o-osnivanju-GSV_05072013.pdf)
- (E) Gospodarsko socijalno vijeće – zapisnici sa sjednica (Economic and Social Council – minutes from the meetings). See on the Internet: (<http://gsv.socijalno-partnerstvo.hr/>)

Comment:

Ms. Jakir-Bajo thinks that the answer to this questions should be "c". However, the president of the Economic and Social Council on national level (Mr. Ivan Mišetić) thinks the answer to this question is the same as the answer Economic and Social Council gave in the Open Budget Survey 2015. In the Open Budget Survey 2015 it was argued by the ESC that the answer should be "d" because although the proposal of the state budget is presented to the ESC prior to the budget being tabled in Parliament, at that point the state budget proposal is already defined and there is not much

space for any possible interventions or amendments.

According to Agreement establishing Economic and Social Council the national-level Economic and Social Council (ESC) gives opinion on the budget proposal.

The national-level ESC is composed of representatives of the Government (different ministries), employers' associations of a higher level (Croatian Employers' Association) and trade union associations of a higher level (four trade union confederations), that have been determined through a relevant law or other act to meet the prescribed conditions for the determination of representativeness for participation in tripartite bodies at the national level.

Peer Reviewer

Opinion: Agree

Comments: I agree that answer is C

Government Reviewer

Opinion: Agree

126. With regard to the mechanism identified in question 125, does the executive take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on the executive's efforts to seek out the views of members of the public from socially vulnerable groups and/or who are underrepresented in the process.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented communities and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives of vulnerable/underrepresented groups.

Answer "b" applies if the executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

Gospodarsko socijalno vijeće (Economic and Social Council). See on the Internet: (<http://www.sssh.hr/en/static/fields-of-work/social-dialogue/economic-and-social-council-43>)

Comment:

The national level Economic and Social Council is composed of representatives of the Government, employers' associations of a higher level (Croatian Employers' Association) and trade union associations of a higher level (five trade union confederations), for which it has been determined through a relevant law or other act that they meet the prescribed conditions on the manner of determining representatives for participation in tripartite bodies at the national level.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

127. During the budget formulation stage, which of the following key topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects

6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the formulation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget formulation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

b. The executive's engagement with citizens covers at least three (but less than six) of the above-mentioned topics.

Source:

(A) Interview with Ms. Ivana Jakir-Bajo, Assistant Minister and Chief State Treasurer (Ministry of Finance, January 21, 2019)

(B) Email sent by Mr. Ivan Mišetić, president of the Economic and Social Council on national level (February 21, 2019)

(C) Gospodarsko socijalno vijeće (Economic and Social Council). See on the Internet: (<http://www.sssh.hr/en/static/fields-of-work/social-dialogue/economic-and-social-council-43>)

(D) Sporazum o osnivanju Gospodarsko-socijalnog vijeća (Agreement establishing Economic and Social Council). See on the Internet: (http://gsv.socijalno-partnerstvo.hr/wp-content/uploads/2014/02/Sporazum-o-osnivanju-GSV_05072013.pdf)

Comment:

Ms. Jakir-Bajo thinks that the answer to this questions should be "b", arguing that members of the national-level ESC during the formulation stage comment on macroeconomic issues, social spending policies, deficit and debt and public services. However, the president of the ESC on national level (Mr. Ivan Mišetić) answered that he thinks the answer to this question is the same as the answer ESC gave in the Open Budget Survey 2017. In the Open Budget Survey 2017 it was argued that the answer should be "d" because ESC answer to question 125 in the Open Budget Survey 2017 was also "d".

According to Agreement establishing ESC, ESC on the national level:

- evaluates and gives opinions on measures for the realization of macroeconomic stability, competitiveness, balanced economic and social development,
- gives opinion on the budget proposal,
- evaluates the impact of changes in prices and wages on economic and social stability and development;
- suggests a harmonized price and wage policy;
- follows the situation in the areas of employment, pension and health insurance, education, labor market and safety at work on the national and European level, and proposes measures to improve them; etc.

The national-level ESC is composed of representatives of the Government (different ministries), employers' associations of a higher level (Croatian Employers' Association) and trade union associations of a higher level (four trade union confederations), that have been determined through a relevant law or other act to meet the prescribed conditions for the determination of representativeness for participation in tripartite bodies at the national level.

Peer Reviewer

Opinion: Agree

Comments: I agree that answer is C

Government Reviewer

Opinion: Agree

IBP Comment

Please see the following link for meeting minutes and opinions published by the Council: <http://gsv.socijalno-partnerstvo.hr/nacionalni-gsv/221-sjednica-gsv-a-26-lipnja-2018> -During its session on 23 April 2018, it provided an opinion on a draft bill on health protection, as well as the proposed 2018 National Reform Program released as part of Croatia's fiscal and economic policy coordination with the European Union (<https://ec.europa.eu/info/sites/info/files/2018-european-semester-national-reform-programme-croatia-hr.pdf>).

128. Does the executive use participation mechanisms through which the public can provide input in monitoring the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in monitoring the implementation of the annual budget. If the executive has designated a central coordinating agency to implement participation mechanisms throughout the national budget process, researchers may consider these mechanisms. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the implementation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenue administration, public service delivery, public investment project implementation, including procurement, and the administration of social transfer schemes.

To answer "a," the executive must use open participation mechanisms that involve the public in the implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings, online, deliberative exchanges, procurement complaint mechanisms, and social monitoring and dialogue.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input on the implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include public hearings, surveys, focus groups, report cards, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to provide input on budget implementation, but:

1) The mechanisms are not structured, happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", the researcher must have evidence that the government is holding participation mechanisms that have some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples include hotlines, Facebook announcements, one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

c. Yes, the executive uses participation mechanisms during the budget implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Source:

(A) Interview with Ms. Ivana Jakir-Bajo, Assistant Minister and Chief State Treasurer (Ministry of Finance, January 21, 2019)

(B) Email sent by Mr. Ivan Mišetić, president of the Economic and Social Council on national level (February 21, 2019)

(C) Gospodarsko socijalno vijeće (Economic and Social Council). See on the Internet: (<http://www.sssh.hr/en/static/fields-of-work/social-dialogue/economic-and-social-council-43>)

(D) Sporazum o osnivanju Gospodarsko-socijalnog vijeća (Agreement establishing Economic and Social Council). See on the Internet: (http://gsv.socijalno-partnerstvo.hr/wp-content/uploads/2014/02/Sporazum-o-osnivanju-GSV_05072013.pdf)

(E) Gospodarsko socijalno vijeće – zapisnici sa sjednica (Economic and Social Council – minutes from the meetings). See on the Internet: (<http://gsv.socijalno-partnerstvo.hr/>)

Comment:

Ms. Jakir-Bajo thinks that the answer to this questions should be "c". The president of the ESC on national level (Mr. Ivan Mišetić) answered that he also thinks the answer to this question is "c", the same as the answer ESC gave in the Open Budget Survey 2017. In the Open Budget Survey 2017 it was argued that at the meetings of the national-level ESC the effectiveness of policies and the manner of their implementation is discussed, as well as the possible problems in the implementation and the potential solutions, but figures on budget execution are not discussed.

The national-level ESC according to Agreement establishing ESC:

- evaluates and gives opinions on measures for the realization of macroeconomic stability, competitiveness, balanced economic and social development,
- evaluates the impact of changes in prices and wages on economic and social stability and development;

- suggests a harmonized price and wage policy;
- follows the situation in the areas of employment, pension and health insurance, education, labor market and safety at work on the national and European level, and proposes measures to improve them; etc.

The national-level ESC is composed of representatives of the Government (different ministries), employers' associations of a higher level (Croatian Employers' Association) and trade union associations of a higher level (four trade union confederations), that have been determined through a relevant law or other act to meet the prescribed conditions for the determination of representativeness for participation in tripartite bodies at the national level.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

129. With regard to the mechanism identified in question 128, does the executive take concrete steps to receive input from vulnerable and underrepresented parts of the population on the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on national government's efforts to obtain input from members of the public who are from socially vulnerable groups and/or underrepresented in national processes during the implementation of the annual budget.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented community and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives from vulnerable/underrepresented groups.

Answer "b" applies if the national executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

Gospodarsko socijalno vijeće (eng. Economic and Social Council). See on the Internet: (<http://www.sssh.hr/en/static/fields-of-work/social-dialogue/economic-and-social-council-43>)

Comment:

The national level Economic and Social Council is composed of representatives of the Government, employers' associations of a higher level (Croatian Employers' Association) and trade union associations of a higher level (five trade union confederations), for which it has been determined through a relevant law or other act that they meet the prescribed conditions on the manner of determining representatives for participation in tripartite bodies at the national level.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

130. During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels

6. Implementation of public investment projects

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the implementation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget implementation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be ONLY the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

c. The executive's engagement with citizens covers at least one (but less than three) of the above-mentioned topics.

Source:

(A) Interview with Ms. Ivana Jakir-Bajo, Assistant Minister and Chief State Treasurer (Ministry of Finance, January 21, 2019)

(B) Email sent by Mr. Ivan Mišetić, president of the Economic and Social Council on national level (February 21, 2019)

(C) Gospodarsko socijalno vijeće (Economic and Social Council). See on the Internet: (<http://www.sssh.hr/en/static/fields-of-work/social-dialogue/economic-and-social-council-43>)

(D) Sporazum o osnivanju Gospodarsko-socijalnog vijeća (Agreement establishing Economic and Social Council). See on the Internet: (http://gsv.socijalno-partnerstvo.hr/wp-content/uploads/2014/02/Sporazum-o-osnivanju-GSV_05072013.pdf)

Comment:

Ms. Jakir-Bajo thinks that the answer to this questions should be "b", arguing that members of the national-level ESC during the implementation of the annual budget comment on: changes in macroeconomic issues, delivery of public services, collection of revenue, implementation of social spending and implementation of public investment projects. The president of the ESC on national level (Mr. Ivan Mišetić) answered that the answer to this question is "c", the same as the answer ESC gave in the Open Budget Survey 2017. In the Open Budget Survey 2017 it was argued that executive's engagement with citizens covers implementation of issues like health and employment policy.

The national-level ESC according to Agreement establishing ESC:

- evaluates and gives opinions on measures for the realization of macroeconomic stability, competitiveness, balanced economic and social development,
- gives opinion on the budget proposal,
- evaluates the impact of changes in prices and wages on economic and social stability and development;
- suggests a harmonized price and wage policy;
- follows the situation in the areas of employment, pension and health insurance, education, labor market and safety at work on the national and European level, and proposes measures to improve them; etc.

The national-level ESC is composed of representatives of the Government (different ministries), employers' associations of a higher level (Croatian Employers' Association) and trade union associations of a higher level (four trade union confederations), that have been determined through a relevant law or other act to meet the prescribed conditions for the determination of representativeness for participation in tripartite bodies at the national level.

Peer Reviewer

Opinion: Agree

Comments: I agree that answer is B Issues like changes in macroeconomic circumstances, collection of revenue changes in deficit and debt levels and implementation of public investment projects are frequently discussed

Government Reviewer

Opinion: Agree

IBP Comment

Please see the following link for meeting minutes and opinions published by the Council: <http://gsv.socijalno-partnerstvo.hr/nacionalni-gsv/221-sjednica-gsv-a-26-lipnja-2018> -During its session on 6 March 2018, the Council reviewed the government's active employment policy measures (<https://gsv.socijalno-partnerstvo.hr/nacionalni-gsv/217-sjednica-gsv-a-6-ozujka-2018>). However, overall discussion of topics pertaining to annual budget implementation appears limited; the response is therefore revised from "b" to "c."

131. When the executive engages with the public, does it provide comprehensive prior information on the process of the engagement, so that the public can participate in an informed manner?

Comprehensive information must include at least three of the following elements:

1. Purpose
2. Scope
3. Constraints
4. Intended outcomes
5. Process and timeline

GUIDELINES:

This question relates to the GIFT principle of "Openness," and addresses whether the executive provides relevant information on the process of the engagement before public participation takes place, in order to help citizens engage effectively. The question addresses whether the "rules of the public engagement" are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. This question does not cover the substance of the engagement, which is covered by questions 127 and 130.

Non-comprehensive information means that the government provides information that includes at least one but less than three of the elements listed above.

Purpose refers to a brief explanation of why the public engagement is being undertaken, including the executive's objectives for its engagement with the public.

Scope refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include how a current policy is administered but exclude the specifics of the policies themselves.

Constraints refers to whether there are any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.

Intended outcomes refers to what the executive hopes to achieve as a result of the engagement. Examples of intended outcomes could be revising a policy to better reflect citizen or service-user views or to improve the way in which a particular program is administered.

Process refers to the methods by which the public engagement will take place and the discrete steps in the process. For example, the process may simply be a one-off Internet-based consultation, with a summary published of public inputs and the official response. The process may involve simultaneous or overlapping steps, and may be conducted in one round or in two or more rounds of engagement.

Timeline refers to the specific dates on which the discrete steps in the process will take place, or during which they will be completed, and clear start and end dates for the overall engagement.

Answer "d" applies if the executive does not use public participation mechanisms during the budget implementation or formulation stage.

Answer:

c. Information is provided in a timely manner in both or one of the two phases, but it is not comprehensive.

Source:

(A) Interview with Ms. Ivana Jakir-Bajo, Assistant Minister and Chief State Treasurer (Ministry of Finance, January 21, 2019)

(B) Email sent by Mr. Ivan Mišetić, president of the Economic and Social Council on national level (February 21, 2019)

(C) Sporazum o osnivanju Gospodarsko-socijalnog vijeća (Agreement establishing Economic and Social Council). See on the Internet:

(http://gsv.socijalno-partnerstvo.hr/wp-content/uploads/2014/02/Sporazum-o-osnivanju-GSV_05072013.pdf)

(D) Poslovnik o radu Gospodarsko-socijalnog vijeća i njegovih radnih tijela (engl. Rules of procedure of Economic and Social Council and its working bodies). See on the Internet: (<http://www.nhs.hr/gsv/poslovnik/>)

Comment:

Both Ms. Jakir-Bajo and Mr. Ivan Mišetić think that the answer to this questions should be "c", arguing that that this process of the engagement is mostly defined by Rules of procedure of Economic and Social Council and its working bodies. The prior information on the scope, constraints, the process and the timeline are available to the lesser extent. The prior information on the purpose is fully available.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

132. With regard to the mechanism identified in question 125, does the executive provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received, which ones are used in the formulation of the annual budget, and how/why.

By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.

Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public and
- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Ministry of Finance, See on the Internet: (<http://www.mfin.hr/>)

Comment:

The executive does not provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

Agendas for the sessions are public, as are certain opinions of the council, but no minutes of the meeting are released. Please see: <http://gsv.socijalno-partnerstvo.hr/category/nacionalni-gsv/nacionalni-gsv-sjednice>

133. With regard to the mechanism identified in question 128, does the executive provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received during the implementation of the annual budget, which ones are taken into account to improve budget monitoring, and how/why.

By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.

Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs received (e.g., a written transcript) from the public and

- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were or were not taken into account by the executive during budget monitoring.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Ministry of Finance, See on the Internet: (<http://www.mfin.hr/>)

Comment:

The executive does not provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

134. Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

GUIDELINES:

This question reflects the GIFT principles on "Sustainability," "Timeliness" and "Complementarity" and addresses whether the executive is able to link participation mechanisms to the administrative processes that are used to create the annual budget.

Please note that "timetable" refers to a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. This document is sometimes referred to as the budget calendar and is the same document referenced in Question 53.

Answer "a" applies if the national executive establishes a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget. For answer choice "a", the timetable must be available to the public prior to the budget preparation process beginning.

Answer "b" applies if the executive does not establish a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget or if the executive does not use public participation mechanisms during the budget formulation or implementation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

(A) Ministarstvo financija: Proračun (Ministry of Finance: Budget), See on the Internet: (<http://www.mfin.hr/hr/proracun>)

(B) Ministarstvo financija: Uputa za izradu prijedloga državnog proračuna Republike Hrvatske za razdoblje 2019.-2021. (Ministry of Finance: The Guidelines for the Preparation of the State Budget for the period 2019-2021), See on the Internet:

(<http://www.mfin.hr/adminmax/docs/Upute%20za%20izradu%20Prijedloga%20drzavnog%20proracuna%20RH%202019.-2021.pdf>)

Comment:

The Guidelines for the Preparation of the State Budget for the period 2019-21 did not include any reference to public engagement.

Peer Reviewer

Opinion: Agree

135. Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

GUIDELINES

While questions 125 – 135 focus only on participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency currently use to allow the public to participate in the national budget process, this question asks about participation mechanisms used by line ministries to allow the public to participate in national budget processes. Thus, participation mechanisms used by the Ministry of Finance, lead budget agency, or central coordinating agency should not be used to answer this question. If there is more than one mechanism used by a line ministry or if multiple line ministries use participation mechanisms, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation and/or implementation of the annual budget.

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf

To answer "a," a line ministry must use open participation mechanisms that involve the public in the formulation or implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation or implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which a line ministry seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if a line ministry has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) A line ministry consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the line ministry determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

The researcher must present evidence to support selection of a "c" response.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

(A) Interview with Ms. Ivana Jakir-Bajo, Assistant Minister and Chief State Treasurer (Ministry of Finance, January 21, 2019)

(B) Gong: Indeks dobrog upravljanja u Hrvatskoj 2012. - rezultati istraživanja (engl. The index of good governance in Croatia 2012 – research results) page 27. See on the Internet: (http://www.udruga-gradova.hr/wordpress/wp-content/uploads/2013/04/duh_izvjestaj.pdf)

(C) Emails sent to Ministry of Tourism, Ministry of Culture, Ministry of Economy, Entrepreneurship and Crafts and Ministry of Agriculture, on January 11, 2019

Comment:

Ms. Jakir-Bajo thinks that the answer to this questions should be "d". She could not recall any structured and well established open participation mechanisms that line ministries use on regular basis through which the public can provide input during the formulation or implementation of the

annual budget.

According to the research results from the project "The index of good governance in Croatia 2012" only four line ministries (Ministry of Tourism, Ministry of Culture, Ministry of Regional Development and EU Funds and Ministry of Economy, Entrepreneurship and Crafts) used some participation mechanisms through which the public could provide input during the formulation or implementation of the annual budget (e.g. surveys).

Thus on January 11, 2019 researcher sent email to Ministry of Tourism, Ministry of Culture, Ministry of Economy, Entrepreneurship and Crafts and Ministry of Agriculture asking do they use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget. Until end of February 2019 only Ministry of Tourism answered with „d“.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

136. Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislative are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.

Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) has put in place and is using to allow the public to participate in their deliberations on the annual budget. This includes deliberations during the pre-budget phase (i.e., when the executive is still in the process of formulating the draft budget) and the budget discussions after the budget has been tabled to parliament and before it is approved. In the comment box, please specify during which stage of the budget cycle the legislature has put in place a public participation mechanism.

Mechanisms through which members of the public reach out to individual Members of Parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.

If there is more than one mechanism, please select a mechanism that best shows/reflects the legislature's efforts to incorporate citizens into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenues, policy selection, and macro-fiscal planning (please note that the issue of coverage is covered in a subsequent question).

To answer "a," the legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs; but*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

Answer "c" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs;*
- *No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, but*
- *The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget

Answer:

c. Yes, public hearings are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

(A) Croatian Parliament: Description of duties of Finance and Central Budget Committee, See on the Internet:

(<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

(B) Croatian Parliament: Finance and Budget Committee Appointed Members, See on the Internet: (<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

Comment:

We are referring to the budget discussions after the budget has been tabled to parliament and before it is approved. Some of Parliamentary Committees members are appointed as representatives of public (e.g. researchers, representatives of trade unions or civil society organizations). The procedure for appointing these members of the Parliamentary Committee begins by publishing a public call for proposal for the appointed candidate. In this call, the deadline for submitting a proposal is determined. Candidates may be suggested expert institutions, professional associations, civil society associations as well as individuals. For example see Finance and Budget Committee Appointed Members. During the Parliamentary Committee meetings these appointed members (who are not MPs) have all the rights as MPs, except voting rights.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

137. During the legislative deliberations on the annual budget (pre-budget or approval stages), which of the following key topics does the legislature's (or relevant legislative budget committee) engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider the range of mechanisms currently used by the legislature to promote public participation during legislative deliberations on the annual budget.

Please note that while the public engagement can/may cover other topics, for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the legislature's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

a. The legislature seeks input on all six topics.

Source:

(A) Hrvatski sabor: Izvješće Odbora za financije i državni proračun o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 16. studenoga 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 16, 2018). See on the Internet:

(<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-549>)

(B) Hrvatski sabor: Izvješće Odbora za zdravstvo i socijalnu politiku o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 21. studenoga 2018. (Croatian Parliament: The report of the Health and Social Policy Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 21, 2018). See on the Internet:

(<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-zdravstvo-i-socijalnu-politiku-o-128?keyword=prora%C4%8Dun>)

(C) Hrvatski sabor: Izvješće Odbora za obrazovanje, znanost i kulturu o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 16. studenoga 2018. (Croatian Parliament: The report of the Education, Science and Culture Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 16, 2018). See on the Internet:

(<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-obrazovanje-znanost-i-kulturu-o-168?keyword=prora%C4%8Dun>)

(D) Croatian Parliament: Finance and Budget Committee Appointed Members, See on the Internet: (<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

(E) Croatian Parliament: Health and Social Policy Committee Appointed Members, See on the Internet: (<http://www.sabor.hr/en/committees/health-and-social-policy-committee-9-term>)

(F) Croatian Parliament Education, Science and Culture Committee Appointed Members, See on the Internet: (<http://www.sabor.hr/en/committees/education-science-and-culture-committee-9-term>)

Comment:

Some of Parliamentary Committees members are appointed as representatives of public (e.g. researchers, representatives of trade unions or civil society organizations). The procedure for appointing these members of the Parliamentary Committee begins by publishing a public call for proposal for the appointed candidate. In this call, the deadline for submitting a proposal is determined. Candidates may be suggested expert institutions, professional associations, civil society associations as well as individuals. For example, see Finance and Budget Committee Appointed Members. During the Parliamentary Committee meetings these appointed members (who are not MPs) have all the rights as MPs, except voting rights.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

Source A relates to the following topics: Macroeconomic issues; Revenue forecasts, policies, and administration; and Deficit and debt levels. Source B relates to the following topics: Revenue forecasts, policies, and administration; Social spending policies, Public investment projects; and Public services. Source C relates to the following topics: Revenue forecasts, policies, and administration; Social spending policies; Public investment projects; and Public services.

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- *The inputs received from the public (e.g., a written transcript) and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).*

Answer "b" applies when the legislature provides a written document that includes:

- *The inputs received from the public (e.g., a written transcript) and*
- *A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).*

Answer "c" applies when the legislature provides a written document that includes:

- *The inputs received from the public (e.g., a written transcript) or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

c. Yes, the legislature provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

Source:

(A) Croatian Parliament: Finance and Budget Committee Appointed Members, See on the Internet: (<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

(B) Hrvatski sabor: Izvješće Odbora za financije i državni proračun o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu, 16. studenoga 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the State Budget Proposal of the Republic of Croatia for 2019 and the Projections for 2020 and 2021, November 16, 2018). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-o-prijedlogu-549>)

Comment:

The legislature provides a written record which includes the list of the inputs - comments received (see source B "Izvješće Odbora za financije i državni proračun o Prijedlogu državnog proračuna Republike Hrvatske za 2019. godinu i projekcija za 2020. i 2021. godinu"). The input begins at "U raspravi na Odboru ukazalo se na..."

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

139. Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislative are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.

A key constitutional role of the legislature in almost all countries is to oversee the government's management of public resources. While the Supreme Audit Institution is responsible for checking the government's accounts and publishing the outcome of their audits, for accountability purposes it is essential that the legislature reviews and scrutinizes those reports, and checks on whether the executive is taking the appropriate corrective actions based on the Supreme Audit Institution's recommendations.

Holding public hearings to review audit findings allows the public to learn more about how the government has managed its resources for the budget years that have ended, and demand accountability in case of mismanagement and irregularities. Reviewing and discussing those reports in public is therefore a key responsibility of a legislature.

Please note that by "Audit Report" we refer to the same audit report assessed in the transparency section of this Survey, i.e., one of the eight key budget documents that all governments (in this case, the Supreme Audit Institution) must produce, according to best practice.

Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) have put in place and using to allow the public to participate in their deliberations on the Audit Report.

Mechanisms through which members of the public reach out to individual members of parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.

To answer "a," the national legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *No testimony is allowed from the public; BUT*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

Answer "c" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *No testimony is allowed from the public;*
- *No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, BUT*
- *The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the Audit Report.

Answer:

c. Yes, public hearings on the Audit Report are held. No testimony from the public is provided during the hearings and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

(A) Croatian Parliament: Description of duties of Finance and Central Budget Committee, See on the Internet: (<http://www.sabor.hr/en/committees/finance-and-central-budget-committee-9-term>)

(B) Hrvatski sabor: Izvješće Odbora za financije i državni proračun s rasprave o izvješću o obavljenoj reviziji Godišnjeg izvještaja o izvršenju Državnog proračuna Republike Hrvatske za 2017. godinu, 20. rujna 2018. (Croatian Parliament: The report of the Finance and Central Budget Committee on the Report on the conducted audit of the Annual Report on the Execution of the State Budget of the Republic of Croatia for 2017,

September, 20, 2018.). See on the Internet: (<http://www.sabor.hr/radna-tijela/odbori-i-povjerenstva/izvjesce-odbora-za-financije-i-drzavni-proracun-s-rasprave-o-175?keyword=dr%C5%BEavni%20ured%20za%20revizij>)

Comment:

Each year parliament and parliamentary committees discuss the Audit Report of the Execution of the State Budget for the previous budget year. As said before, some of Parliamentary Committees members are appointed as representatives of public and they are not MPs. During the Parliamentary Committee meetings, they are allowed to comment on issues presented at those meetings, but they do not have voting rights. The members of the press and citizens can also attend those meetings, but cannot testify.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

140. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

GUIDELINES:

This question assesses whether the Supreme Audit Institution (SAI) has established mechanisms through which the public can provide suggestions on issues/topics to be included in its audit program. When deciding its audit agenda, the SAI may undertake audits for a sample of agencies, projects, and programs in the country; and such a selection could be based on complaints and suggestions made by members of the public. To receive such suggestions, the SAI may create formal mechanisms, like setting up a website, hotline, or office (or assigning staff to liaise with the public).

Answer:

b. The requirements for an "a" response are not met.

Source:

(A) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office (January 17, 2019) (B) Telephone call with Ms. Biserka Čoh Mikulec (January 28, 2019)

Comment:

The natural and legal persons can report irregularities in business entities for which the State Audit Office is responsible to the State Audit Office (anonymous or nonanonymous), through the website or mail. The contacts are on the State Audit Office web page. See on the Internet (http://www.revizija.hr/hr/pristup-informacijama/kontakt-putem-online-formulara#contact_form_label)

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

The researcher's comment is well-received. As a contact form alone provides only minimal information to the public, the response is revised from "a" to "b" to maintain consistency across survey countries.

141. Does the Supreme Audit Institution (SAI) provide the public with feedback on how citizens' inputs have been used to determine its audit program?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the Supreme Audit Institution provides information to citizens on which public inputs were received, which ones are used to determine the Supreme Audit Institution's audit program. By "written record" in this question, we mean a document that is produced and released by the Supreme Audit Institution.

Answer "a" applies when the Supreme Audit Institution provides a written document with:

- *The inputs received from the public and*

- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).

Answer "b" applies when the SAI provides a written document that includes:

- The inputs received from the public and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used to determine the SAI's annual audit program.

Answer "c" applies when the SAI provides a written document that includes:

- The received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if requirements for a "c" response or above are not met or if maintain formal mechanisms through which the public can suggests issues/topics to include in the SAI's audit program.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

State Audit Office. See on the Internet: <http://www.revizija.hr/hr/>

Comment:

There are no publicly available written documents relating to feedback on how the State Audit Office has used public inputs to determine its audit program.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

142. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.)?

GUIDELINES:

This question mirrors question 140, but instead of covering public assistance in formulating the SAI's audit program, it focuses on whether the Supreme Audit Institution has established mechanisms through which the public can participate in audit investigations. In addition to seeking public input to determine its audit agenda, the SAI may wish to provide formal opportunities for the public and civil society organizations to participate in the actual audit investigations, as witnesses or respondents.

Answer:

b. The requirements for an "a" response are not met.

Source:

(A) Email sent by Ms. Biserka Čoh Mikulec, who works as public relations officer in the State Audit Office (January 17, 2019) (B) Telephone call with Ms. Biserka Čoh Mikulec (January 28, 2019)

Comment:

Ms. Biserka Čoh Mikulec answers that there are no formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S0. Are you participating in the Sector Budget Transparency Module pilot?

Please select "Yes" to this question if you have confirmed your participation in the Sector Budget Transparency Module pilot, and S1-S20 related to sector budget transparency will become available for you to complete.

For all others, please select "No," and you will be directed to the last page of the Open Budget Survey questionnaire.

Answer:

a. Yes

Source:

Comment:

In the Sector Budget Transparency Module pilot we assess the health sector.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S1. Does the Executive's Budget Proposal present revenue earmarked for the sector and/or the sector's expenditure associated with this earmarked revenue?

Answer:

c. Yes, the Executive's Budget Proposal presents *at least the total* amount of revenues earmarked for the sector or the total sector's expenditure associated with the earmarked revenue.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.2e:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>

The list of earmarked revenues related to the health sector is given in the Article 72 of the Health Insurance Act - 80/13, 137/13:

http://www.hzzo.hr/wp-content/uploads/2013/10/ZOZO_PROCISCENI_TEKSTv2.pdf

Comment:

Information on contributions for healthcare is given on page 2 under the heading 621 'Doprinosi za zdravstveno osiguranje' (Contributions to health insurance). A cumulative value for all other earmarked revenues is also given on page 2, under the heading 652 'Prihodi po posebnim propisima' [Eng. Revenue by special regulations]. Although a more detailed disaggregation of this amount is provided on page 14 of the document (not numbered), not all individual sources of revenue earmarked for the sector are given. For instance, there is no information on the amount collected from the excise tax on tobacco products.

Specific sector's expenditures associated with some of these earmarked revenues are given on pages 5-9.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S2. Does the Year-End Report (or the final In-Year Report) present revenue earmarked for the sector and/or the sector's expenditure associated with this

earmarked revenue?

Answer:

c. Yes, the Year-End Report (or the final In-Year Report) presents *at least the total amount* of revenues earmarked for the sector or the total sector's expenditure associated with the earmarked revenue.

Source:

2017 Year-End Report: <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

The list of earmarked revenues related to the health sector is given in the Article 72 of the Health Insurance Act - 80/13, 137/13: http://www.hzzo.hr/wp-content/uploads/2013/10/ZOZO_PROCI SCENI_TKSTv2.pdf

Comment:

Information on contributions for healthcare is given on page 530 under the heading 621 'Doprinosi za zdravstveno osiguranje' (Contributions to health insurance). All other earmarked revenues are also given on page 530, under the heading 652 'Prihodi po posebnim propisima' [Eng. Revenue by special regulations]. Details on some, but not all individual items, are further disaggregated under subheadings on page 530. As before, there is no information on the amount collected from the excise tax on tobacco products.

Specific sector's expenditures associated with some of these earmarked revenues are given on pages 534-538.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S3. Does the Executive's Budget Proposal present donor assistance for the sector and/or the sector's expenditure associated with this donor assistance?

Answer:

c. Yes, the Executive's Budget Proposal presents *at least the total amount* of donor assistance for the sector or the total sector's expenditure associated with donor assistance.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-items 1.1. and 1.2e:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

(B) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>

Comment:

The totals for donor assistance belonging to the Ministry of Health are given on pages 770-834 of the document (A), under the headings 51 'Pomoći iz EU' [Eng. Assistance from the EU] and 52 'Ostale pomoći' [Eng. Other assistance]. While no information on individual sources of donor assistance is provided, there does exist a detailed disaggregation of the assistance by specific sector expenditures targeted (see pages 770-834 for the expenditure classification by programs).

The total amount of donor assistance for the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje' is given on page 2 of the document (B), under the heading 63 'Pomoći iz inozemstva i od subjekata unutar općeg proračuna' [Eng. Assistance from abroad and from the entities within the general budget]. However, in this case there is no information on the specific sector's expenditure associated with each source of donor assistance.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S4. Does the Year-End Report (or the final In-Year Report) present expenditure by a functional classification (first-level functional) that is consistent with the first-level functional classification presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

b. Yes, the Year-End Report (or the final In-Year Report) presents expenditure by a functional classification that is consistent with the classification presented in either the Executive's Budget Proposal or the Enacted Budget. (Please add a comment for which document the functional classification is presented.)

Source:

(A) 2017 Year-End Report <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

(B) 2017 Executive's Budget proposal

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2016/10%20sjednica%2014%20Vlade%20RH//10%20-%201.4.pdf>

(C) 2017 Enacted Budget

https://narodne-novine.nn.hr/edition_pdf.aspx?eid=129634

Comment:

Expenditure estimates by functional classification are given on page 15, as well as on page 453 of the document (A).

This classification is consistent with the one given on page 23 of the 2017 Executive's Budget proposal (document (B)).

However, expenditure estimates by functional classification are not presented in the Enacted budget (see the document (C)), and hence the answer b) applies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S5. Does the Executive's Budget Proposal and/or the Enacted Budget present the sector's expenditure by a subfunctional classification (second-level functional)?

Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by a subfunctional classification. (Please note in the comments in which document(s) the second-level functional classification is presented.)

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by functional classification see the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

A subfunctional classification for the health sector is presented on page 14 of the 2019 Executive's Budget Proposal. There are subheadings: 072 'Služba za vanjske pacijente' [Eng. Outpatient services]; 073 'Bolničke službe' [Eng. Hospital services]; 074 'Službe javnog zdravstva' [Eng. Public health services]; 075 'Istraživanje i razvoj zdravstva' [Eng. R&D Health]; and 076 'Poslovi i usluge zdravstva koji nisu drugdje svrstani' [Eng. Health not elsewhere classified].

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S6. Does the Year-End Report (or the final In-Year Report) present the sector's expenditure by a subfunctional classification (second-level functional) that is consistent with the subfunctional classification presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

c. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by a subfunctional classification, but it is not consistent with the classification presented in either the Executive's Budget Proposal or the Enacted Budget.

Source:

(A) 2017 Year-End Report

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

(B) 2017 Executive's Budget proposal

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2016/10%20sjednica%2014%20Vlade%20RH//10%20-%201.4.pdf>

(C) 2017 Enacted Budget

https://narodne-novine.nn.hr/edition_pdf.aspx?eid=129634

Comment:

A subfunctional classification for the health sector is presented on page 15 of the 2017 Year-End Report (document (A)). There are subheadings: 072 'Služba za vanjske pacijente' [Eng. Outpatient services]; 073 'Bolničke službe' [Eng. Hospital services]; 074 'Službe javnog zdravstva' [Eng. Public health services]; 075 'Istraživanje i razvoj zdravstva' [Eng. R&D Health]; and 076 'Poslovi i usluge zdravstva koji nisu drugdje svrstani' [Eng. Health not elsewhere classified].

Although the 2017 Executive's Budget proposal also provides functional classification (see page 23 of the document (B)), this document does not give any specific information (i.e. subfunctions). As well, the 2017 Enacted Budget does not provide expenditure estimates by functional classification (see the document (C)). In line with this, the answer c) applies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S7. Does the Year-End Report (or the final In-Year Report) present expenditure by an administrative classification that is consistent with the administrative classification presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents expenditure by an administrative classification that is consistent with the administrative classification presented in both the Executive's Budget Proposal and the Enacted Budget.

Source:

(A) 2017 Year-End Report

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

(B) 2017 Executive's Budget proposal

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2016/10%20sjednica%2014%20Vlade%20RH//10%20-%201.1.pdf>

(C) 2017 Enacted Budget

https://narodne-novine.nn.hr/edition_pdf.aspx?eid=129634

Comment:

Expenditure estimates by administrative classification related to the health sector are given on pages 316-340 of the 2017 Year-End Report (document (A)). This classification is consistent with the ones given in the 2017 Executive's Budget Proposal and the 2017 Enacted Budget (see pages 591-630 of the document (B) and pages 376-400 of the document (C)).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

S8. Does the Executive's Budget Proposal and/or the Enacted Budget present the sector's expenditure by program?

Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by program. (Please note in the comments in which document(s) programs are presented)

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>). For expenditures by individual programs see the document-items 1.1 and 1.2e:

(A) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

(B) <https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>

2019 Enacted budget is given at:

(C) <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Expenditure estimates for individual programs within the health sector are given on pages 770-834 of the Executive's Budget Proposal (document (A)). For instance, on page 773 there is information on resources allocated for prevention, early detection, treatment and rehabilitation of addicts. Similarly, page 776 provides details about the financial plans related to the improvement of the national program for cancer detection.

Individuals programs executed by the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje' are elaborated on pages 5-9 of the document (B)

Expenditure estimates for individual programs within the health sector are also provided in the Enacted Budget (document (C)), on pages 495-537.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

S9. Does the Year-End Report (or the final In-Year Report) present the sector's expenditure by program consistent with sector programs presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by program that is consistent with sector programs presented in both the Executive's Budget Proposal and the Enacted Budget.

Source:

(A) 2017 Year-End Report
<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

(B) 2017 Executive's Budget proposal
<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2016/10%20sjednica%2014%20Vlade%20RH//10%20-%201.1.pdf>

(C) 2017 Enacted Budget

https://narodne-novine.nn.hr/edition_pdf.aspx?eid=129634

(D) 2017 Budget Amendments

<http://www.mfin.hr/adminmax/docs/Posebni%20dio%20Izmjena%20i%20dopuna%20Drzavnog%20proracuna%20RH%20za%202017.%20i%20projekcija%20za%202018.%20i%202019..pdf>

Comment:

Expenditure by programs related to the health sector are given on pages 316-340 of the 2017 Year-End Report (document (A)). This classification is consistent with the ones given in the 2017 Executive's Budget Proposal and the 2017 Enacted Budget (see pages 591-630 of the document (B) and pages 376-400 of the document (C)). The numbers do not necessarily match, which is a result of the budget amendments from November 2017 (see the document (D)).

For instance, pages 321-322 of YER (document (A)) provide expenditures by program for 'Klinički Bolnički Centar (KBC) Rijeka'. These figures are consistent with those presented on pages 606-607 of EBP (document (B)), as well as with those given on pages 386-387 of EB (document (C)). All three documents contain the same headings and subheadings in this case: 36 ZASTITA ZDRAVLJA; 3602 INVESTICIJE U ZDRAVSTVENU INFRASTRUKTURU; K882002 KLINICKI BOLNICKI CENTAR RIJEKA - IZRAVNA KAPITALNA ULAGANJA, 3605 SIGURNOST GRADANA I PRAVA NA ZDRAVSTVENE USLUGE; A882001 ADMINISTRACIJA I UPRAVLJANJE - OSTALI IZVORI FINANCIRANJA.

As clarified above, figures provided in these three documents do not completely match. This is due to the budget amendments, as can be seen on pages 204-205 of the document (D).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S10. Does the Executive's Budget Proposal and/or the Enacted Budget present the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy?

Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy. (Please note in the comments the document and the type of classification.)

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>). For expenditures by individual programs see the document-item 1.1:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

2019 Enacted budget is given at:

(B) <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

Comment:

Expenditure estimates related to the health sector by both administrative and program classifications are given on pages 770-834 of the Executive's Budget Proposal (document (A)). However, in both cases only details for the first two levels of the classification's hierarchy are given.

The same is true for the Enacted Budget, which also gives both classifications on the first two levels (see pages 495-537 of the document (B)).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy. (Please note in the comments the document and the type of classification.)

Comments: Both documents: Executive's Budget Proposal (document (A)) and Enacted budget (document (B)) presents the sector's expenditure by program classification on the third level of the classification's hierarchy. For instance, on the page 770 (document (A)) first level of program classification is 36 ZAŠTITA ZDRAVLJA, second level is 3601 ZAŠTITA, OČUVANJE I UNAPREĐENJE ZDRAVLJA and third level is A618007 HRVATSKI CRVENI KRIŽ.

Researcher Response

Government reviewer is right. Expenditure by program classification showing details below the second level of the classification's hierarchy is actually given in both documents. We therefore accepted this suggestion and changed our answer from b) to a) Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by administrative or program classification, showing details for the second level of the classification's hierarchy. The guideline for this question says: "For example, where a budget uses an administrative classification with ministries (primary level), directorates (first level below), and sub-directorates (second level below), this question is asking whether information at the sub-directorate level is presented. If the budget uses a program classification structure, with ministries (primary level), programs (first level below) and sub-programs (second level below), then this question is asking whether information at the sub-program level is presented." So, the correct comment on this question would be: Expenditure estimates related to the health sector with details below the second level of the program classification's hierarchy are given on pages 770-834 of the Executive's Budget Proposal (document (A)). For instance, page 770 first specifies expenditures of the Ministry (primary level), followed by program 36 ZAŠTITA ZDRAVLJA (first level below) and sub-program 3601 ZAŠTITA, OČUVANJE I UNAPREĐENJE ZDRAVLJA (second level below). The same information is given on pages 495-537 of the Enacted Budget (document (B)).

IBP Comment

IBP is in agreement with the researcher's "Response to Review" and the revision of the response from "b" to "a."

S11. Does the Year-End Report (or the final In-Year Report) present the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy. (Please note in the comments the document and the type of classification.)

Source:

(A) 2017 Year-End Report

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

(B) 2017 final In-Year Report

<http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-prosinac%202017..xlsx>

Comment:

Expenditure estimates related to the health sector by both administrative and program classifications are given on pages 316-340 of the 2017 Year-End Report (document (A)). However, only details for the first two levels of the classification's hierarchy are given.

Similarly, the final In-Year Report only presents estimates by administrative units for the first two levels, while no program classification is provided (document (B)). In line with this, the answer b) applies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy. (Please note in the comments the document and the type of classification.)

Comments: The Year-End Report (document (A)) presents the sector's expenditure by program classification on the third level of the classification's hierarchy. For instance, on the page 316 (document A) first level of program classification is 36 ZAŠTITA ZDRAVLJA, second level is 3601 ZAŠTITA, OČUVANJE I UNAPREĐENJE ZDRAVLJA and third level is A618007 HRVATSKI CRVENI KRIŽ.

Researcher Response

Government reviewer is right. Expenditure by program classification showing details below the second level of the classification's hierarchy is actually given in the Year-End-Report. We therefore accepted this suggestion and changed our answer to a) Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by administrative or program classification, showing details for the second level of the classification's hierarchy. The guideline for this question says: "For example, where budget information is organized an administrative classification with ministries (primary level), directorates (first level below), and sub-directorates (second level below), this question asks whether information at the sub-directorate level is presented. If the budget uses a program classification structure organized by ministries (primary level), programs (first level below) and activities (second level below), then this question asks whether information at the sub-program level is presented." So, the correct comment on this question would be: Expenditure estimates related to the health sector with details below the second level of the program classification's hierarchy are given on pages 316-340 of the 2017 Year-End Report (document (A)). For instance, page 316 first specifies expenditure of the Ministry (primary level), followed by program 36 ZAŠTITA ZDRAVLJA (first level below) and sub-program 3601 ZAŠTITA, OČUVANJE I UNAPREĐENJE ZDRAVLJA (second level below).

IBP Comment

IBP is in agreement with the researcher's "Response to Review" and the revision of the response from "b" to "a."

S12. Does the Executive's Budget Proposal present an economic classification for the sector's expenditure (organized by functional, administrative, or program classification)?

Answer:

a. Yes, the Executive's Budget Proposal presents an economic classification for the sector's expenditure. (Please note in the comments which classification presents the sector expenditure by the economic classification – functional, administrative or program.)

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by economic classification see the document-items 1.1 and 1.2e:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

(B) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>

Comment:

Expenditures by economic classification related to the health sector are presented on pages 770-834 of the document (A). The given pages actually specify expenditures by administrative units and programs, but there is an economic classification of expenditures within each unit and program. Expenditures for the whole sector are embraced, except for those related to the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje'. On the other hand, no such information within the functional classification is provided in the document (A).

Economic classification organised by programs under the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje' is given on pages 5-9 of the document (B).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S13. Does the Executive's Budget Proposal present a geographic distribution of the sector's expenditure (organized by functional classification, administrative classification, or program)? (For the purposes of this question, the sector's expenditure must include spending beyond just intergovernmental transfers.)

Answer:

b. No, the Executive's Budget Proposal does not present a geographic distribution of the sector's expenditure.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For expenditures by economic classification see the document-items 1.1 and 1.2e:

(A) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

(B) <https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.2.%20e.pdf>

Comment:

Geographic distribution of expenditures related to the health sector can be only indirectly grasped from the amounts allocated to individual hospitals (see pages 770-834 of the document (A)). However, this refers only to one part of the total expenditure within the sector.

Since the document (B), which specifies expenditure of the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje', does not give any details on the geographic distribution of resources, the answer b) applies.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

S14. Does the Year-End Report (or the final In-Year Report) present intergovernmental transfers to the sector?

Answer:

c. Yes, the Year-End Report (or the final In-Year Report) presents *at least total* intergovernmental transfers to the sector.

Source:

(A) 2017 Year-End Report

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf> (pages 316-340 deal with the Ministry of Health)

(B) 2017 final In-Year Report

<http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-prosinac%202017..xlsx>

Comment:

Intergovernmental transfers related to the health sector are given on pages 316-340 of the 2017 Year-End Report (document (A)), specifically all items under the heading 366 - "Pomoći proračunskim korisnicima drugih proračuna". However, only aggregate figures are given. On the other hand, the final In-Year Report does not offer any information in this respect (see the document (B)). In line with this, the answer c) applies.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

S15. Does the Executive Budget Proposal present expenditure for individual front-line service delivery units for the sector?

Answer:

a. Yes, the Executive Budget Proposal presents expenditure for individual front-line service delivery units for the sector. (Please note in the comments the type of facilities, and whether they are primary, secondary or tertiary.)

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.1:

<https://vlada.gov.hr/UserDocsImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

Comment:

Pages 770-834 provide details on funds allocated to individual hospitals, residential long-term care facilities, providers of ambulatory health care, providers of ancillary services, providers of preventive care and providers of health care system administration and financing.

For instance, pages 807-810 specify expenditure estimates for 'Klinička bolnica Dubrava', while detailed information on the budget of 'KBC Rijeka' is given on pages 786-790. Likewise, the amounts allocated to 'Imunološki zavod' are presented on pages 816-817.

Peer Reviewer
Opinion: Agree

Government Reviewer

Opinion: Agree

S16. Does the Year-End Report (or the final In-Year Report) present expenditure for individual front-line service delivery units for the sector?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents expenditure for individual front-line service delivery units for the sector. (Please note in the comments the type of facilities, and whether they are primary, secondary or tertiary.)

Source:

2017 - Year End Report:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

Pages 316-340 (pp. 318-342 of the pdf) of the 2017 Year-End Report provide expenditure details for individual hospitals, residential long-term care facilities, providers of ambulatory health care, providers of ancillary services, providers of preventive care and providers of health care system administration and financing.

For instance, pages 329-330 specify the expenditure of 'Klinicka bolnica Dubrava', while the information for 'KBC Rijeka' is given on pages 321-322. Likewise, the amounts spent by 'Imunološki zavod' are presented on page 333.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S17. Does the Year-End Report (or the final In-Year Report) present the differences between the original estimates of transfers to public corporations in the sector and the actual outcome?

Answer:

e. Not applicable/other, or not participating.

Source:

2017 Year-End Report:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

Comment:

According to the financial report for the Ministry of Health, which is presented on pages 316-340, there were no transfers to public corporations in this sector, as there are no public corporations in this sector. The same holds true in the case of the extra-budgetary fund 'Hrvatski zavod za zdravstveno osiguranje', whose financial details are given on pages 529-543.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S18. Does the Executive's Budget Proposal present a narrative explaining the objectives for the sector's expenditure, and show the expenditure associated with achieving the objectives?

Answer:

a. Yes, the Executive's Budget Proposal presents a narrative explaining the objectives for the sector's expenditure and specifies the expenditure associated with achieving each objective.

Source:

The Executive's Budget Proposal is a collection of 14 EBP document-items (all available at: <https://vlada.gov.hr/sjednice/124-sjednica-vlade-republike-hrvatske-24680/24680>).

For clarification of the answer on this question refer to the document-item 1.9:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.9%202.pdf>

Comment:

Narrative discussion on the objectives for the health sector's expenditure is given on pages 1213-1305, alongside the expenditure associated with achieving the objectives.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S19. Is subnational expenditure in the sector (including expenditure financed from own-source revenues) reported in *central*/government budget formulation documents (Executive's Budget Proposal or Enacted Budget) or budget execution documents (In-Year Reports or Year-End Report)?

Answer:

d. No, the sector's subnational expenditure is not presented in any central government budget formulation or execution documents.

Source:

(A) 2019 Executive's Budget Proposal:

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/11%20studeni/124%20sjednica%20VRH//124%20-%201.1.pdf>

(B) 2019 Enacted budget: <https://narodne-novine.nn.hr/files/sluzbeni-dio/2018/113/NN-2018-113-17-12-2191.pdf>

(C) 2017 Year-End Report

<https://vlada.gov.hr/UserDocImages//2016/Sjednice/2018/05%20svibnja/97%20sjednica%20VRH//97%20-%201.pdf>

(D) 2017 final In-Year Report

<http://www.mfin.hr/adminmax/docs/lzvjestaj%20za%20sijecanj-prosinac%202017..xlsx>

Comment:

None of these documents presents subnational expenditure in the health sector.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

S20. Does the central government make publicly available on a website or portal at least one of the key budget documents (Executive's Budget Proposal, Enacted Budget, In-Year Reports, or Year-End Report) prepared by subnational governments?

Answer:

a. Yes, the sector's subnational expenditure for all levels of subnational government is included in at least one central government budget formulation document and at least one budget execution document.

Source:

<http://www.mfin.hr/hr/ostvarenje-proracuna-jlprs-za-period-2014-2017>

Comment:

The Ministry of Finance regularly publishes Year-End Reports for all regional and local units (see the link above). Detailed information on their expenditure related to the health sector is given in lines 1071-1088 of individual WorkSheets (where each sheet provides data for one regional/local unit).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree