

# Open Budget Survey 2019

Questionnaire

Georgia

April 2020

# Country Questionnaire: Georgia

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 2019-2022

Source:

<https://mof.ge/5177>

Basic Data and Directions (BDD) Document of Georgia. 2019-2022

Available only in Georgian

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:

<https://mof.ge/5177>

It was published 5 months in advance of the budget year and 2 months before the Executive's Budget Proposal was introduced in the legislature

The Government of Georgia approves the first draft of BDD Document of the country no later than by July 10 of every single year. After approval it is uploaded publicly.

Comment:

Budget Code of Georgia deadlines for the Ministry of Finance (MoF) to submit the documents to the Government and deadlines for the Government to submit the documents to the legislature. The Government of Georgia approves the first draft of BDD Document of the country no later than by July 10 of every single year.

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:  
10/7/2018

Source:  
<https://mof.ge/5177>  
Website of the Ministry of Georgia (only in Georgian)

Comment:

Peer Reviewer

Opinion: I choose not to review this question

Comments: There does not appear to be a date of publication on the website to confirm timing.

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:

I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia does not set any deadlines for publishing of this document. But There are deadlines for the MoF to submit the documents to the Government and deadlines for the Government to submit the documents to the legislature. The Government of Georgia approves the first draft of PBS Document of the country no later than by July 10 of every single year.

I was checking the Mof's website every day from the begging of the July 2018.

The Ministry uploaded the document on July 10 and it was publicly available and all citizens were able to obtain free of charge.

Source:

<https://mof.ge/5177>  
Available only in Georgian

Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of The Ministry of Finance) and all citizens are able to obtain free of charge.

Comment:

MoF's website does not shows publication date of the documents, but MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date. In addition we knew privies years practice of the publications and Budget code deadlines for the submission documents to the Government or to the Parliament. As usually observing documents are published some days earlier before the Budget Code deadlines.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The above explanation is not possible to review ex post.

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://mof.ge/5177>

Source:

The website of Ministry of Finance of Georgia

Comment:

The document is published in three formats: PDF, Word, Excel.

Three scenarios are presented. Basic scenario, pessimistic scenario and optimistic scenario for the first version and processed version of the document.

Peer Reviewer  
Opinion: Agree

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:

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

Source:

<https://mof.ge/5177>

Website of the Ministry of Georgia (only in Georgian)

Comment:

The document is published in three formats: PDF, Word, Excel.

User can download main tables in excel files.

Data in excel file:

- Basic Data for 2015-2022 ((macroeconomic indicators, national accounts, budget in economic classification (revenue, expenditure, changing non financial and financial assets, balances, financing), balance of payment, monetary indicators, the National bank's data));
- Expenditure ceilings for budget entities for 2019-2022;
- Budget programs and its financing for 2019-2022

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:

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:

Basic Data and Directions Document of Georgia 2019-2022 (BDD)

Source:

<https://mof.ge/5177>

Website of the Ministry of Georgia (only in Georgian)

Comment:

Available only in Georgian

Peer Reviewer

Opinion: Agree

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:

<https://mof.ge/images/File/2019-mokle-gzamkvlevi.pdf>

Website of the Ministry of Georgia (only in Georgian)

Comment:

It is not named as "Citizen Version", but actually it is for citizens. The name of the document is "short guide". This version is shorter with explanation terms and the budget system, with graphs, pies and other visual effects. The priorities, goals and financing of the main budget entities are presented in more user-friendly form.

Publication date: December 6, 2018

Since the EBP was submitted to Parliament on September 25, 2018, however, this document is considered published late and the score is B.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes

Comments: Short Guide on Basic Data and Direction (BDD) document was first prepared for the PBS last year and was published for the final submission of the EBP to the Parliament (November 30, 2018) on December 6, 2018. Please see the link on MOF website:

<https://mof.ge/images/File/2019-mokle-gzamkvlevi.pdf>. So we strongly believe the answer should be "a".

Researcher Response

For this question to be 'Yes' it needs to meet the same timeliness criteria as the main document that it summarizes. We summarized documents which were published at least three months in advance of the budget year.

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:  
Fiscal Year of the EBP is 2019.

Comment:

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:  
25/9/2018

Source:  
<https://info.parliament.ge/#law-drafting/16469>  
Website of the Parliament of Georgia.  
Here is published EBP and is mentioned that the discussion date is 1 October. It means the EPB was submitted to the legislature before 1 October.

By Budget Code of Georgia the Government of Georgia submits EBP - Draft State Budget to the Parliament of Georgia no later than by 1 October.

Article 38, paragraph 1. page 26  
[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:  
By Budget Code of Georgia:  
1. Ministry of Finance of Georgia considers budget claims and submits main parameters of the State Budget to the Government of Georgia no later than September 15 of every single year. 2. Ministry of Finance of Georgia submits Draft State Budget and updated BDD Document to the Government of Georgia no later than September 25 of every single year. 3. Government of Georgia submits Draft State Budget to the Parliament of Georgia no later than by October 1 of every single year together with the supporting documents

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:

a. At least three months in advance of the budget year, and in advance of the budget being approved by the legislature

Source:

EBP was published on 25 September 2018

Budget Code of Georgia does not set any deadlines for publishing any of 8 documents of OBS. But looking through the articles below will help you to have some idea about it.

Budget Code of Georgia; Article 38, Paragraph 1

Article 39, paragraph 11

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

Government of Georgia submits Draft State Budget to the Parliament of Georgia no later than by October 1 of every single year together with the supporting documents.

When the Draft State Budget is submitted, then it is uploaded publicly on the website of Ministry of Finance of Georgia (MoF).

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:

25/9/2018

Source:

<https://mof.ge/5187>

Website of the Ministry of Georgia (only in Georgian)

Till 1 October 2018 it was published also on the website of the Parliament of Georgia

<https://info.parliament.ge/#law-drafting/16469>

Comment:



Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of The Ministry of Finance) and all citizens are able to obtain free of charge.

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:

I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia does not set any deadlines for publishing of this document. But There are deadlines for the MoF to submit the documents to the legislature. The Government of Georgia approves the first draft of EBP Document of the country no later than by 1 October of every single year. I was checking the Mof's website every day from the second half of the September 2018. The Ministry uploaded the document on September 25 and it was publicly available and all citizens were able to obtain free of charge.

Source:

<https://mof.ge/5187>

Website of the Ministry of Georgia (only in Georgian)

From 1 October 2018 it was published also on the website of the Parliament of Georgia

<https://info.parliament.ge/#law-drafting/16469>

Comment:

MoF's website does not shows publication date of the documents, but MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date. In addition we knew privies years practice of the publications and Budget code deadlines for the submission documents to the Government or to the Parliament. As usually observing documents are published some days earlier before the Budget Code deadlines.

On the same page of the Mof updated 3 versions of EBP are published. Date of updates are: 22 october, 19 November and 13 December.

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://mof.ge/5187>

Source:

Website of the Ministry of Finance of Georgia (All documents are only in Georgian)

Published EBP includes:

Chapter I - Indicators of State Budget  
Chapter II- Revenues of State Budget  
Chapter III - Functional Classification of Expenditures and Non financial Assets of State Budget  
Chapter IV- Balance of State Budget and Amendments of Financial Assets and Liabilities  
Chapter V - Priorities and Programs of State Budget  
Chapter VI - Expenditures of State Budget  
Chapter VII - Transfers for Autonomous Republics and Local Self - Government  
Chapter VIII - Regulatori Norms  
Chapter IX - Final Note

Clarification Note

BDD 2019-2022

Basic Economic and Financial Indicators (Base Scenario)

Expected Results and Indicators of The Programs in the scope of State Budget

Information on Capital Projects of State Budget 2019

Information on the Activities Implemented through "other expenses" of State Budget 2019

Information on the Budgetary Organizations

Information on State Debt

Analysis of Debt Sustainability

Macroeconomic Risk Analysis of Fiscal Sector

Basic Economic and Financial Indicators (Optimistic Scenario)

Basic Economic and Financial Indicators (Pessimistic Scenario)

Amendments in the Tax Code of Georgia

Amendments in the law of Economic Freedom

Amendments in the Code of Local Self-Governments

Comment:

EBP also is published on the website of the Parliament of Georgia (All documents are only in Georgian):

<https://info.parliament.ge/#law-drafting/16469>

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:

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

Source:

<https://mof.ge/5187>

Website of the Ministry of Georgia (only in Georgian)

The document is published in three formats: PDF, Word, Excel.

User can download all numerical data tables in excel files.

Data in excel file:

Chapter I - Indicators of State Budget  
Chapter II- Revenues of State Budget  
Chapter III - Functional Classification of Expenditures and Non financial Assets of State Budget  
Chapter IV- Balance of State Budget and Amendments of Financial Assets and Liabilities  
Chapter VI - Expenditures of State Budget  
Chapter VII - Transfers for Autonomous Republics and Local Self - Government

Basic Economic and Financial Indicators (Base Scenario)

Comment:

Excel files are updated for next versions of EBP too.

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:

Comment:

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:

2019 Draft State Budget of Georgia

Source:

<https://mof.ge/5187>

Website of the Ministry of Finance of Georgia (All documents are only in Georgian)

<https://info.parliament.ge/#law-drafting/16469>

Website of the Parliament of Georgia (All documents are only in Georgian)

Comment:

Supporting documents (All documents are only in Georgian):

Clarification Note

BDD 2019-2022

Basic Economic and Financial Indicators (Base Scenario)

Expected Results and Indicators of The Programs in the scope of State Budget

Information on Capital Projects of State Budget 2019

Information on the Activities Implemented through "other expenses" of State Budget 2019

Information on the Budgetary Organizations

Information on State Debt

Analysis of Debt Sustainability

Macroeconomic Risk Analysis of Fiscal Sector

Basic Economic and Financial Indicators (Optimistic Scenario)

Basic Economic and Financial Indicators (Pessimistic Scenario)

Amendments in the Tax Code of Georgia

Amendments in the law of Economic Freedom

Amendments in the Code of Local Self-Governments

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

Comments: In addition to the mentioned supporting documents (Annexes to the Draft State Budget Law), three following documents are attached to the Draft State Budget Law: 1. "Medium-term Macroeconomic and Fiscal Forecast Reconciliation" - <https://mof.ge/5187>; <https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/shedareba-prognozebis-new.docx>; 2. "Fiscal Risks' Analyses - 2018-2021" - [https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS\\_SOE.docx](https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS_SOE.docx) - with fiscal risks annex - <https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/fiscal%20risk%20annex.pdf>; 3. "2019 Central Budget Annex" including the information of LEPLs' own revenues - <https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/centraluri%20da%20lepl.docx>.

Researcher Response  
I agree with government reviewer.

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:

a. Yes

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

The First version:

<https://mof.ge/images/File/Citizens%20Guide%20-%20202019%20MOF%20-proeqti%201.pdf>

The second version:

<https://mof.ge/images/File/Citizens-Guide-2019-MOF-proeqti-2.pdf>

The Third version:

<https://mof.ge/images/File/Citizens%20Guide%20-%20202019%20MOF%20-proeqti%203.pdf>

Comment:

It is produced during each of the four phases of the budget cycle.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

For this question to be 'Yes' it needs to meet the same timeliness criteria as the main document that it summarizes

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:

Website of the Ministry of Finance of Georgia

<https://mof.ge/5187>

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:  
13/12/2018

Source:  
Website of the Parliament of Georgia

[http://www.parliament.ge/en/saparlamento-saqmianoba/plenaruli-sxdomebi/plenaruli-sxdomebi\\_news/parlamentma-2019-wlis-saxelmwifo-biudjeti-daamtkica.page](http://www.parliament.ge/en/saparlamento-saqmianoba/plenaruli-sxdomebi/plenaruli-sxdomebi_news/parlamentma-2019-wlis-saxelmwifo-biudjeti-daamtkica.page)

Comment:  
By the Budget Code of Georgia, the parliament approves state budget no later than the third Friday of December.

Budget Code of Georgia  
Article 39.  
paragraph 8. pg -28.  
[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

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:  
The Ministry of Finance published the enacted budget on 27 December 2018.  
Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5187>

On 25 December 2018 EB was published on the website of Legislative Herald of Georgia  
<https://matsne.gov.ge/ka/document/view/4419670?publication=0>

Comment:  
Budget Code of Georgia or any other law does not set any deadlines for publishing EB.  
Generally, based on the facts of the previous years EB is available to the public before 31 December of the year.  
Actually It was uploaded on 27 December 2018.

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:  
27/12/2018

Source:  
27 December 2018.  
Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5187>

On 25 December 2018 EB was published on the website of Legislative Herald of Georgia  
<https://matsne.gov.ge/ka/document/view/4419670?publication=0>

Comment:  
I am observing website of MOF everyday and when I saw it in the evening of 20 December it was not uploaded yet, but when I saw it 21 of December evening, it was already uploaded. I also checked it in MOF and they confirmed that it had been uploaded in 21 of December.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The source dates do not correspond to the comment, although both are consistent with the EB being published before the start of the fiscal year. The explanation provided in the next question is consistent with the source date (i.e. MOF publication of 27 December), rather than the comment.

Government Reviewer

Opinion: Agree

Researcher Response

Thank you for the comment. We have technical mistake in comment bar. 27/12/2018 is correct publication date.

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:  
I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia does not set any deadlines for publishing of this document. But There are deadlines for the Parliament to approve the budget. The Parliament approved the document on 13 December 2018. I was checking the Mof's website every day from 13 December 2018. The Ministry uploaded the document on 27 December 2018 and it was publicly available and all citizens were able to obtain free of charge.

The EB was published two days earlier (25 December) on the website of Legislative Herald of Georgia.

Source:  
The Ministry of Finance published the enacted budget on 27 December 2018.  
Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5187>

On 25 December 2018 EB was published on the website of Legislative Herald of Georgia  
<https://matsne.gov.ge/ka/document/view/4419670?publication=0>

Comment:  
Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the

website of The Ministry of Finance) and all citizens are able to obtain free of charge. The Legislative Herald of Georgia is free of charge too.

MoF's website does not show publication date of the documents, but MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date. In addition we knew previous years practice of the publications and Budget code deadlines for the submission documents to the Government or to the Parliament. As usually observing documents are published some days earlier before the Budget Code deadlines.

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://mof.ge/5187>

Source:  
Website of the Ministry of Finance of Georgia (Only in Georgian)  
<https://mof.ge/5187>

Also on the website of the Legislative Herald of Georgia (Only in Georgian)  
<https://matsne.gov.ge/ka/document/view/4419670?publication=0>

Also on the website of the Parliament of Georgia (Only in Georgian)  
<https://info.parliament.ge/#law-drafting/16753>

Comment:  
Website of the Ministry of Finance of Georgia (All documents are only in Georgian)

Published EB includes:  
Chapter I - Indicators of State Budget  
Chapter II - Revenues of State Budget  
Chapter III - Functional Classification of Expenditures and Non financial Assets of State Budget  
Chapter IV - Balance of State Budget and Amendments of Financial Assets and Liabilities  
Chapter V - Priorities and Programs of State Budget  
Chapter VI - Expenditures of State Budget  
Chapter VII - Transfers for Autonomous Republics and Local Self - Government  
Chapter VIII - Regulatori Norms  
Chapter IX - Final Note

Clarification Note  
BDD 2019-2022  
Basic Economic and Financial Indicators (Base Scenario)  
Expected Results and Indicators of The Programs in the scope of State Budget  
Information on Capital Projects of State Budget 2019  
Information on the Activities Implemented through "other expenses" of State Budget 2019  
Information on the Budgetary Organizations  
Information on State Debt  
Analysis of Debt Sustainability  
Macroeconomic Risk Analysis of Fiscal Sector  
Basic Economic and Financial Indicators (Optimistic Scenario)  
Basic Economic and Financial Indicators (Pessimistic Scenario)

Amendments in the Tax Code of Georgia  
Amendments in the law of Economic Freedom  
Amendments in the Code of Local Self-Governments

Peer Reviewer  
Opinion: Agree



Government Reviewer

Opinion: Agree

Comments: In addition to the mentioned supporting documents (Annexes to the Draft State Budget Law), three following documents are attached to the Draft State Budget Law: 1. "Medium-term Macroeconomic and Fiscal Forecast Reconciliation" - <https://mof.ge/5187>; <https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/shedareba-prognozebis-new.docx>; 2. "Fiscal Risks' Analyses - 2018-2021" - [https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS\\_SOE.docx](https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS_SOE.docx) - with fiscal risks annex - <https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/fiscal%20risk%20annex.pdf>; 3. "2019 Central Budget Annex" including the information of LEPLs' own revenues - <https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/centraluri%20da%20lepl.docx>.

Researcher Response

I agree with government reviewer.

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:

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

Source:

<https://mof.ge/5187>

Website of the Ministry of Georgia (only in Georgian)

Comment:

The document is published in three formats: PDF, Word, Excel.

User can download all numerical data tables in excel files.

Data in excel file:

Chapter I - Indicators of State Budget

Chapter II- Revenues of State Budget

Chapter III - Functional Classification of Expenditures and Non financial Assets of State Budget

Chapter IV- Balance of State Budget and Amendments of Financial Assets and Liabilities

Chapter VI - Expenditures of State Budget

Chapter VII - Transfers for Autonomous Republics and Local Self - Government

Basic Economic and Financial Indicators (Base Scenario)

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

Comment:

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:

Law of Georgia on State Budget of Georgia 2019

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

Website of the Parliament of Georgia (only in Georgian)  
<https://info.parliament.ge/#law-drafting/16753>

Website of the Legislative Herald of Georgia (Only in Georgian)  
<https://matsne.gov.ge/ka/document/view/4419670?publication=0>

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:

a. Yes

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Comment:

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 2019

Source:

Website of the Ministry of Finance of Georgia (only in Georgia)

<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Comment:

FY of CB is 2019.

Website of the Ministry of Finance of Georgia (only in Georgia)

<https://mof.ge/5187>

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:

Comment:

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:  
27/12/2018

Source:  
The Ministry of Finance published CB with the enacted budget on 27 December 2018.  
Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5187>

Comment:  
On the same page of the Mof additional 3 versions of CBs are published. These CBs are in consistence with the updated versions of the enacted budget proposal.

The date of the first version EBP's CB is 25 September and for updated versions are: 19 November and 13 December.

CB link for initiated EBP:  
<https://mof.ge/images/File/Citizens%20Guide%20-%202019%20MOF%20-proeqti%201.pdf>

Updated CB (19 November)  
<https://mof.ge/images/File/Citizens-Guide-2019-MOF-proeqti-2.pdf>

Updated CB (19 December)  
<https://mof.ge/images/File/Citizens%20Guide%20-%202019%20MOF%20-proeqti%203.pdf>

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:  
I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia or any other law does not set any deadlines for publishing of this document. But There are deadlines for the Parliament to approve the budget. The Parliament approved the document on 13 December 2018. I was checking the Mof's website every day from 13 December 2018. The Ministry uploaded the final CB on 27 December 2018 and it was publicly available and all citizens were able to obtain free of charge.

Source:  
The Ministry of Finance published CB with the enacted budget on 27 December 2018.  
Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5187>

On the same page of the Mof additional 3 versions of CBs are published. These CBs are in consistence with the updated versions of the enacted budget proposal.

The date of the first version EBP's CB is 25 September and for updated versions are: 19 November and 13 December.

CB link for initiated EBP:  
<https://mof.ge/images/File/Citizens%20Guide%20-%202019%20MOF%20-proeqti%201.pdf>

Updated CB (19 November)

<https://mof.ge/images/File/Citizens-Guide-2019-MOF-proeqti-2.pdf>

Updated CB (13 December)

<https://mof.ge/images/File/Citizens%20Guide%20-%202019%20MOF%20-proeqti%203.pdf>

Comment:

Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of The Ministry of Finance) and all citizens are able to obtain free of charge.

MoF's website does not show publication date of the documents, but MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date. In addition we knew previous years practice of the publications and Budget code deadlines for the submission documents to the Government or to the Parliament. As usually observing documents are published some days earlier before the Budget Code deadlines.

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:

<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Source:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Comment:

On the same page of the Mof additional 3 versions of CBs are published. These CBs are in consistence with the updated versions of the enacted budget proposal.

The date of the first version EBP's CB is 25 September and for updated versions are: 19 November and 13 December.

CB link for initiated EBP:

<https://mof.ge/images/File/Citizens%20Guide%20-%202019%20MOF%20-proeqti%201.pdf>

Updated CB

<https://mof.ge/images/File/Citizens-Guide-2019-MOF-proeqti-2.pdf>

Updated CB

<https://mof.ge/images/File/Citizens%20Guide%20-%202019%20MOF%20-proeqti%203.pdf>

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:

Citizens Guide 2019

Source:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/images/File/2019-biujeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Comment:

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:

It corresponds to the State Budget of Georgia 2019

Source:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/5187>

Comment:

I referring to the State Budget of Georgia 2019, but in addition there are represented additional 3 versions of CB for EBPs. CBs are updated due to discussions of the state budget at the Parliament.

All CBs are attached on the same page of the Ministry of Finance of Georgia: <https://mof.ge/5187>

CB link for initiated EBP:

<https://mof.ge/images/File/Citizens%20Guide%20-%20202019%20MOF%20-proeqti%201.pdf>

Updated CB (19 November)

<https://mof.ge/images/File/Citizens-Guide-2019-MOF-proeqti-2.pdf>

Updated CB (13 December)

<https://mof.ge/images/File/Citizens%20Guide%20-%20202019%20MOF%20-proeqti%203.pdf>

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 2018

Source:  
Website of the Ministry of Georgia (only in Georgian)  
For quarterly review:  
<https://mof.ge/5117>

For monthly review:  
<https://mof.ge/en/4569>

State Treasury for monthly review:  
<http://treasury.ge/5631>

Comment:

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:  
a. At least every month, and within one month of the period covered

Source:  
Budget Code of Georgia, Article - 54, Quarterly Overview of the State Budget Execution pg- 33  
[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

For monthly review, advance release calendar is published on the website of the Mof  
<https://mof.ge/en/5141>

Monthly review is more detailed on the State Treasury website:  
<http://treasury.ge/5631>

Advance release calendar of monthly review is published on the website of the Treasury:  
<http://treasury.ge/5350>

Comment:  
Georgia's budget legislation sets maximum 1 month deadlines for publishing quarterly overview of the state budget execution. Ministry of Finance of Georgia submits a quarterly overview of state budget execution with an aggregated total to the Parliament of Georgia within 1 month from the end of every single quarter. When it is submitted to the Parliament of Georgia then it is uploaded to the public.

For monthly review, advance release calendar is published on the website of the Mof and on the website of the Treasury, this calendar is always defended.

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:

On the MOF's website:

Quarterly reports:

The quarterly report for September 2018 was publicly available online on 31 October 2018 at: <https://mof.ge/55641207>

The quarterly report for June 2018 was publicly available online on 31 July 2018 at:

<https://mof.ge/5179>

The quarterly report for March 2018 was publicly available online on 30 April 2018 at:

<https://mof.ge/5169>

The quarterly report for December 2017 was published late on 17 May 2018 at: <https://mof.ge/5167>

Monthly reports:

1 month - 27 February 2018

2 months - 29 March 2018

3 months - 30 April 2018

4 months - 30 May 2018

5 months - 28 June 2018

6 months - 30 July 2018

7 months - 30 August 2018

8 months - 28 September 2018

9 months - 29 October 2018

10 months - 29 November 2018

11 months - 28 December 2018

12 months - 29 January 2019

Monthly State Budget Reports (Treasury):

The monthly report for November 2018 was publicly available online on 20 December 2018 at: <http://treasury.ge/5661>

The monthly report for October 2018 was publicly available online on 20 November 2018 at: <http://treasury.ge/5659>

The monthly report for September 2018 was publicly available online on 19 October 2018 at: <http://treasury.ge/5657>

The monthly report for August 2018 was publicly available online on 20 September 2018 at: <http://treasury.ge/5655>

The monthly report for July 2018 was publicly available online on 20 August 2018 at: <http://treasury.ge/5653>

The monthly report for June 2018 was publicly available online on 20 July 2018 at: <http://treasury.ge/5649>

The monthly report for May 2018 was publicly available online on 20 June 2018 at: <http://treasury.ge/5647>

The monthly report for April 2018 was publicly available online on 17 May 2018 at: <http://treasury.ge/5645>

The monthly report for March 2018 was publicly available online on 19 April 2018 at: <http://treasury.ge/5643>

The monthly report for February 2018 was publicly available online on 20 March 2018 at: <http://treasury.ge/5639>

The monthly report for January 2018 was publicly available online on 20 February 2018 at: <http://treasury.ge/5635>

The monthly report for December 2017 was published late on 4 April 2018 at: <http://treasury.ge/5641>

Source:

Website of the Ministry of Georgia

For quarterly review:

<https://mof.ge/5117>

For monthly review:

<https://mof.ge/en/4569>

On the Treasury's website:

<http://treasury.ge/5631>

Comment:

Monthly State Budget Reports (Treasury):

The monthly report for November 2018 was publicly available online on 20 December 2018 at: <http://treasury.ge/5661>

The monthly report for October 2018 was publicly available online on 20 November 2018 at: <http://treasury.ge/5659>  
The monthly report for September 2018 was publicly available online on 19 October 2018 at: <http://treasury.ge/5657>  
The monthly report for August 2018 was publicly available online on 20 September 2018 at: <http://treasury.ge/5655>  
The monthly report for July 2018 was publicly available online on 20 August 2018 at: <http://treasury.ge/5653>  
The monthly report for June 2018 was publicly available online on 20 July 2018 at: <http://treasury.ge/5649>  
The monthly report for May 2018 was publicly available online on 20 June 2018 at: <http://treasury.ge/5647>  
The monthly report for April 2018 was publicly available online on 17 May 2018 at: <http://treasury.ge/5645>  
The monthly report for March 2018 was publicly available online on 19 April 2018 at: <http://treasury.ge/5643>  
The monthly report for February 2018 was publicly available online on 20 March 2018 at: <http://treasury.ge/5639>  
The monthly report for January 2018 was publicly available online on 20 February 2018 at: <http://treasury.ge/5635>  
The monthly report for December 2017 was published late on 4 April 2018 at: <http://treasury.ge/5641>

Quarterly Execution Reports:

The quarterly report for September 2018 was publicly available online on 31 October 2018 at: <https://mof.ge/5207>  
The quarterly report for June 2018 was publicly available online on 31 July 2018 at: <https://mof.ge/5179>  
The quarterly report for March 2018 was published online on-time and downloaded by the researcher, but the link has since become unavailable.  
<https://mof.ge/5169>  
The quarterly report for December 2017 was published late on 17 May 2018 at: <https://mof.ge/5167>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree  
Comments: Link of 2018 Quarterly reports - <https://mof.ge/5117>

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:

I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia does not set any deadlines for publishing of this documents. But There are deadlines for the MoF to represent Quarterly Overview of the State Budget Execution to the parliament:

"Ministry of Finance of Georgia submits a quarterly overview of State Budget execution with an aggregated total to the Parliament of Georgia within 1 month from the end of every single quarter." - Budget Code of Georgia, Article 54.

The Ministry publishes documents according to the Budget Code deadlines and all citizens were able to obtain free of charge.

MoF uploads advance release calendar for monthly review and follows the schedule. I check calendar dates every end of the month.

Source:

Quarterly Execution Reports (MOF):

The quarterly report for September 2018 was publicly available online on 31 October 2018 at: <https://mof.ge/55641207>  
The quarterly report for June 2018 was publicly available online on 31 July 2018 at:  
<https://mof.ge/5179>  
The quarterly report for March 2018 was publicly available online on 30 April 2018 at:  
<https://mof.ge/5169>  
The quarterly report for December 2017 was published late on 17 May 2018 at:<https://mof.ge/5167>

Monthly State Budget Reports (Treasury):

The monthly report for November 2018 was publicly available online on 20 December 2018 at: <http://treasury.ge/5661>  
The monthly report for October 2018 was publicly available online on 20 November 2018 at: <http://treasury.ge/5659>  
The monthly report for September 2018 was publicly available online on 19 October 2018 at: <http://treasury.ge/5657>  
The monthly report for August 2018 was publicly available online on 20 September 2018 at: <http://treasury.ge/5655>  
The monthly report for July 2018 was publicly available online on 20 August 2018 at: <http://treasury.ge/5653>  
The monthly report for June 2018 was publicly available online on 20 July 2018 at: <http://treasury.ge/5649>  
The monthly report for May 2018 was publicly available online on 20 June 2018 at: <http://treasury.ge/5647>  
The monthly report for April 2018 was publicly available online on 17 May 2018 at: <http://treasury.ge/5645>  
The monthly report for March 2018 was publicly available online on 19 April 2018 at: <http://treasury.ge/5643>  
The monthly report for February 2018 was publicly available online on 20 March 2018 at: <http://treasury.ge/5639>  
The monthly report for January 2018 was publicly available online on 20 February 2018 at: <http://treasury.ge/5635>  
The monthly report for December 2017 was published late on 4 April 2018 at: <http://treasury.ge/5641>

Monthly reviews (MOF):

Advance release calendar: <https://mof.ge/en/5213>  
Files: <https://mof.ge/en/4569>

Comment:

Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of The Ministry of Finance) and all citizens are able to obtain free of charge.

MoF's website does not show publication date of the documents, but MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date.

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:  
<https://mof.ge/5117>

Source:

Quarterly Execution Reports (MOF):

The quarterly report for September 2018 was publicly available online on 31 October 2018 at: <https://mof.ge/55641207>

The quarterly report for June 2018 was publicly available online on 31 July 2018 at:

<https://mof.ge/5179>

The quarterly report for March 2018 was publicly available online on 30 April 2018 at:

<https://mof.ge/5169>

The quarterly report for December 2017 was published late on 17 May 2018 at: <https://mof.ge/5167>

Monthly State Budget Reports (Treasury):

The monthly report for November 2018 was publicly available online on 20 December 2018 at: <http://treasury.ge/5661>

The monthly report for October 2018 was publicly available online on 20 November 2018 at: <http://treasury.ge/5659>

The monthly report for September 2018 was publicly available online on 19 October 2018 at: <http://treasury.ge/5657>

The monthly report for August 2018 was publicly available online on 20 September 2018 at: <http://treasury.ge/5655>

The monthly report for July 2018 was publicly available online on 20 August 2018 at: <http://treasury.ge/5653>

The monthly report for June 2018 was publicly available online on 20 July 2018 at: <http://treasury.ge/5649>

The monthly report for May 2018 was publicly available online on 20 June 2018 at: <http://treasury.ge/5647>

The monthly report for April 2018 was publicly available online on 17 May 2018 at: <http://treasury.ge/5645>

The monthly report for March 2018 was publicly available online on 19 April 2018 at: <http://treasury.ge/5643>

The monthly report for February 2018 was publicly available online on 20 March 2018 at: <http://treasury.ge/5639>

The monthly report for January 2018 was publicly available online on 20 February 2018 at: <http://treasury.ge/5635>

The monthly report for December 2017 was published late on 4 April 2018 at: <http://treasury.ge/5641>

Monthly reviews (MOF):

Advance release calendar: <https://mof.ge/en/5213>

Files: <https://mof.ge/en/4569>

Comment:

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:

Monthly reviews are only in Excels: <https://mof.ge/en/4569>

For quarterly review:

3 months Budget Performance Report of 2018: <https://mof.ge/5169>

6 months Budget Performance Report of 2018: <https://mof.ge/5179>

9 months Budget Performance Report of 2018: <https://mof.ge/5207>

Comment:

Monthly review is in economic classification of the state budget and tax revenues by tax types.

Quarterly documents are published in three formats: PDF, Word, Excel.

User can download all numerical data tables in excel files.

Data in excel file:

Main Indicators of State Budget (economic classification)

Expenditures by program classification

Expenditure by functional classification

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:

Comment:

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:

On the MOF's website:

1. 3 Months Budget Performance Report of Georgia 2018
2. 6 Months Budget Performance Report of Georgia 2018
3. 9 Months Budget Performance Report of Georgia 2018
4. Reports of State Budget Execution (monthly base)

On the Treasury's website:

- January Report of the State Budget execution of 2018
- January-February Report of the State Budget execution of 2018
- January-March Report of the State Budget execution of 2018
- January-April Report of the State Budget execution of 2018
- January-May Report of the State Budget execution of 2018
- January-June Report of the State Budget execution of 2018
- January-July Report of the State Budget execution of 2018
- January-August Report of the State Budget execution of 2018
- January-September Report of the State Budget execution of 2018
- January-October Report of the State Budget execution of 2018
- January-November Report of the State Budget execution of 2018
- January-December Report of the State Budget execution of 2018

Source:

1. <https://mof.ge/5169>
2. <https://mof.ge/5179>
3. <https://mof.ge/5207>

4. <https://mof.ge/en/4569>  
5. <http://treasury.ge/5631>

Comment:

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:

a. Yes

Source:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/images/File/2018-wlis-6-tvis-shesrulebis-gzamkvlevi.pdf>

<https://mof.ge/images/File/2018-%E1%83%AC%E1%83%9A%E1%83%98%E1%83%A1-9-%E1%83%97%E1%83%95%E1%83%98%E1%83%A1-%E1%83%A8%E1%83%94%E1%83%A1%E1%83%A0%E1%83%A3%E1%83%9A%E1%83%94%E1%83%91%E1%83%98%E1%83%A1-%E1%83%92%E1%83%96%E1%83%90%E1%83%9B%E1%83%99%E1%83%95%E1%83%9A%E1%83%94%E1%83%95%E1%83%98.pdf>

Comment:

From 2018 the Ministry of Finance began publishing citizens versions for budget execution quarterly reports and already is published for 6 and 9 months budget execution reports.

6 months budget execution report publication date: November 7, 2018

9 months budget execution report publication date: November 16, 2018

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:

<https://mof.ge/5179>

8th PDF document from the top  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

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:

a. Six weeks or less after the midpoint

Source:

<https://mof.ge/5179>

8th PDF document from the top

<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

It was published and available to the public after one month the midpoint

Date: 31 July 2018

Comment:

Mid-Year Review and 6 months Budget Performance Report are published together at the same day, but the documents are different.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

31/7/2018

Source:  
Website of the Ministry of Finance of Georgia  
<https://mof.ge/5179>  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Comment:  
Mid-Year Review and 6 months Budget Performance Report are published together at the same day, but the documents are different.

Peer Reviewer

Opinion:

Government Reviewer

Opinion: Agree

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:

MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date.

I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia does not set any deadlines for publishing of this document. But There are deadlines for the MoF to represent Quarterly Overview of the State Budget Execution to the parliament: "Ministry of Finance of Georgia submits a quarterly overview of State Budget execution with an aggregated total to the Parliament of Georgia within 1 month from the end of every single quarter." - Budget Code of Georgia, Article 54. The MoF publishes MYR with 6 months (2 quarters) Budget Performance Report.

Source:  
<https://mof.ge/5179>  
8th PDF document from the top  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Comment:  
Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of The Ministry of Finance) and all citizens are able to obtain free of charge.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Source:  
Website of the Ministry of Georgia (only in Georgian)  
MYR is one of the sub documents of 6 months Budget Performance Report. In the link below there is 6 months Budget Performance Report and MYR is the 8-th PDF document on this page.  
<https://mof.ge/5179>  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>



Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

<https://mof.ge/5179>

Attached excel files

Comment:

MYR is published in PDF, but numerical data (tables) is in Excel too.  
User can download all numerical data tables in excel files.

Data in excel file:

Main Indicators of mid-year budget performance (economic classification: revenues, expenditure, non financial and financial assets, balances, financing of deficit)  
Expenditures by program classification  
Expenditure by functional classification

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

Source:

Comment:

Peer Reviewer  
Opinion:

Government Reviewer  
Opinion:

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:  
Mid-Year Review of the Budget execution 2018

Source:  
Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/images/File/2018-wlis-6-tvis-shesrulebis-gzamkvlevi.pdf>

Comment:

The name of the document is "short review of the 2018 state budget 6 months performance". It is ten page document with explanations, visualizations, graphs, short tables and e.t.

Publication date: November 7, 2018

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/5167>

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:

Annual Reporting (including deadlines) on State Budget Execution is regulated by the Budget Code of Georgia, Article 55. Annual Reporting on State Budget Execution. pg 33,34

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

On the basis of the data obtained from the State Treasury and information submitted by spending institutions and other respective budgetary organizations, Ministry of Finance of Georgia prepares an Annual Report on State Budget Execution, which is presented to the Government of Georgia. It is then forwarded to the State Audit Office by the Government of Georgia within 3 months from the end of the fiscal year.

Government of Georgia submits Annual Report of State Budget Execution to the Government of Georgia upon reception of information on the completion of its drafting from the State Audit Office, but no later than within 5 months from the end of the fiscal year.

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:

2/4/2018

Source:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/5167>

On the website of the parliament YER was published on 28 May 2018.

Its link contains the date of the publication: <https://info.parliament.ge/#law-drafting/15803>

Comment:

Website last update: May 17, 2018.

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:

I determined the date of publication by checking the website of the Ministry of Finance (Mof). Budget Code of Georgia does not set any deadlines for publishing of this documents, but there is a deadline for the MoF to represent YER of the State Budget Execution to the parliament. Government of Georgia submits Annual Report of State Budget Execution to the Government of Georgia upon reception of information on the completion of its drafting from the State Audit Office, but no later than within 5 months from the end of the fiscal year.

Mof published the documents according to the Budget Code deadline and all citizens were able to obtain free of charge.

Source:

Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5167>

On the website of the parliament YER was published on 28 May 2018.

Its link contains the date of the publication: <https://info.parliament.ge/#law-drafting/15803>

Comment:

Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of The Ministry of Finance and the Parliament) and all citizens are able to obtain free of charge.

The website of the parliament shows publication date.

MoF's website does not show publication date of the documents, but MoF has provided us timetable of publication date for 7 main documents of OBS (except Audit Report) and we have to check the website daily close to the provided date. YER was uploaded and public on 2 February, 2018.

Peer Reviewer

Opinion:

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://mof.ge/5167>

Source:

Website of the Ministry of Georgia (only in Georgian)  
<https://mof.ge/5167>

Comment:

Chapter 1: Performance Report of State Budget 2017  
Chapter 2: Macroeconomic Review 2017  
Chapter 3: Assignments of State Budget  
Chapter 4: Balance of State Budget, Changes in Financial Assets and Liabilities  
Chapter 5: Execution of the State Budget Programs  
Chapter 6: Allotment of Assignments within the programs of State Budget  
Chapter 7: Balance of Budget Performance of legal Entities

Additional documents:

General Information on Economic Situation of Georgia and Budget Execution;  
Report on the possibility of taking into consideration the notes and recommendations presented by the State Audit Office for Annual Report on the State Budget of 2016;  
Information about execution state budget 2017 programs;  
Information on Capital Project;

Performance within the State Budget of Georgia 2017;  
Information about Public Debt;  
Performance of Investment Projects;  
Execution Fund of Court Decisions;  
Assignment Allocation in a Functional Classification;  
Payment of Previous Year's Liabilities;  
Special Grants.

YER is not just aggregated IYRs, because For example Budget Performance of Q9, 2017 doesn't have information about:

General Information on Economic Situation of Georgia and Budget Execution;  
Report on the possibility of taking into consideration the notes and recommendations presented by the State Audit Office for Annual Report on the State Budget of 2016;  
Performance within the State Budget of Georgia 2017;  
Information about execution state budget 2017 programs;  
Information on Capital Project.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/5167>

Comment:

YER published in three formats: PDF, Word, Excel.

User can download all numerical data tables in excel files.

Data in excel file:

Main Indicators of State Budget (economic classification)

Expenditures by program classification

Expenditure by functional classification

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:

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:

Budget Performance Report of 2017

Source:

Website of the Ministry of Georgia (only in Georgian)

<https://mof.ge/5167>

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:  
b. No

Source:

Comment:

Peer Reviewer  
Opinion: Agree

Comments: Citizens summaries were published for the 6 and 9 month budget execution report of 2018 but, one has not been published on the end-of year execution report.

Government Reviewer  
Opinion: Agree

Researcher Response

I agree about the 6 and 9 month budget execution reports. Budget year for "Citizens version" of the YER is 2017.

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:  
Website of the State Audit Office  
<https://sao.ge/files/auditi/moxseneba-sakartvelos-2017-clis-saxelmcio-biujet.pdf>

Comment:

Peer Reviewer  
Opinion: Agree

Comments: Although note the State Audit Office audits the report on the annual budget execution, and does not yet audit the annual financial statements for the aggregated central government which are produced in compliance with selected IPSASs.

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:

Website of the State Audit Office of Georgia

In Georgian:

<https://sao.ge/files/auditi/moxseneba-sakartvelos-2017-clis-saxelmcio-biujet.pdf>

Short Version in English:

[https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of\\_2017.pdf](https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of_2017.pdf)

Comment:

Ministry of Finance of Georgia prepares an Annual Report on State Budget Execution, which is presented to the Government of Georgia. It is then forwarded to the State Audit Office by the Government of Georgia within 3 months from the end of the fiscal year. State Audit Office (SAO) notifies the Government of Georgia on the completion of the Annual Report within 45 days from the reception of Annual Report of the Government of Georgia on State Budget Execution and submits such SAO Report on State Budget Execution to the Parliament of Georgia. So, SAO notifies the Government of Georgia on the completion of the Annual Report by 15 of May.

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:

16/5/2018

Source:

Website of the State Audit Office of Georgia

<https://sao.ge/audit/report-on-budget-execution/2017>

Comment:

Peer Reviewer  
Opinion: Agree

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:

I determine the date of publication in the following way: It is the day (16 May 2018) when AR was publicly available on the website of State Audit Office of Georgia/when it was uploaded publicly on the website of SAO and all citizens were able to obtain free of charge. Publicly available budget documents are defined as those documents that are published on the website of the public authority (in this case on the website of State Audit Office - SAO) and that all citizens are able to obtain free of charge. I checked the website daily from the beginning of May. The document was published on 16 May 2018.

Source:

Website of the State Audit Office of Georgia  
<https://sao.ge/audit/report-on-budget-execution/2017>

Website shows publication date - 16 May 2018

Comment:

By Budget Code of Georgia SAO notifies the Government of Georgia on the completion of the Annual Report by 15 of May. The Code does not set any deadlines for publishing of this documents, but previous years practice shows that SAO publishes AR close to the 15 May.

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:

[https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of\\_2017.pdf](https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of_2017.pdf)

Source:

Website of the State Audit Office of Georgia

In Georgian:

<https://sao.ge/files/auditi/moxseneba-sakartvelos-2017-clis-saxelmcio-biujet.pdf>

Short version in English:

[https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of\\_2017.pdf](https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of_2017.pdf)

Comment:

Also on the website of the parliament of Georgia:

<https://info.parliament.ge/#law-drafting/15664>

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:

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

Source:

Website of the State Audit Office of Georgia (SAO)  
<https://budgetmonitor.ge/ka>

Comment:

SAO has analytical portal budgetmonitor.ge. Where everyone can download numerical data of the AR report in for formats: JPEG, PDF, SVG and XLS. For example, this is URL to download revenues data: <https://budgetmonitor.ge/ka/taxrevenues>

User chooses what information needs on this page: <https://budgetmonitor.ge/ka/budget>

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:

Comment:

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:

THE STATE AUDIT OFFICE REPORT ON THE GOVERNMENT REPORT "ON THE EXECUTION PROCESS OF THE STATE BUDGET FOR 2017"

Source:

<https://sao.ge/files/auditi/moxseneba-sakartvelos-2017-clis-saxelmcio-biujet.pdf>

[https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of\\_2017.pdf](https://sao.ge/files/auditi/publications/SAO-Report-on-the-Government's-Report-on-the-Annual-Execution-of_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:

a. Yes

Source:

Website of the State Audit Office of Georgia

[https://sao.ge/files/auditi/publications/moxseneba-2017-bijetis-sheerulebis-cliuri-angarishis-shehexeb\\_broshura.pdf](https://sao.ge/files/auditi/publications/moxseneba-2017-bijetis-sheerulebis-cliuri-angarishis-shehexeb_broshura.pdf)

Comment:

It is not named as Citizen Version, but actually it is for citizens. This version is shorter with more graphs, pies and visual effects.

It is made by the State Audit Office.

Publication date: I see September 13, 2018

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](http://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:

There are several websites:

1. Ministry of Finance of Georgia (MOF)

<https://mof.ge/en/4545>

2. State Treasury of Ministry of Finance of Georgia

<http://treasury.ge/5274>

3. Parliamentary Budget Office of Georgia

<http://pbo.parliament.ge/>

4. State Audit Office of Georgia

<https://sao.ge/audit/report-on-budget-execution>

and weportal: <https://budgetmonitor.ge/en>

5. National Statistics Office of Georgia

[http://geostat.ge/index.php?action=page&p\\_id=314&lang=eng](http://geostat.ge/index.php?action=page&p_id=314&lang=eng)

Comment:

Main source of an information is the website of the Ministry of Finance, but other websites are useful too.

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:

1. Ministry of Finance of Georgia

<https://mof.ge/5187>

Chapter II. State Budget Revenues. Chapter III. State Budget Expenditures and Non-financial Assets by Functional Classification. Chapter VI. State Budget Assignments (Expenditures by entities)

2. State Treasury of the Ministry of Finance of Georgia

<http://treasury.ge/5663>

File III. State Budget Revenues. File XII. State Budget Expenditures by Functional Classification.

File XIII. State Budget Expenditures by entities

For current year's expenditure and revenues: <http://treasury.ge/5302>

3. Parliamentary Budget Office

Reports of the execution budget revenues and expenditures:

<http://pbo.parliament.ge/ge/budget/budget-execution>

4. State Audit Office of Georgia

Portal for budget monitoring, where you can see graphs, info-graphics and other visualizations of analytical information for all important parts of the budget.

<https://budgetmonitor.ge/ka/home>

5. National Statistics office of Georgia

Quarterly information of the budget's revenues and expenditures (in excel files).

[http://geostat.ge/index.php?action=page&p\\_id=314&lang=eng](http://geostat.ge/index.php?action=page&p_id=314&lang=eng)

Comment:

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:

1. Ministry Of Finance of Georgia

<https://mof.ge/en/4569>

[https://mof.ge/saxelmwifo\\_biujeti\\_wlebis\\_mixedvit](https://mof.ge/saxelmwifo_biujeti_wlebis_mixedvit)

2.State Treasury of the Ministry of Finance of Georgia  
<http://treasury.ge/5631>

3. National Statistics Office of Georgia  
<https://www.geostat.ge/en/modules/categories/91/government-finance-statistics>

3. National Statistic Office of Georgia  
[http://geostat.ge/index.php?action=page&p\\_id=314&lang=eng](http://geostat.ge/index.php?action=page&p_id=314&lang=eng)

Comment:

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:

a. Yes

Source:

1. Ministry of Finance of Georgia  
[https://mof.ge/biujetis\\_analitikuri\\_monacemebi](https://mof.ge/biujetis_analitikuri_monacemebi)

2. State Audit Office of Georgia  
<https://budgetmonitor.ge/en>

3. State Treasury of the Ministry of Finance of Georgia  
<http://treasury.gov.ge/en/4985>

Comment:

Peer Reviewer  
Opinion: Agree

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. Budget Code of Georgia regulates financial management and auditing of the all level budgets. Article 4 is about Transparency.

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

2. The Law of Georgia on State Audit Office - Articles 6, 17, 24 and 31 are about Monitoring and Auditing.

<https://sao.ge/en/legislation/the-law-of-georgia-on-state-audit-office>

3. The organic law on Economic Liberty which defines the Fiscal Rules of Georgian Budget System

<https://matsne.gov.ge/ka/document/download/1405264/0/en/pdf>

Comment:

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.ncess.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:

1. Law on Requesting Public Information in Electronic Form and Publishing It Proactively

<https://matsne.gov.ge/ka/document/view/2001875?publication=0>

2. General Administrative Code of Georgia

<https://matsne.gov.ge/ka/document/view/16270?publication=28>

Comment:

1. General Administrative Code of Georgia - Articles: 10, 12, 27, 28 , 30, 35, 36, 37, 38, 40, 41, 42, 47, 48, 49,50 - about access to information.

2. Law on Requesting Public Information in Electronic Form and Publishing It Proactively - the entire law is about access to information and transparency.

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
3rd Nomination  
Chapter VI: Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Comment:

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification  
<https://www.mof.ge/5187>

Comment:

Peer Reviewer

Opinion: Agree

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](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:

Yes, it is fully compatible with international standards. The functional classification is compatible with IMF's standards (Annex to Chapter 6: Classification of the Functions of Government).

Comment:

<https://www.mof.ge/5187>  
Chapter III

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State budget indicators  
<https://www.mof.ge/5187>

Comment:

All expenditures are in the following economic classifications:  
Compensation for employees  
Use of goods and services  
Interest  
Subsidies  
Grants  
Social Security Benefits  
Other expenses

Increase of non-financial assets  
Increase of financial assets  
Decrease in Liabilities

Peer Reviewer  
Opinion: Agree

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:

Yes, the expenditures economic classification (and other parts of the budget too) is fully compatible to the IMF 2001 GFS.

Comment:

Peer Reviewer  
Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Comment:

Chapter VI contains expenditure for every individual programs and subprograms. Programs are grouped and numbered according to state entities. For example: 27 00 is a code of the Ministry of Health, 27 01 is code of the administrative program of the Ministry, 27 01 01 is working out policy and managing, which is subprogram of the 27 01 and so on.

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:

b. Yes, multi-year expenditure estimates are presented by two of the three expenditure classifications.

Source:

Executive's Budget Proposal for 2019 presents expenditure (by administrative, economic, or functional classification) for 2017, 2018 and 2019 years.

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State budget indicators  
Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Basic economic and financial indicators - a basic scenario represents expenditure by economic classification for 2019-2022.  
<https://mof.ge/images/File/2019-monacemebi-mimartulebebi/me3-wardgena/2019-BD-Tables-sen-13-2-new-BDD.pdf>

Expected Results and Indicators of The Programs in the scope of State Budget represents expenditure by administrative classification for 2019-2022.

Comment:

There is no information for 2020-2022 by functional classification.

Peer Reviewer

Opinion: Agree

Comments: The BDD re-submitted with the budget includes medium-term estimates by economic (p68) and administrative classification (71):  
<https://www.mof.ge/images/File/2019-bijeti-wardgena/kanoni/19-22%20BDD%20me3%20wardgena%20parl.docx> Further, medium-term estimates by program are included in a separate annex to the draft budget at: <https://www.mof.ge/images/File/2019-bijeti-wardgena/kanoni/programuli.doc>

Government Reviewer

Opinion: Agree

Researcher Response

I agree with peer reviewer, it is an alternative sources for the administrative and economic classifications.

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

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter I. State budget indicators

Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification

Chapter VI. Allotment of Assignments within the programs of State Budget

<https://www.mof.ge/5187>

Basic economic and financial indicators - a basic scenario represents expenditure by economic classification for 2019-2022.

<https://mof.ge/images/File/2019-monacemebi-mimartulebebi/me3-wardgena/2019-BD-Tables-sen-13-2-new-BDD.pdf>

Expected Results and Indicators of The Programs in the scope of State Budget represents expenditure by administrative classification for 2019-2022.

There is no information for 2020-2022 by functional classification.

Comment:

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 detaille. (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:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5187>

Expected Results and Indicators of The Programs in the scope of State Budget represents expenditure by program classification for 2019-2022.

Comment:

Peer Reviewer

Opinion: Agree

Comments: Further, medium-term estimates by program are included in a separate annex to the draft budget at:

<https://www.mof.ge/images/File/2019-bijjeti-wardgena/kanoni/programuli.doc>

Government Reviewer

Opinion: Agree

Comments: Expenditures for Medium-term period by program is presented in the Basic Data and Direction (BDD) document

(<https://mof.ge/images/File/2019-monacemebi-mimartulebebi/me3-wardgena/19-22%20BDD%20me3%20wardgena%20parl.docx> - page 151-158) as well as in the document mentioned by the researcher.

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter II. State Budget Revenues

<https://www.mof.ge/5187>

Comment:

Chapter II contains individual data for:

Income Tax

VAT

Profit Tax

Excise Tax

Import Tax

Other taxes

Other taxes are around 1% of Total Tax Revenues.

Peer Reviewer

Opinion: Agree

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:**

b. Yes, individual sources of non-tax revenue accounting for at least two-thirds of, but not all, non-tax revenues are presented.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter II. State Budget Revenues  
<https://www.mof.ge/5187>  
<https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/TAVI%20II.DOC>

**Comment:**

Chapter II contains information about grants, property income, sales of government-produced goods and services and many others, but article 6: Other revenues of State Budget, pg 8, Table 4, contains part "mixed and other non-classified revenues", which is 23% of the whole non-tax revenue and particular sources of the revenues are not shown.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

**Suggested Answer:**

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

Comments: Georgian Legislation (Order of the Minister of Finance of Finance N672 on Budget Classification) defines Revenue Classification based on GFSM 2001 and classifies certain type of non-tax revenues under the line item of "Miscellaneous and unidentified revenue". Miscellaneous and unidentified revenue count for 12% of all non-tax (grants and other non-tax revenue) revenues. Since 2019 Budget Classification of Georgia (Order of the Minister of Finance of Finance N99 on Budget Classification) has moved to GFSM 2014 standard and certain shifts will apply in the future.

**Researcher Response**

I calculated only from the non-tax revenues, not from grants and other non-tax revenue. Anyway, 12% does not change answer, it is still "b". When it is above 3%, it is "b".

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5187>

Basic Economic and Financial Indicators-Basic Scenario, pg:4

[https://mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/2019%20BD%20Tables%20sen%2013\\_1\\_new%20BDD.pdf](https://mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/2019%20BD%20Tables%20sen%2013_1_new%20BDD.pdf)

Information presented here consists data for multiple 2015-2022 years.

Comment:

Peer Reviewer

Opinion: Agree

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:

c. Yes, multi-year estimates for individual sources of revenue accounting for less than two-thirds of revenue are presented.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5177>

Basic Economic and Financial Indicators-Basic Scenario, pg:4

[https://mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/2019%20BD%20Tables%20sen%2013\\_1\\_new%20BDD.pdf](https://mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/2019%20BD%20Tables%20sen%2013_1_new%20BDD.pdf)

Information presented here consists data for multiple 2015-2022 years.

Comment:

Basic Economic and Financial Indicators includes information by years 2015-2022, but very little. There is information about taxes-which are broken down into direct and indirect taxes, social deposits, grants and other incomes. All these information is not broken down into more detailed subgroups.

Since only grants can be considered an individual source (and the other information as revenue categories) this score is C.

Peer Reviewer

Opinion: Agree

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5187>

File: Information About State Debt

<https://www.mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/valis%20danarti%202019.docx>

The amount of net new borrowing required during the budget year: page 4.

The total debt outstanding at the end of the budget year: page 6.

Interest payments on the debt for the budget year: page 3-4.

**Comment:**

The file Information About State Debt contained more detailed information than question 13 requires.

**Peer Reviewer**

Opinion: Agree

**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 central government's total debt burden at the end of the budget year

The interest payments on outstanding debt for the budget year

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5187>

File: Information About State Debt

<https://www.mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/valis%20danarti%202019.docx>

**Comment:**

The amount of net new borrowing required during the budget year: page 4.  
The total debt outstanding at the end of the budget year: page 6.  
Interest payments on the debt for the budget year: page 3-4.

The file Information About State Debt contained more detailed information than question 13 requires.

Peer Reviewer  
Opinion: Agree

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:

a. Yes, information beyond the core elements is presented for the composition of the total debt outstanding.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5187>

File: Information About State Debt

<https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/valis%20danarti%202019.docx>

Website of the Ministry of Finance of Georgia (only in Georgian)

Government Debt Sustainability Analysis

<https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/DSA.pdf>

Comment:

Total internal and external debt is described in nominal values and percentages at the start of the document.

For external debt, each loan is presented with the interest rate (as of October 2018) and outstanding balance of each loan, and average weighted maturity for all loans. For domestic debt, Treasury Bonds are presented in a table with the total bond issuance by maturity date, with an average interest rates described as averages by maturity date in the following paragraph (as of October 2018). Information beyond the core includes whether the debt is fixed or variable, and the currency of foreign debt.

Projected 2019 debt is listed by lender and amount for foreign debt, and by total amount for domestic debt, however with a description of the maturity profile or projected interest rates for new 2019 debt. Projected 2019 interest rates for all state debt are projected in a separate document:

Analysis of sustainability of government debt for 2019-2028: <https://www.mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/DSA.pdf>

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

Interest rates on the debt  
Maturity profile of the debt  
Whether the debt is domestic or external  
Information beyond the core elements (please specify)

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>  
File: Information About State Debt  
<https://www.mof.ge/images/File/2019-biujeti-wardgena/kanoni/valis%20danarti%202019.docx>

Comment:

Information About State Debt includes: General information on amount, interest rates and maturity, detailed information of domestic and external debt, external debt by creditors and debt currency, interest rate for individual debt, total debt forecast for the end of 2019 categorized by creditors.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

a. Yes, information beyond the core elements is presented for the macroeconomic forecast.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

Basic Economic and Financial Indicators

[https://mof.ge/images/File/2019-biujeti-wardgena/kanoni/2019%20BD%20Tables%20sen%2013\\_1\\_new%20BDD.pdf](https://mof.ge/images/File/2019-biujeti-wardgena/kanoni/2019%20BD%20Tables%20sen%2013_1_new%20BDD.pdf)

Appendix 1. pg.1

Macroeconomic outlook discussed in narrative form:

<https://mof.ge/5187>

Explanatory Note, pg: 1-2

Comment:

Forecasts for 2019-2022 years

1)Nominal GDP level;

2)Inflation rate;

3)Real GDP growth; and

4)Interest rates

and other indicators are presented on the above mentioned document.

Peer Reviewer

Opinion: Agree

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:

Nominal GDP level

Inflation rate

Real GDP growth

Interest rates

Information beyond the core elements (please specify)

Source:

Also: Real GDP, GDP in dollar, GDP per capita, investments, export, import, money aggregates, international reserves, public debt.

Comment:

Peer Reviewer

Opinion:

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:

a. Yes, information beyond the core elements is presented to show the impact of different macroeconomic assumptions on the budget.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

Fiscal Risks Analysis for 2018-2021

<https://mof.ge/5187>

[https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS\\_SOE.docx](https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS_SOE.docx)

Comment:

In the document mentioned above is presented how different assumptions of

- 1) inflation rate;
- 2) real GDP growth; and
- 3) interest rates

Impact on expenditures, revenue, budget deficit and public debt.

Peer Reviewer

Opinion: 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:

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

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

Clarification Note

<https://mof.ge/5187>

<https://www.mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/ganmartebiti%20barati%20%20-%20III.docx>

Comment:

2019 Executive’s Budget Proposal with its supporting budget documentation present information for the budget year that shows how main, basic new policy proposals, as distinct from existing policies, affect expenditures.

Peer Reviewer

Opinion: Agree

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:

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

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

Clarification Note, pg:3-4

<https://mof.ge/5187>

<https://www.mof.ge/images/File/2019-biujeti-wardgena/3-wardgena/ganmartebiti%20barati%20%20-%20III.docx>

Comment:

In the Clarification Note all new policy proposals affects on revenues are presented, along with a narrative discussion.

Main change that affect revenues was change in municipal share of revenues.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:**

Executive's Budget Proposal for 2019 presents expenditure (by administrative, economic, or functional classification) for 2017, 2018 and 2019 years.

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter I. State budget indicators

Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification

Chapter VI. Allotment of Assignments within the programs of State Budget

<https://www.mof.ge/5187>

**Comment:**

Peer Reviewer  
Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Comment:

Chapter VI contains expenditure for every individual programs and subprograms for 2017, 2018 and 2019 year.

Peer Reviewer

Opinion: Agree

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:

b. No, expenditure estimates for BY-1 have not been updated from the original enacted levels.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State budget indicators  
Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Comment:

All 2018 expenditure is planned expenditure, without revised figures or updated projections. In all above indicated documents 2017 data are in actual terms.

Peer Reviewer

Opinion: Agree

Comments: The BY-1 expenditure are planned expenditure, they are amended if there is a subsequent revision by parliament, but are not necessarily an updated estimate.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.

Comments: Budget proposal always includes actual data of budget performance for the year prior to the current year and last projections of the current year as amended by the parliament (if such amendments have been approved) <https://www.mof.ge/images/File/2019-bijeti-wardgena/kanoni/TAVI%20VI.DOCX>

Researcher Response

When the Executive's Budget Proposal 2019 was published (the first version) expenditure and revenue estimates for 2018 have not been updated from the original enacted levels. Figures for budget 2018 was planned ones. Till the end of 2019, expenditure and revenue estimates for budget 2018



have been updated, but it was not reflected in the final version (the third version) of the Executive's Budget Proposal 2019.

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State budget indicators  
Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

**Comment:**

Executive's Budget Proposal for 2019 presents expenditure (by administrative, economic, or functional classification) for 2017, 2018 and 2019 years.

Peer Reviewer

Opinion: Agree

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State budget indicators  
Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

**Comment:**

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Comment:

Chapter VI contains expenditure for every individual programs and subprograms for 2017, 2018 and 2019 year.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State budget indicators  
Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification

Chapter VI. Allotment of Assignments within the programs of State Budget  
<https://www.mof.ge/5187>

Comment:

Actual outcome is for 2017, two years prior to the budget year (2019).

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter II. State Budget Revenues  
<https://www.mof.ge/5187>

Comment:

Chapter II contains expenditure for revenue estimates by category for 2017, 2018 and 2019 year.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter II. State Budget Revenues  
<https://www.mof.ge/5187>

Comment:

Chapter II contains information about tax revenues by individual taxes, grants by source of grants, other revenues: property income, sales of government-produced goods and services and many others for 2017, 2018, 2019.  
Other Tax and Mixed and Unclassified Non-Tax Revenues are around (but below) 3% of total revenues.

Peer Reviewer  
Opinion: Agree

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:**

b. No, revenue estimates for BY-1 have not been updated from the original enacted levels.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter II. State Budget Revenues  
<https://www.mof.ge/5187>

**Comment:**

2018 figures presented are the same as the 2018 enacted budget. In above indicated documents 2017 data are in actual terms.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested Answer:

a. Yes, revenue estimates for BY-1 have been updated from the original enacted levels.

Comments: Budget proposal always includes actual data of budget performance for the year prior to the current year and last projections of the current year as amended by the parliament (if such amendments have been approved) <https://www.mof.ge/images/File/2019-biujeti-wardgena/kanoni/TAVI%20II.DOC>

**Researcher Response**

When the Executive's Budget Proposal 2019 was published (the first version) expenditure and revenue estimates for 2018 have not been updated from the original enacted levels. Figures for budget 2018 was planned ones. Till the end of 2019, expenditure and revenue estimates for budget 2018 have been updated, but it was not reflected in the final version (the third version) of the Executive's Budget Proposal 2019.

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter II. State Budget Revenues  
<https://www.mof.ge/5187>

Basic economic and financial indicators - a basic scenario: pg 9

<https://mof.ge/images/File/2019-monacemebi-mimartulebebi/me3-wardgena/2019-BD-Tables-sen-13-1-new-BDD.pdf>

Comment:

Chapter II contains expenditure for revenue estimates by category for 2017, 2018 and 2019 year.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter II. State Budget Revenues

<https://www.mof.ge/5187>

Comment:

Chapter II contains information about tax revenues by individual taxes, grants by source of grants, other revenues: property income, sales of government-produced goods and services and many others for 2017, 2018, 2019.

Other Revenues account for 1.6% of total revenues.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter II. State Budget Revenues

<https://www.mof.ge/5187>

Comment:

Actual outcome is for 2017, two years prior to the budget year (2019).

Peer Reviewer  
Opinion: Agree

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:**

a. Yes, information beyond the core elements is presented for government debt.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)

1. Basic Economic and financial Indicators (Basic Scenario): pg 1, 4. Here is an information for 2015-2022 yeras.

[https://mof.ge/images/File/2019-bijjeti-wardgena/kanoni/2019%20BD%20Tables%20sen%2013\\_1\\_new%20BDD.pdf](https://mof.ge/images/File/2019-bijjeti-wardgena/kanoni/2019%20BD%20Tables%20sen%2013_1_new%20BDD.pdf)

2. Government Debt Sustainability Analysis for 2019-2028: pg 5

<https://mof.ge/images/File/2019-bijjeti-wardgena/kanoni/DSA.pdf>

3. Information on State Debt, pg 5

<https://www.mof.ge/5187>

**Comment:**

Basic Economic and financial Indicators:  
total debt outstanding at the end of BY-1;  
amount of net new borrowing required during BY-1;  
whether it is domestic or external debt.

Government Debt Sustainability Analysis for 2012-2028:

interest payments on the debt;  
interest rates on the debt instruments.

Information on State Debt

Includes references to the maturity profile of Georgia's domestic debt in 2018.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

1. Basic Economic and financial Indicators (Basic Scenario)

[https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/2019%20BD%20Tables%20sen%2013\\_1\\_new%20BDD.pdf](https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/2019%20BD%20Tables%20sen%2013_1_new%20BDD.pdf)

2. Government Debt Sustainability Analysis for 2019-2028

<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/DSA.pdf>

**Comment:**

Most recent year is 2017, for years prior to the budget year.

Peer Reviewer  
Opinion: Agree

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:

e. Not applicable/other (please comment).

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Financial Risks Analysis for 2018-2021: pg 60-61

[https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS\\_SOE.docx](https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS_SOE.docx)

Fiscal Risks Appendix

<https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/fiscal%20risk%20annex.pdf>

Comment:

Georgia has one extra-budgetary fund - The Partnership Fund.

In Financial Risks Analysis for 2018-2021 and Fiscal Risks Appendix all core information is presented as in a narrative form also in tables: actives, shares, policy rationale for the extra-budgetary fund; and complete income, expenditure and other financial data for 2012-2017 years.

Information is not presented for budget year (2019).

Peer Reviewer

Opinion: Agree

Comments: To the extent that the Partnership Fund is considered an EBF, its finances are not reflected in the budget. However, the government classifies the PF as an state-owned enterprise.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: Budget System of Georgia excludes the possibility of having an extra-budgetary fund. Please refer to the Principles of budget system defined by the Article 4 (particularly Principles of Universality and Comprehensiveness) of the Budget Code

<https://matsne.gov.ge/document/view/91006?publication=42>. As it has been explained many times under this survey, Partnership Fund (irrespective of its name) is an SOE, established according to the Law and owns shares of other big SOEs (e.g. Georgian Railway) and has to pay dividends to the Budget as any other SOE. Activities of the Partnership Fund is supervised by the council which includes Government Members and is part of the Fiscal Risks Assessment annually, thus treated as every SOE and Contingent Liabilities. We strongly disagree with the idea of treating SOE - Partnership Fund, as an extra budgetary fund. According to the above-mentioned, the answer should be "e".

Researcher Response

The same discussion was in OBS 2017 and IBP's conclusion was that the Partnership Fund is an extra-budgetary fund. After that nothing has changed in practice or in legislation to change the answer of this equation.

IBP Comment

During an IBP consistency check, the response for this question is revised from D to E. This is a change in assessment from OBS 2017, rather than a change in practice. As the government and peer reviewers note, the government has classified the Partnership Fund as a public financial corporation, legally incorporated as a Joint Stock Company and a commercial financial institution. As our researcher correctly notes, and has also been documented in a recent IMF Review, the Partnership Fund does have a contested status, in that "some of its investments do not follow commercial objectives" (see IMF Fiscal Transparency Evaluation for Georgia, p.9

<https://www.imf.org/~media/Files/Publications/CR/2019/1GEOEA2019001.ashx>). Transparency International has also published reports on the projects and activities of the Partnership Fund and found that they include non-market activities, and recommends that the Partnership Fund be directly financed by the state budget and report on its activities as a budgetary organization: <https://www.transparency.ge/en/post/work-partnership-fund-overview-ongoing-and-completed-projects> However, as new evaluations of public finance have been released since the last OBS, these must also be considered as evidence. These include: PEFA Report for Georgia for 2018: Which classifies the Partnership Fund as a public corporation and determines that there are no extra-budgetary funds in Georgia <https://pefa.org/sites/default/files/assessments/reports/GE-Jun18-PFMPR-Public-with-PEFA-Check.pdf> IMF Fiscal Transparency Evaluation 2017: Which notes the possibility that the Partnership Fund is a 'hybrid'



organization could be considered general government but nevertheless treats the entity as a public financial corporation <https://www.imf.org/en/Publications/CR/Issues/2017/09/27/Georgia-Fiscal-Transparency-Evaluation-45274> Based on these external reviews, in OBS 2019 IBP will concur with the government's own classification of the Partnership Fund, treating it as a public corporation and assess the fiscal transparency of this entity in Question 37. This status is subject to future revision given the ongoing discussions between the Government of Georgia and the IMF on the status of this body.

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:

c. Not applicable/other (please comment).

Source:

Georgia has Partnership Fund, which one is state fund and consolidated central government finances are not presented.

Comment:

Peer Reviewer

Opinion: Agree

Comments: To the extent that the Partnership Fund is considered an EBF, its finances are not reflected in the budget. However, the government classifies the PF as an state-owned enterprise.

Government Reviewer

Opinion: Disagree

Suggested Answer: c. Not applicable/other (please comment).

Comments: Budget System of Georgia excludes the possibility of having an extra-budgetary fund. Please refer to the Principles of budget system defined by the Article 4 (particularly Principles of Universality and Comprehensiveness) of the Budget Code <https://matsne.gov.ge/document/view/91006?publication=42>. As it has been explained many times under this survey, Partnership Fund (irrespective of its name) is an SOE, established according to the Law and owns shares of other big SOEs (e.g. Georgian Railway) and has to pay dividends to the Budget as any other SOE. Activities of the Partnership Fund is supervised by the council which includes Government Members and is part of the Fiscal Risks Assessment annually, thus treated as every SOE and Contingent Liabilities. We strongly disagree with the idea of treating SOE - Partnership Fund, as an extra budgetary fund. According to the above-mentioned, the answer should be "c" - Not applicable.

Researcher Response

The same discussion was in OBS 2017 and IBP's conclusion was that the Partnership Fund is an extra-budgetary fund. After that nothing has changed in practice or in legislation to change the answer of this equation.

IBP Comment

During an IBP cross-country consistency check, this response is revised from B to C, reflecting the adjusted assessment of the status of the Partnership Fund as a public corporation rather than an extra-budgetary fund. See Q33 for an explanation of that assessment.

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter VII - Transfers for Local Authorities and Autonomous Republics

**Comment:**

In Georgia we have Targeted and Special Transfers.

2) Targeted Transfer – funds received from the State Budget and/or Autonomous Republican Budget in the form of a financial support by the local authority budget for the execution of the delegated authority;

3) Special Transfer – financial support rendered by and between the state, autonomous republican and local budgets for the mitigation of natural disasters, environmental and other calamities, hostilities, epidemics and other emergency situations (liquidation of losses) as well as for the execution of other measures;

This score is revised from OBS 2017 because there is no narrative explaining these transfers.

**Peer Reviewer**

Opinion: Agree

Comments: The description in Chapter VII is of the general responsibilities.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of all intergovernmental transfers are presented, along with a narrative discussion.

Comments: Before 2019 equalization transfer was the main source of the intergovernmental transfers for the Municipalities of Georgia. The formula of equalization was defined by the budget code. Targeted and Special Transfers are also defined by the legislation. Targeted Transfers are allocated for delegated functions and defined by the budget law. Special Transfers are allocated from the Budget Fund for Regional Development and rules for allocation are defined by the Government Decree #23 (07.02.2013) on Procedures and Criteria for Selection of Municipal Projects to be Financed through State Budget Regional Development Fund. As of January 2019 the equalization transfer was replaced by the Shared VAT (19% of total VAT proceeds) and the formula for sharing was defined through Budget Code as it was defined by the amendments in the Code. Both equalization transfer in the past and shared VAT currently are considered as own revenues for the Municipalities and they are free in allocating these proceeds on Expenditure through their own Budgets (within the limits of the Fiscal Rule). Special and targeted transfers remain managed in the same manner as before 2019. Thus we believe that Budget Code of Georgia (Chapter XI <https://matsne.gov.ge/document/view/91006?publication=42>), Law on Self-Governments (<https://matsne.gov.ge/ka/document/view/2244429?publication=41>) and annual budget law (<https://www.mof.ge/images/File/2019-biujeti-wardgena/kanoni/TAVI%20VII.docx>) provide all the necessary information for the intergovernmental transfers for Municipalities and the answer should be "a"

**Researcher Response**

In OBS 2017, Chapter VII - Transfers for Local Authorities and Autonomous Republics had one page narrative discussion (the first page), but chapter VII of the EBP 2019 doesn't include narrative discussion. On the page 3, there is a remark which shows a short narrative discussion. The changes mentioned by the government reviewer is discussed in the explanatory note, which is a part of the EBP 2019. The explanatory note includes more rich narrative discussion of the intergovernmental transfers. So, we can change answer to "a". But in future it will be better the Chapter VII to include more narrative discussion.

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](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:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter V. Priorities and Programs of State Budget

In this chapter you can see the description of expenditures, which indicates which code of expenditure serves what and who exactly. Sometimes there is emphasis on age, sometimes on income. This paper is only a narrative type and doesn’t include data of expenditures.

Comment:

In chapter V you can see the description of expenditures, which indicates which code of expenditure serves what and who exactly. Sometimes there is emphasis on age, sometimes on income, but in a very weak style. Thus, there is given the information you are requiring in this question, but this information is very poor.

On page 15 of the Clarification Note, there is a paragraph about the gender budgeting Georgia is piloting for a few select ministries.

Peer Reviewer

Opinion: Agree

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:

Comment:

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:  
d. No, estimates of transfers to public corporations are not presented.

Source:

Comment:  
The transfers to public corporations is done through National Agency for State Property Management, which is under the Ministry of Economic Development of Georgia. Budget 2019 reflects expenditures in the program spending, which means that transfers to public corporations (if applicable) are made under a specific program. Similarly to the previous round of survey, there are no direct budgetary transfers to public corporations.  
In 2017 OBS the score was also "e" and the practice has not deteriorated since then.

Peer Reviewer  
Opinion: Disagree  
Suggested Answer:

a. Yes, estimates of all transfers to public corporations are presented, along with a narrative discussion.

Comments: The statement on fiscal risks includes a section on financial transfers between the central government and SOEs detailing their amount and description (p16).

Government Reviewer  
Opinion: Agree

Researcher Response  
The statement on fiscal risks includes financial transfers for previous years, not for the budget year (2019).

IBP Comment  
During an IBP cross-country consistency check, the response for this question is revised from E to D. In prior OBS assessments, this question was scored as E, so this is a change in assessment and not a change in practice. However, this change in assessment is supported by other international assessments, such as the IMF's Public Investment Management Assessment, which notes that transfers to public corporations are classified as capital injections (p. 13) and there is significant lending to public corporations (p. 26) <https://www.imf.org/~media/Files/Publications/CR/2018/cr18306.aspx> In addition, the peer reviewer correctly notes the existence of prior-year transfers to state corporations in the Fiscal Risks statement, however there is no information provided about anticipated transfers for the budget year. The prior year information proves that there are transfers made to public corporations, and therefore this question cannot score E. However, given that the information is only provided for prior years the score must be D.

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Document: Fiscal Risks Analysis for 2018-2021, pg 24-25

[https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS\\_SOE.docx](https://www.mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/FRS_SOE.docx)

**Comment:**

Document Fiscal Risks analysis for 2018-2021 has a separate paragraph for quasi-fiscal activities, which includes a statement of purpose or policy rationale for the quasi-fiscal activity and part of the intended beneficiaries. Some information about other intended beneficiaries is in a collecting process. However all information is presented 2012-2017, without any information for the budget year.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented for all quasi-fiscal activities.

Comments: MOF updates information on quasi-fiscal activities annually and includes it in Fiscal Risks Statement (FRS) as separate subsection. FRS is submitted to parliament as an annex document of state budget project. Current FRS (2018-2021) contains information on quasi-fiscal activities for the period of 2012-2017. For additional information, please refer to Link: [https://www.mof.ge/images/File/FRS\\_SOE\\_2018\\_ENG\\_Feb.pdf](https://www.mof.ge/images/File/FRS_SOE_2018_ENG_Feb.pdf) , Page 23 According to the above-mentioned, the answer should be "b".

**Researcher Response**

The reason of the answer "d" is that information is not presented for the budget year (2019).

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:**

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

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter I. State Budget indicators, pg 2,3. consists (1) A listing of the financial assets; and (2) An estimate of their value.

2) Chapter IV. Total balance, change in financial assets and change in liabilities of the State Budget of Georgia, Article 11, consists (1) A listing of the financial assets; and (2) An estimate of their value.

However, these values are only for purchases and sales of assets (flows), not stocks of assets.

**Comment:**

Information on financial assets held by the government for at least the budget year is not presented.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented for all financial assets.

Comments: We keep track of all flows from Financial Assets annually through the budget documentation. Information provided in the Budget Documentation includes actual figures for the previous year, updated plans for the current year and plans for year to be planned, as well as aggregate information of flows for the medium term. Quarter and annual performance reports also track the actual data of the operations on Financial Assets. Information on Stocks is not available but it definitely covers all information for the operations of the budget year. Website of the Ministry of Finance of Georgia (only in Georgian) <https://www.mof.ge/5187> Chapter I. State Budget indicators, pg 2,3. consists (1) A listing of the financial assets; and (2) An estimate of their value. 2) Chapter IV. Total balance, change in financial assets and change in liabilities of the State Budget of Georgia, Article 11, consists (1) A listing of the financial assets; and (2) An estimate of their value.

**Researcher Response**

The question asks about financial assets stocks not about flows (increase/decrease). By methodology: "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."

**IBP Comment**

During an IBP consistency check, the response for this question is revised from D to C - even though this question asks about stocks and not flows, according to the guideline for OBS 2019 a C can be selected in case where the purchase or sale of financial assets is shown.

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:

c. Yes, information is presented, but it excludes some nonfinancial assets.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter I. State Budget indicators, pg 2,3. consists (1) A listing of the financial assets; and (2) An estimate of their value.

2) Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification, Article 8.

Comment:

Non-financial assets are only presented as a change in non-financial assets (increase, decrease). The listing of the assets held (stocks) by category is not presented.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented for all nonfinancial assets.

Comments: We keep track of all flows from Non-Financial Assets annually through the budget documentation. Information provided in the Budget Documentation includes actual figures for the previous year, updated plans for the current year and plans for year to be planned, as well as aggregate information of flows for the medium term. Quarter and annual performance reports also track the actual data of the operations on Non-Financial Assets. Budget Documentation also includes a separate annex on Capital Projects, which covers the total cost of the projects included in the Budget (previous and future spending included, Information on Stocks is not available but it definitely covers all information for the operations of the budget year. Chapter I. State Budget indicators, pg 2,3. consists (1) A listing of the non-financial assets; and (2) An estimate of their value. 2) Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification <https://www.mof.ge/images/File/2019-biujeti-wardgena/kanoni/kapitaluri.doc>;

Researcher Response

The question asks about non-financial assets stocks not about flows (increase/decrease).

IBP Comment

During an IBP consistency check, the response for this question is revised from D to C - even though this question asks about stocks and not flows, according to the guideline for OBS 2019 a C can be selected in case where the purchase or sale of non-financial assets is shown.

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/qfs/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:

e. Not applicable/other (please comment).

Source:

World Bank's Public Expenditure and Financial Accountability report on Georgia, pg: 68  
<https://pefa.org/sites/default/files/GE-Jun18-PFMPR-Public%20with%20PEFA%20Check.pdf>

Comment:

Expenditure arrears do not occur in Georgia since early 2000s and do not present a problem. Therefore, the question is not applicable to Georgia.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

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

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Fiscal Risks Analysis for 2018-2021 years

Comment:

EBP 2019 includes statement of Fiscal Risks Analysis with extensive information on fiscal risks emanating from the public corporations. The statement includes discussion of certain area of contingent liabilities.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Fiscal Risks Analysis for 2018-2021 years (English Version) [https://www.mof.ge/images/File/FRS\\_SOE\\_2018\\_ENG\\_Feb.pdf](https://www.mof.ge/images/File/FRS_SOE_2018_ENG_Feb.pdf)

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:

b. Yes, the core information is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Government Debt Sustainability Analysis for 2019-2028  
<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/DSA.pdf>

Comment:

EBP 2019 includes Debt Sustainability Analysis for 2019-2028 years as supporting document, which covers projections of the sustainability of its finances over the 10 years. It includes the macroeconomic assumptions and sensitivity analysis under various scenarios assuming different types of shocks, such as real interest rate, real GDP, primary balance, exchange rate and combined shock.

However it has no explicit discussion of future liabilities based on fiscal obligations, such as pension programs, etc.

Peer Reviewer

Opinion: Agree

Comments: The DSA includes 10-year alternative macro-fiscal scenarios, but does not explicitly take account of demographic factors or alternative demographic scenarios.

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.

Comments: Budget Documentation includes Fiscal Risks assessment which cover the risks arising from contingent liabilities. Debt sustainability analysis cover 10 years forward. So we strongly believe that the information submitted provides core information to assess the government's future liabilities.

Researcher Response

The Fiscal Risks Assessment for 2018-2021 includes some core elements: geopolitical risks and infrastructure projects risks and three macroeconomic scenario (and its influence on the fiscal sustainability) - basic, positive and negative. By adding The Fiscal Risks Assessment document we can change the answer to "b".

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:

b. Yes, estimates of all sources of donor assistance are presented, but a narrative discussion is not included.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

- 1) Chapter I. State Budget Indicators (Last column shows donor assistance)
- 2) Chapter II. State Budget Revenues (detailed information about donor's grants)
- 3) Chapter III. Expenditures of State Budget and Non-Financial Assets and their Functional Classifications (Last column shows donor assistance)
- 4) Chapter IV. Total balance, change in financial assets and change in liabilities of the State Budget of Georgia (detailed information about change in liabilities showing sources of donor assistance)
- 5) Chapter VI. Expenditures of State Budget (Last two columns show grant and credit assistance)

Comment:

All sources of donor assistance are presented. There is some narrative discussion about donors, but the information is poor.

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:

There is no information on tax expenditures available in the EBP documents.

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

a. Yes, estimates of all earmarked revenues are presented, along with a narrative discussion.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

- 1) Chapter II. State Budget Revenues (detailed information about donor's grants)
- 2) Chapter III. Expenditures of State Budget and Non-Financial Assets and their Functional Classifications (Last column shows donor assistance)
- 3) Chapter VI. Expenditures of State Budget (Last two columns show grant and credit assistance)

For narrative discussion of donor findings:

<https://mof.ge/5187>

Information About Capital Projects in 2019 Budget

Comment:

Budget Code of Georgia defines principles of the budget system of Georgia (article 4). One of those principles is the principal of Universality (paragraph "f") which says that: All revenues should be directed to financing of the allocations of the budget, it is not allowed to have earmarked revenues and the only exception to this rule defined by this law is donor financing (investment projects).

Thus the only type of earmarked revenues collected in Georgia is funding from donors.

The 2019 EBP provides detailed information on the assistance from foreign donors, and the individual programs and projects that they are dedicated to. Other than that, earmarked taxes and revenues are not collected in Georgia.

Budget Code of Georgia: [https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

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:  
Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

- 1) Basic Data and Directions (BDD) Document 2019-2022
- 2) Chapter V. State Budget Priorities and Programs
- 3) Expected Outcomes and Indicators of the Budget Programs
- 4) Clarification Note

Comment:  
EBP 2019 and its supporting budget documentation present information on how the proposed budget (and new proposals) is linked to government's policy goals for the budget year.

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:  
Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

- 1) Basic Data and Directions (BDD) Document 2019-2022
- 2) Chapter V. State Budget Priorities and Programs
- 3) Expected Outcomes and Indicators of the Budget Programs
- 4) Clarification Note

Comment:  
EBP 2019 and its supporting budget documentation present information on how the proposed budget (and new proposals) is linked to government's policy goals for the budget year 2019-2022.

Peer Reviewer  
Opinion: Agree

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:**

c. Yes, nonfinancial data on inputs are presented for some programs and/or some administrative units (or functions).

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

- 1) Chapter V. State Budget Priorities and Programs
- 2) Chapter VI. Expenditures of State Budget
- 3) Basic Data and Directions (BDD) Document 2019-2022

**Comment:**

Chapter V of the EBP as well as the Program Budget Annex, which is the supporting document to the EBP provide narrative discussion on individual programs. Budget approves number of staff needed to implement the programs.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

a. Yes, nonfinancial data on results are provided for each program within all administrative units (or functions).

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

Supporting budget document:

Expected Outcome and Indicators of the Budget Programs

Comment:

Georgia has program based budgeting, the budget allocations are defined per Spending Units and Programs/Subprograms implemented by the Spending units (in case of the spending units which have only administrative functions they might not have programs). Budget package includes separate annex for programs in order to present outputs/outcomes and performance measurement indicators, such as: baseline and targeted indicators, possible risks and possible deviation for each program/subprogram of the State Budget.

Peer Reviewer

Opinion: Agree

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:

a. Yes, performance targets are assigned to all nonfinancial data on results.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

Chapter V. State Budget Priorities and Programs

Supporting budget document:

Expected Outcome and Indicators of the Budget Programs

Comment:

EBP 2019 includes separate annex (Expected Outcome and Indicators of the Budget Programs) for programs in order to present the performance targets, outputs/outcomes and performance measurement indicators,

Peer Reviewer

Opinion: Agree

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 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](http://www.finance.gov.pk/budget/mtbf_2018_21.pdf) and [http://www.finance.gov.pk/survey\\_1718.html](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:**

a. Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, along with a narrative discussion.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5187>

Chapter V. State Budget Priorities and Programs (Article 15: 1. Affordable and Superior Quality Healthcare and Social Service, 1.1. Social Protection of Population).

**Supporting budget document:**

Expected Outcome and Indicators of the Budget Programs

**Comment:**

EBP 2019, Chapter V provides a detailed narrative discussion regarding all programs, and among them identifies the programs that will directly affect the most impoverished populations. Such programs include social welfare, healthcare, education, and others.

Program Budget Annex (Expected Outcome and Indicators of the Budget Programs) presents expenditure estimates for these programs for BY+3, along with an additional narrative discussion.

**Peer Reviewer**

Opinion: I choose not to review this question

Comments: I am not in a position to assess if information on all programs ended to benefit directly the country's most impoverished populations are presented.

**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:**

Website of the Ministry of Finance of Georgia

[https://mof.ge/sabijeto\\_kalendari](https://mof.ge/sabijeto_kalendari)

**Comment:**

The Ministry of Finance releases detailed calendar for whole budget cycle.

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:**

a. Yes, information beyond the core elements is presented for the macroeconomic forecast.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5177>

Basic Data and Directions (BDD), Third Edition- Uploaded with third edition of PBS, which is the last version of EBP)

<https://mof.ge/images/File/2019-monacemebi-mimartulebebi/saboloo-varianti/2019-BD-Tables-sen-14-1-new-BDD.pdf>

Comment:

Macroeconomic forecast includes nominal GDP level, inflation rate, real GDP growth, interest rates and many other indicators.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5177>

Basic Data and Directions (BDD), Third Edition- Uploaded with third edition of PBS, which is the last version of EBP. pg 68-158

Comment:

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5177>

Basic Data and Directions (BDD), Third Edition- Uploaded with third edition of PBS, which is the last version of EBP. pg 60-69

Comment:

Peer Reviewer

Opinion: Agree

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:

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

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5177>

Basic Data and Directions (BDD), Third Edition- Uploaded with third edition of PBS, which is the last version of EBP)

[https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/2019%20BD%20Tables%20sen%2013\\_1\\_new%20BDD.pdf](https://mof.ge/images/File/2019-bijeti-wardgena/3-wardgena/2019%20BD%20Tables%20sen%2013_1_new%20BDD.pdf)

Comment:

Table of Macro-Fiscal parameters submitted to the Government as part of the Pre-Budget Statement includes information about the Government debt total amount compared to GDP (annex 1.1), interest payments projection both for domestic and foreign borrowing (annex 1.3) and new borrowing both domestic and foreign (annex 1.3). All this information is provided for the 3 years before the current year, expected amount for the current year and projections for the coming 4 years.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/5177>

Basic Data and Directions (BDD), Third Edition- Uploaded with third edition of PBS, which is the last version of EBP. pg 68-69

Comment:

Pre-Budget Statement (for 2019 budget) presents estimates of total expenditures for 2017-2022 years.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://www.mof.ge/5187>

Chapter I. State budget indicators (economic classification)

Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification (functional classification)

Chapter VI. Allotment of Assignments within the programs of State Budget (administrative classification)

Comment:

The Enacted Budget presents expenditure estimates by all three expenditure classifications: administrative, economic, and functional.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://www.mof.ge/5187>

Chapter I. State budget indicators (economic classification)

Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification (functional classification)

Chapter VI. Allotment of Assignments within the programs of State Budget (administrative classification)

Comment:

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter VI. Allotment of Assignments within the programs of State Budget

Comment:

Chapter VI contains expenditure for every individual programs and subprograms for 2017, 2018 and 2019 year.

Peer Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter II. State Budget Revenues

Comment:

Chapter II contains expenditure for revenue estimates by category for 2017, 2018 and 2019 year.

Peer Reviewer

Opinion: Agree

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://www.mof.ge/5187>

Chapter II. State Budget Revenues

**Comment:**

Chapter II contains information about tax revenues by individual taxes, grants by source of grants, other revenues: property income, sales of government-produced goods and services and many others for 2017, 2018, 2019.

2% of total revenues in the Enacted Budget are either "other taxes" or "mixed and unclassified revenue" which qualifies for an A score.

Peer Reviewer

Opinion: Agree

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:**

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

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/5187>

File: Information About State Debt

#### Chapter I. State Budget Indicators

**Comment:**

In information About State Debt:

The amount of net new borrowing required during the budget year: page 4-6.

The total debt outstanding at the end of the budget year: page 5-6

Interest payments on the debt for the budget year: page 3-4.

In State Budget Indicators:

The amount of net new borrowing required during the budget year: page 2.

Interest payments on the debt for the budget year: page 1.

Peer Reviewer

Opinion: Agree

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:

a. The Citizens Budget provides information beyond the core elements.

Source:

Citizens Budget

<https://mof.ge/images/File/2019-biujeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Expenditure and revenue totals: pg 38-48

The main policy initiatives in the budget: pg 23-32

Macroeconomic forecast: pg 38-40

Contact information: the last page (Budget.transparency@mof.ge)

Comment:

Peer Reviewer

Opinion: Agree

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:  
A Citizens Budget is disseminated only by using one means of dissemination-web page.  
<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Comment:

Peer Reviewer  
Opinion: Agree

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:  
There is not any mechanisms to identify the public's requirements for budget information in the Citizen's Budget.

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the executive has established mechanisms to identify the public's requirements for budget information in the Citizen's Budget; while these mechanisms are accessible they are not widely used by the public.

Comments: There is a survey on the MOF website every year. The survey is in a simple format and gives opportunity to select broad priorities only. We are currently working on more sophisticated version of Budget Transparency and Participation web-based portal which is already ready in the testing regime. <http://survey.mof.ge/>

Researcher Response

We can confirm survey on the MOF website, which asks about general priorities spending: education, health, infrastructure and so on, but the survey does not work to identify the public's requirements for budget information prior to publishing the Citizens Budget. It only gives possibility to choose spending priorities.

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:

a. A citizens version of budget documents is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit).

Source:

Budget formulation stage:

<https://mof.ge/images/File/Citizens%20Guide%20-%20202019%20MOF%20-proeqli%201.pdf>

<https://mof.ge/images/File/Citizens-Guide-2019-MOF-proeqli-2.pdf>

<https://mof.ge/images/File/Citizens%20Guide%20-%20202019%20MOF%20-proeqli%203.pdf>

For enacted budget:

<https://mof.ge/images/File/2019-bijeti-wardgena/kanoni/Citizens-Guide-2019-MOF-kanoni.pdf>

Execution:

<https://mof.ge/images/File/2018-wlis-6-tvis-shesrulebis-gzamklevi.pdf>

<https://mof.ge/images/File/2018-%E1%83%AC%E1%83%9A%E1%83%98%E1%83%A1-9-%E1%83%97%E1%83%95%E1%83%98%E1%83%A1-%E1%83%A8%E1%83%94%E1%83%A1%E1%83%A0%E1%83%A3%E1%83%9A%E1%83%94%E1%83%91%E1%83%98%E1%83%A1-%E1%83%92%E1%83%96%E1%83%90%E1%83%9B%E1%83%99%E1%83%95%E1%83%9A%E1%83%94%E1%83%95%E1%83%98.pdf>

Audit:

[https://sao.ge/files/auditi/publications/moxseneba-2017-bijetis-shesrulebis-clhuri-angarishis-shesaxeb\\_broshura.pdf](https://sao.ge/files/auditi/publications/moxseneba-2017-bijetis-shesrulebis-clhuri-angarishis-shesaxeb_broshura.pdf)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: In addition, please see the following link for the Short Guide on Basic Data and Direction (BDD) document -

<https://www.mof.ge/images/File/2019-mokle-gzamklevi.pdf> .

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:**

a. Yes, the In-Year Reports present actual expenditures by all three expenditure classifications (by administrative, economic, and functional classification).

**Source:**

3 month performance report of 2018 Budget:

Administrative classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_V.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_V.pdf)

Economic classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

Functional classification:

[https://mof.ge/images/File/biuj2018\\_3tve/sax-biuj-gadasx-wrilshi.pdf](https://mof.ge/images/File/biuj2018_3tve/sax-biuj-gadasx-wrilshi.pdf)

6 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-VI.pdf>

Economic classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

Functional classification:

<https://mof.ge/images/File/biujeti2018-6Tve/%E1%83%A1%E1%83%90%E1%83%AE%E1%83%94%E1%83%9A%E1%83%9B%E1%83%AC%E1%83%98%E1%83%A4%E1%83%9D-%E1%83%91%E1%83%98%E1%83%A3%E1%83%AF%E1%83%94%E1%83%A2%E1%83%98%E1%83%A1-%E1%83%92%E1%83%90%E1%83%93%E1%83%90%E1%83%A1%E1%83%90%E1%83%AE%E1%83%93%E1%83%94%E1%83%9A%E1%83%94%E1%83%91%E1%83%98-%E1%83%A4%E1%83%A3%E1%83%9C%E1%83%A5%E1%83%AA%E1%83%98%E1%83%9D%E1%83%9C%E1%83%90%E1%83%9A%E1%83%A3%E1%83%A0-%E1%83%AD%E1%83%A0%E1%83%98%E1%83%9A%E1%83%A8%E1%83%98.pdf>

9 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20VI.pdf>

Economic classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

Functional classification:

<https://mof.ge/images/File/biujeti2018-9-tve/funqcionaluri.pdf>

**Comment:**

Also, the State Treasury presents monthly In-Year Reports actual expenditures by three expenditure classifications (by administrative, economic, or functional classification).

<http://treasury.ge/5631>

Peer Reviewer

Opinion: Agree

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

Functional classification

Source:

3 month performance report of 2018 Budget:

Administrative classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_V.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_V.pdf)

Economic classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

Functional classification:

[https://mof.ge/images/File/biuj2018\\_3tve/sax-biuj-gadasx-wrilshi.pdf](https://mof.ge/images/File/biuj2018_3tve/sax-biuj-gadasx-wrilshi.pdf)

6 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-VI.pdf>

Economic classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

Functional classification:

<https://mof.ge/images/File/biujeti2018-6Tve/%E1%83%A1%E1%83%90%E1%83%AE%E1%83%94%E1%83%9A%E1%83%9B%E1%83%AC%E1%83%98%E1%83%A4%E1%83%9D-%E1%83%91%E1%83%98%E1%83%A3%E1%83%AF%E1%83%94%E1%83%A2%E1%83%98%E1%83%A1-%E1%83%92%E1%83%90%E1%83%93%E1%83%90%E1%83%A1%E1%83%90%E1%83%AE%E1%83%93%E1%83%94%E1%83%9A%E1%83%94%E1%83%91%E1%83%98-%E1%83%A4%E1%83%A3%E1%83%9C%E1%83%A5%E1%83%AA%E1%83%98%E1%83%9D%E1%83%9C%E1%83%90%E1%83%9A%E1%83%A3%E1%83%A0-%E1%83%AD%E1%83%A0%E1%83%98%E1%83%9A%E1%83%A8%E1%83%98.pdf>

9 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20VI.pdf>

Economic classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

Functional classification:

<https://mof.ge/images/File/biujeti2018-9-tve/funqionaluri.pdf>

Comment:

Also, the State Treasury presents monthly In-Year Reports actual expenditures by three expenditure classifications (by administrative, economic, or functional classification).

<http://treasury.ge/5631>

Peer Reviewer

Opinion: Agree

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 detaille. (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:

a. Yes, the In-Year Reports present actual expenditures for programs accounting for all expenditures.

Source:

3 month performance report of 2018 Budget:

Administrative classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_V.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_V.pdf)

6 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-VI.pdf>

9 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20VI.pdf>

Comment:

Also, the State Treasury presents monthly In-Year Reports actual expenditures for individual programs.

<http://treasury.ge/5631>

Peer Reviewer

Opinion: Agree

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:

3 month performance report of 2018 Budget:

Administrative classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_V.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_V.pdf)

Economic classification:

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

Functional classification:

[https://mof.ge/images/File/biuj2018\\_3tve/sax-biuj-gadasx-wrilshi.pdf](https://mof.ge/images/File/biuj2018_3tve/sax-biuj-gadasx-wrilshi.pdf)

6 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-VI.pdf>

Economic classification:

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

Functional classification:

<https://mof.ge/images/File/biujeti2018-6Tve/%E1%83%A1%E1%83%90%E1%83%AE%E1%83%94%E1%83%9A%E1%83%9B%E1%83%AC%E1%83%98%E1%83%A4%E1%83%9D-%E1%83%91%E1%83%98%E1%83%A3%E1%83%AF%E1%83%94%E1%83%A2%E1%83%98%E1%83%A1-%E1%83%92%E1%83%90%E1%83%93%E1%83%90%E1%83%A1%E1%83%90%E1%83%AE%E1%83%93%E1%83%94%E1%83%9A%E1%83%94%E1%83%91%E1%83%98-%E1%83%A4%E1%83%A3%E1%83%9C%E1%83%A5%E1%83%AA%E1%83%98%E1%83%9D%E1%83%9C%E1%83%90%E1%83%9A%E1%83%A3%E1%83%A0-%E1%83%AD%E1%83%A0%E1%83%98%E1%83%9A%E1%83%A8%E1%83%98.pdf>

9 month performance report of 2018 Budget:

Administrative classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20VI.pdf>

Economic classification:

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

Functional classification:

<https://mof.ge/images/File/biujeti2018-9-tve/funqionaluri.pdf>

Comment:

In-Year Reports compare actual year-to-date expenditures with the original estimate for that period for three classification of expenditure.

In Addition, the State Treasury presents monthly In-Year Reports and compares actual expenditures to the quarterly plans.

<http://treasury.ge/5631>

Peer Reviewer

Opinion: Agree

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:

3 month performance report of 2018 Budget:

Chapter II. Macroeconomic Review: pg 5-9.

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_II.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_II.pdf)

Chapter I. Budget Performance Report

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

6 month performance report of 2018 Budget:

Chapter II. Macroeconomic Review: pg 6-10.

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-II.pdf>

Chapter I. Budget Performance Report

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

9 month performance report of 2018 Budget:

Chapter II. Macroeconomic Review: pg 6-10.

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20II.pdf>

Chapter I. Budget Performance Report

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

Comment:

Also, the State Treasury presents monthly In-Year Reports with actual revenue by category.  
<http://treasury.ge/5631>

Peer Reviewer  
Opinion: Agree

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:

3 month performance report of 2018 Budget:  
Chapter II. Macroeconomic Review: pg 5-9.  
[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_II.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_II.pdf)

6 month performance report of 2018 Budget:  
Chapter II. Macroeconomic Review: pg 6-10.  
<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-II.pdf>

9 month performance report of 2018 Budget:  
Chapter II. Macroeconomic Review: pg 6-10.  
<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20II.pdf>

Comment:

Also, the State Treasury presents monthly In-Year Reports with individual sources of actual revenues.  
<http://treasury.ge/5631>

Only 2% of total revenues is in the "other" category.

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:

3 month performance report of 2018 Budget:

Chapter II. Macroeconomic Review: pg 5-9.

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_II.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_II.pdf)

Chapter I. Budget Performance Report

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

6 month performance report of 2018 Budget:

Chapter II. Macroeconomic Review: pg 6-10.

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-II.pdf>

Chapter I. Budget Performance Report

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

9 month performance report of 2018 Budget:

Chapter II. Macroeconomic Review: pg 6-10.

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20II.pdf>

Chapter I. Budget Performance Report

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

Comment:

In Addition, the State Treasury presents monthly In-Year Reports and compares actual revenues to the quarterly plans.

<http://treasury.ge/5631>

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:

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

Source:

3 month performance report of 2018 Budget:

Chapter I. Budget Performance Report (presents the amount of net new borrowing)

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

State Debt Performance Report (presents the central government's total debt burden and the interest payments to-date on the outstanding debt)

[https://mof.ge/images/File/biuj2018\\_3tve/VALIS-INFORMACIA.pdf](https://mof.ge/images/File/biuj2018_3tve/VALIS-INFORMACIA.pdf)

6 month performance report of 2018 Budget:

Chapter I. Budget Performance Report (presents the amount of net new borrowing)

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

State Debt Performance Report (presents the central government's total debt burden and the interest payments to-date on the outstanding debt)

<https://mof.ge/images/File/biujeti2018-6Tve/Valis-Infomacia.pdf>

9 month performance report of 2018 Budget:

Chapter I. Budget Performance Report (presents the amount of net new borrowing)

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

State Debt Performance Report (presents the central government's total debt burden and the interest payments to-date on the outstanding debt)

[https://mof.ge/images/File/biujeti2018-9-tve/Valis%20Danarti\\_.pdf](https://mof.ge/images/File/biujeti2018-9-tve/Valis%20Danarti_.pdf)

Comment:

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:

a. Yes, information beyond the core elements is presented for the composition of the total actual debt outstanding.

Source:

3 month performance report of 2018 Budget:

Chapter I. Budget Performance Report

[https://mof.ge/images/File/biuj2018\\_3tve/TAVI\\_I.pdf](https://mof.ge/images/File/biuj2018_3tve/TAVI_I.pdf)

State Debt Performance Report

[https://mof.ge/images/File/biuj2018\\_3tve/VALIS-INFORMACIA.pdf](https://mof.ge/images/File/biuj2018_3tve/VALIS-INFORMACIA.pdf)

1) Interest rates on debt instruments: pg 2-4;

2) Maturity profile; pg 2 for external, pg 6 for internal debt;

3) Internal or external debt: pg 2

4) Information beyond the core: currency of debt pg 2, whether the interest rates are fixed or variable pg 2, External and internal debt structure pg 3-4 and 6

6 month performance report of 2018 Budget:

Chapter I. Budget Performance Report

<https://mof.ge/images/File/biujeti2018-6Tve/TAVI-I.pdf>

State Debt Performance Report

<https://mof.ge/images/File/biujeti2018-6Tve/Valis-Infomacia.pdf>

1) Interest rates on debt instruments: pg 2-4;

2) Maturity profile; pg 2 for external, pg 5 for internal debt;

3) Internal or external debt: pg 2

4) Information beyond the core: currency of debt pg 2, whether the interest rates are fixed or variable pg 2, External and internal debt structure pg 3-5

9 month performance report of 2018 Budget:

Chapter I. Budget Performance Report

<https://mof.ge/images/File/biujeti2018-9-tve/TAVI%20I.pdf>

State Debt Performance Report

[https://mof.ge/images/File/biujeti2018-9-tve/Valis%20Danarti\\_.pdf](https://mof.ge/images/File/biujeti2018-9-tve/Valis%20Danarti_.pdf)

1) Interest rates on debt instruments: pg 1-3;

2) Maturity profile; pg 1 for external, pg 5 for internal debt;

3) Internal or external debt: pg 1

4) Information beyond the core: currency of debt pg 1, whether the interest rates are fixed or variable pg 1, External and internal debt structure pg 2-3 and 5

Comment:

Peer Reviewer

Opinion: Agree

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:

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.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Comment:

The estimates for the macroeconomic forecast and an explanation of all of the differences between the original and updated forecasts: page 1 - however this only shows the actual values for the first six months of the year.

MYR 2018 does not include updated information on the macroeconomic forecast for the full year, but here is mentioned that the change of the first six months economic growth will have influence on the full year economic growth and updated information will be presented with PBS 2019.

Because of this limited discussion, the score is C.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, the estimates for macroeconomic forecast have not been updated.

Comments: The GDP and Inflation forecasts are not updated from budget. The nominal GDP forecasts are changed only due to the base effect. The Mid-Year review itself notes that the updated forecasts will be presented to parliament reflecting the deviation in the outlook over the year so far compared to the previous budget.

Government Reviewer

Opinion: Agree

Researcher Response

May be "e" is more relevant score, because the macroeconomic forecast have not been updated by the government for this time and it was impossible to present information on updated forecast. The report includes factual indicators of six months and explanations of all of the differences between the original and factual indicators.

IBP Comment

Based on the peer reviewer's and researcher's comment, the score for this question is confirmed as C. If the nominal GDP has been updated even just with the base effect, this is sufficient for a C score.

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:

a. Yes, expenditure estimates have been updated, and an explanation of all of the differences between the original and updated expenditure estimates is presented.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>  
page 3, 10-15

Comment:

page 3, 10-15

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

IBP confirms the researcher's response. The original estimates of expenditure are in the table on page 5 (column two is called the "Specified Plan 2018"). The revised estimates of expenditure appear on the table on page 10 (column two is called "Adjusted for 2018 Plan"). Explanations of revisions begin on page 14.

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Economic classification: page 3, 5

Functional classification: page 10-12

Administrative classification: 16-58

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>

Economic classification: page 3, 5

Functional classification: page 10-12

Administrative classification: 16-58

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>  
page:16-58

**Comment:**

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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:**

d. No, revenue estimates have not been updated.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>  
page: 3-9

Comment:

The document explains differences between planned and factual revenues of the six month, but it does not includes updated estimations for the full year's revenues. Annual revenues remain the same as it was in the enacted budget 2018.

Since this question asks about whether revenue estimates have been updated for the full remaining fiscal year, the response to this question is therefore D.

Peer 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: The main summary table provides updated estimates for revenue compared to budget, while the comparison to original is only year to date. However, the revenue estimates are updated only for differences in collections, rather than updated economic forecasts.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: If by the time of preparing mid-year review Government has seen the need of an update of revenue forecasts it is depicted in the mid-year review. For the 2018 mid-year review forecasts were not in need of update and Government has not issued the updated version that is why the plans for the revenue are presented as in the original budget. E.g. for 2019 mid-year review we had an update and this one is depicted in the mid-year review. [https://www.mof.ge/images/File/2019-shestylebis-angarishebi/6-tve/MID\\_year\\_2019\\_bud.docx](https://www.mof.ge/images/File/2019-shestylebis-angarishebi/6-tve/MID_year_2019_bud.docx)

Researcher Response

In the 2018 MYR is not explained why the revenue forecast is not updated, here is mentioned only about economic growth forecast.

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:

b. No, the Mid-Year Review does not present revenue estimates by category.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/bijeti2018-6Tve/MID-year-2018.pdf>  
page: 4-9

Comment:

The document explains differences between planned and factual revenues of the six month, but it does not includes updated estimations for the full year's revenues. Annual revenues remain the same as it was in the enacted budget 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP cross-country consistency check, this response is confirmed as "B" as in Q80 it shows that the revenue forecast has not been updated to show revised projections for the remainder of the fiscal year. Therefore, as this question looks at the level of detail for the revised projections (not mid-year actual revenue collections) the score must be B.

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:**

d. No, the Mid-Year Review does not present individual sources of revenue.

**Source:**

Website of the Ministry of Finance of Georgia (only in Georgian)

<https://mof.ge/images/File/bijeti2018-6Tve/MID-year-2018.pdf>

page: 4-9

**Comment:**

2.7% of total revenues are other revenues. However, these are actual revenues, not projections of revenues for the remainder of the fiscal year.

The document explains differences between planned and factual revenues of the six month, but it does not include updated estimations for the full year's revenues. Annual revenues remain the same as it was in the enacted budget 2018.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

**IBP Comment**

During a cross-country consistency check this question is revised to D, as it assesses the level of detail provided in forward-looking projections of revenue for the remainder of the fiscal year, not mid-year actual information. As the response to Q80 is D showing revenue estimates have not been updated, this question is also revised to D.

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
<https://mof.ge/images/File/biujeti2018-6Tve/MID-year-2018.pdf>  
page: 3-6, 9-10

Comment:

interest payments on the debt presented in the expenditure table  
Central government debt - p. 10  
Domestic or external composition of debt - p. 9-10  
Net new borrowing - p. 5

Not presented is the maturity profile and the interest rates for each debt instrument.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

Website of the Ministry of Finance of Georgia (only in Georgian)  
Chapter I. State Budget Performance Report 2017  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20I%2022.03.2018.pdf>

Chapter III. Georgian State budget expenditures, non-financial assets and their functional classification  
[https://mof.ge/images/File/biujeti%2022.03.2018/funqcionaluri\(1\)%20-%2012.2017.pdf](https://mof.ge/images/File/biujeti%2022.03.2018/funqcionaluri(1)%20-%2012.2017.pdf)

Chapter VI. Allotment of Assignments within the programs of State Budget with along with a narrative discussion  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20VI%2022.03.2018.pdf>  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20III%2022.03.2018.pdf>

Comment:

Peer Reviewer

Opinion: Agree

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter I. State Budget Performance Report 2017 (economic classification)

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20I%2022.03.2018.pdf>

Chapter VI. Allotment of Assignments within the programs of State Budget (administrative classification)

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20VI%2022.03.2018.pdf>

Georgian State budget expenditures (functional classification)

[https://mof.ge/images/File/biujeti%2022.03.2018/funqcionaluri\(1\)%20-%2012.2017.pdf](https://mof.ge/images/File/biujeti%2022.03.2018/funqcionaluri(1)%20-%2012.2017.pdf)

**Comment:**

The YER presents expenditure estimates by all three expenditure classifications: administrative, economic, and functional.

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter I. State budget indicators (economic classification)

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20I%2022.03.2018.pdf>

Chapter VI. Allotment of Assignments within the programs of State Budget (administrative classification)

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20VI%2022.03.2018.pdf>

Georgian State budget expenditures (functional classification)

[https://mof.ge/images/File/biujeti%2022.03.2018/funqcionaluri\(1\)%20-%2012.2017.pdf](https://mof.ge/images/File/biujeti%2022.03.2018/funqcionaluri(1)%20-%2012.2017.pdf)

**Comment:**

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:**

Website of the Ministry of Finance of Georgia (only in Georgian)

Chapter VI. Allotment of Assignments within the programs of State Budget (administrative classification)

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20VI%2022.03.2018.pdf>

**In narrative format:**

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20V%2022.03.2018.pdf>

**Comment:**

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:  
Website of the Ministry of Finance of Georgia (only in Georgian)

1) Chapter II. Macroeconomic Review of the Year (differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion)  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%2011%2022.03.2018.pdf>

2) State Budget Performance Report 2017  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%2011%2022.03.2018.pdf>

Comment:

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:  
Website of the Ministry of Finance of Georgia (only in Georgian)

1) Chapter II. Macroeconomic Review of the Year (differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion)  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%2011%2022.03.2018.pdf>

Comment:  
Chapter II. Macroeconomic Review of the Year, page; 6-10

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:

Website of the Ministry of Finance of Georgia (only in Georgian)

1) Chapter II. Macroeconomic Review of the Year (differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion)

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20I%2022.03.2018.pdf>

Comment:

Chapter II. Macroeconomic Review of the Year, page; 6-10

Other revenues is explained on page 9-10. Unexplained amount is only 92 million GEL (pg 10, last row in the table), 0.9% of the total revenue (9 750 million).

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:

1) Chapter I: State Budget Performance Report 2017

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20I%2022.03.2018.pdf>

Presents differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented (pg 2)

2) Chapter 4: Balance of State Budget and changes in Financial assets and liabilities -

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20IV%2022.03.2018.pdf>

Presents estimates of the differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

3) Information on State Debt  
<https://mof.ge/images/File/biujeti%202022.03.2018/Valis%20info%202022.03.2018.pdf>  
All required information by narrative discussion

Comment:  
Actual interest payments on the outstanding debt and comparison to the original enacted levels is presented on the pg 2, Chapter I: State Budget Performance Report 2017.

Information about the interest rates on debt and the maturity profile on the debt is presented, but without comparison to the original enacted levels.

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  
Whether the debt is domestic or external  
The interest payments on outstanding debt for the budget year

Source:

1) Chapter I: State Budget Performance Report 2017

<https://mof.ge/images/File/biujeti%202022.03.2018/TAVI%20I%202022.03.2018.pdf>

Presents differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented

2) Chapter 4: Balance of State Budget and changes in Financial assets and liabilities -

<https://mof.ge/images/File/biujeti%202022.03.2018/TAVI%20IV%202022.03.2018.pdf>

Presents estimates of the differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

3) Information on State Debt

<https://mof.ge/images/File/biujeti%202022.03.2018/Valis%20info%202022.03.2018.pdf>

All required information by narrative discussion

Comment:

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:

c. Yes, 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.

Source:

1) General Information about Georgian Economy in 2017

<https://mof.ge/images/File/biujeti%2022.03.2018/angariSze%20mokle%20informacia.pdf>

Here is explained difference between original and actual macroeconomic assumptions.

2) Chapter II. Macroeconomic Review of the Year

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20II%2022.03.2018.pdf>

Comment:

Information about interest rates is not presented.

Peer Reviewer

Opinion: Agree

Comments: The comparisons are provided in a information document that is published alongside the year-end report.

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:

Inflation rate

Real GDP growth

Information beyond the core elements

Source:

1) General Information about Georgian Economy in 2017

<https://mof.ge/images/File/biujeti%2022.03.2018/angariSze%20mokle%20informacia.pdf>

Here is explained difference between original and actual macroeconomic assumptions.

2) Chapter II. Macroeconomic Review of the Year

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20II%2022.03.2018.pdf>

Comment:

Information about interest rates is not presented.

The first page includes comparison of the original assumptions of GDP growth for the fiscal year and the actual outcome for that year. Here is not comparison of nominal GDP difference.

The second page includes comparison of the inflation rate. Georgia has inflation targeted monetary policy. Targeted inflation was 4% and outcome is compared to 4%.

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:**

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented.

**Source:**

1) Chapter V. State Budget Programs Performance  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20V%2022.03.2018.pdf>

2) Program Budget Results and Performance Indicators  
<https://mof.ge/images/File/biujeti%2022.03.2018/Programuli%2022.03.2018.pdf>

**Comment:**

Weak information about nonfinancial data on inputs.

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:**

1) Chapter V. State Budget Programs Performance  
<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20V%2022.03.2018.pdf>

2) Program Budget Results and Performance Indicators (with narrative discussion)  
<https://mof.ge/images/File/biujeti%2022.03.2018/Programuli%2022.03.2018.pdf>

Comment:

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 (in case of the difference).

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:

a. Yes, estimates of the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, along with a narrative discussion.

Source:

1) Chapter VI: State Budget's Expenditures in Program classifications

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20VI%2022.03.2018.pdf>

Estimates the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, without narrative discussion

2) Chapter V. State Budget Programs Performance

<https://mof.ge/images/File/biujeti%2022.03.2018/TAVI%20V%2022.03.2018.pdf>

Description of the programs and its results

3) Program Budget Results and Performance Indicators (with narrative discussion)

<https://mof.ge/images/File/biujeti%2022.03.2018/Programuli%2022.03.2018.pdf>

Estimates of the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, along with a narrative discussion.

Comment:

Peer Reviewer

Opinion: I choose not to review this question

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:

e. Not applicable/other (please comment).

Source:

Comment:

Year-End Report does not present the differences between the original estimates of extra-budgetary funds and the actual outcome.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: Budget System of Georgia excludes the possibility of having an extra-budgetary fund. Please refer to the Principles of budget system defined by the Article 4 (particularly Principles of Universality and Comprehensiveness) of the Budget Code <https://matsne.gov.ge/document/view/91006?publication=42>. As it has been explained many times under this survey, Partnership Fund (irrespective of its name) is an SOE, established according to the Law and owns shares of other big SOEs (e.g. Georgian Railway) and has to pay dividends to the Budget as any other SOE. Activities of the Partnership Fund is supervised by the council which includes Government Members and is part of the Fiscal Risks Assessment annually, thus treated as every SOE and Contingent Liabilities. We strongly disagree with the idea of treating SOE - Partnership Fund, as an extra budgetary fund. According to the above-mentioned, the answer should be "e".

Researcher Response

The same discussion was in OBS 2017 and IBP's conclusion was that the Partnership Fund is an extra-budgetary fund. After that nothing has changed in practice or in legislation to change the answer of this equation.

IBP Comment

During an IBP cross-country consistency check, this response is revised from D to E, reflecting the adjusted assessment of the status of the Partnership Fund as a public corporation rather than an extra-budgetary fund. See Q33 for an explanation of that assessment.

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:

a. Yes, a financial statement is part of the Year-End Report or is released as a separate report.

Source:

Financial Statement is provided as a separate part of the In Year Report, it is prepared by Treasury and is available on the treasury website: <http://treasury.gov.ge/5651>

Comment:

Financial Statement provided by the Treasury includes: Balance Sheet, Cash Flow Statement, Operating Statement, Changes in Capital, Inflow-outflow of Non-financial actives and so on.

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:**

Performance Audit cases:

<https://sao.ge/audit/audit-reports>

Compliance Audit cases:

<https://sao.ge/audit/audit-reports>

Financial Audit cases:

<https://sao.ge/audit/audit-reports>

Financial and Compliance Audit:

<https://sao.ge/audit/audit-reports>

**Comment:**

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:

b. Expenditures representing at least two-thirds of, but not all, expenditures within the SAI's mandate have been audited.

Source:

SAI Annual Report 2017

<https://sao.ge/files/auditi/2017-angarishi.pdf>

Comment:

In 2017 SAI audited around 81% of the expenditures. SAI plans to rise audited expenditure to 90% for 2022.

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:

e. Not applicable/other (please comment).

Source:

Comment:

We are going to count the Partnership Fund as an extra-budgetary fund. The fund has not been audited.

Peer Reviewer

Opinion: Agree

Comments: The Partnership Fund is not audited by the SAI

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: Budget System of Georgia excludes the possibility of having an extra-budgetary fund. Please refer to the Principles of budget system defined by the Article 4 (particularly Principles of Universality and Comprehensiveness) of the Budget Code

<https://matsne.gov.ge/document/view/91006?publication=42>. As it has been explained many times under this survey, Partnership Fund (irrespective

of its name) is an SOE, established according to the Law and owns shares of other big SOEs (e.g. Georgian Railway) and has to pay dividends to the Budget as any other SOE. Activities of the Partnership Fund is supervised by the council which includes Government Members and is part of the Fiscal Risks Assessment annually, thus treated as every SOE and Contingent Liabilities. We strongly disagree with the idea of treating SOE - Partnership Fund, as an extra budgetary fund. According to the above-mentioned, the answer should be "e".

**Researcher Response**

The same discussion was in OBS 2017 and IBP's conclusion was that the Partnership Fund is an extra-budgetary fund. After that nothing has changed in practice or in legislation to change the answer of this equation.

**IBP Comment**

During an IBP cross-country consistency check, this response is revised from D to E, reflecting the adjusted assessment of the status of the Partnership Fund as a public corporation rather than an extra-budgetary fund. See Q33 for an explanation of that assessment.

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:**

1) SAI Annual Report 2017 includes an executive summary, page: 4-5  
<https://sao.ge/files/auditi/2017-angarishi.pdf>

2) SAI Report on the Annual Execution of the 2017 State Budget includes an executive summary, page: 5-8  
<https://sao.ge/files/auditi/moxseneba-sakartvelos-2017-clis-saxelmcio-biujet.pdf>

**Comment:**

**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:**

a. Yes, the executive reports publicly on what steps it has taken to address audit findings.

Source:

Website of the Ministry of Finance of Georgia (only in Georgian)

Year End report 2017

<https://mof.ge/images/File/biujeti%2022.03.2018/auditis%20matrica.pdf>

Here is separate report called-" Report on consideration of audit recommendations and comments" for on what steps it has taken to address audit findings. Here is detailed information foreach SAI recommendation.

Comment:

Peer Reviewer

Opinion: Agree

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:

SAI has web portal "Recommendations Implementation Monitoring System" where you can see this information - <http://sao.ge/audit/recomendation-implementation-monitoring-system>

SAI Annual report 2017, pg 20-25: Recommendations Execution

<https://sao.ge/files/auditi/2017-angarishi.pdf>

SAI Annual report 2018, pg 35-49: Recommendations Execution

<https://sao.ge/files/auditi/2017-angarishi.pdf>

Comment:

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:

a. Yes, there is an IFI, its independence is set in law, and it has sufficient staffing and resources, including funding, to carry out its tasks.

Source:

Parliamentary Budget Office  
<http://pbo.parliament.ge/>

Comment:

The Budget Office of the Parliament of Georgia is an independent fiscal institution, with the mandate to provide independent and impartial analysis, research and assessment of government’s fiscal policies, plans and performance. contributing to the parliamentary oversight over the budget processes and thus promoting financially sustainable and economically sound fiscal policies

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:

a. Yes, the IFI publishes its own macroeconomic and fiscal forecasts.

Source:

Below, at the webpage of the Parliamentary Budget Office (PBO) you can review PBO's own macroeconomic and fiscal forecasts.

<http://pbo.parliament.ge/ge/component/k2/itemlist/category/116>

Comment:

PBO publishes its own macroeconomic and fiscal forecasts and updates it three times during the calendar year.

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:

a. Yes, the IFI publishes its own costings of all new policy proposals.

Source:

The role of the BOP is defined by the law: Rules of Procedures of the Parliament.

By article 148 BOP's conclusion is mandatory for all the draft laws submitted to the Parliament.

BOP prepares the conclusion on the following issues:

- A) the impact of the draft law on the revenue of the budget;
- B) The impact of the draft law on budget expenditures;
- C) New financial liabilities of the state.

<https://matsne.gov.ge/ka/document/view/1691403?publication=44>

Comment:

BOP prepares and publishes its own costings for all new policy proposals because it is mandatory by the law. BOP's conclusions are published on the website of the parliament of Georgia for each new legislative initiative (only in Georgian).

For example, on the draft law of "Accounting, reporting and audit":

<https://info.parliament.ge/#law-drafting/11878> <https://info.parliament.ge/file/1/BillReviewContent/142664?>

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the IFI publishes its own costings of major new policy proposals.

Comments: It is not clear that all costings are published.

Government Reviewer

Opinion: Agree

Researcher Response

It is impossible to check all new policy proposals if it has BOP's costing. We were monitoring some new proposals and it had costing. In addition, it is mandatory by law for all the draft laws submitted to the Parliament. Explanatory notes of the law has paragraph: the impact of the draft law on the revenue and expenditure of the budget. So, we think the answer should be "a".

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:

a. Frequently (i.e., five times or more).

Source:

I got this information from the lawyer of TI Georgia who is the member of the organization's parliamentary team. She attends all sessions at parliament and is aware of working details of PBO's as well.

Comment:

Date of the committee's sessions:

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/komitetis-saqmianoba1/komitetis-sxdomebi1140>

PBO takes part and testifies in all hearings.

For example, dates of the Budget and Finance Committee: 27 Dec, 2018; 25 Dec 2018, 22 Dec 2018 and so on.

Peer Reviewer

Opinion: I choose not to review this question

Comments: I am not in a position to review this.

Government Reviewer

Opinion: Agree

Researcher Response

Minutes (mentioned in comment) does not includes whole list of participants, it includes only members of parliament and special guests (speakers). But, for example, In minutes of the 22 Dec 2018 hearing, Tatia Khetaguri (თათია ხეტაგური), the head of the PBO, is mentioned, because she was one of the speakers.

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:

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.

Source:

Law of Georgia Budget Code of Georgia Article 39. Review and Approval of Draft State Budget , pg: 27 - 29

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

1. Draft State Budget with enclosures and Basic Data and Directions (BDD) Document submitted to the Parliament of Georgia is reviewed at the individual Committees, Factions, Majority, Minority and individual Members of the Parliament of Georgia.

2. Major parameters of the State Budget are presented by the Minister of Finance or Deputy Minister at the Parliamentary Committee Hearings, while the information on the programs, sub-programs and funding within the budget allocations earmarked to line ministries in the Draft State Budget is presented by the respective Minister or Deputy Minister together with the Minister of Finance or Deputy Minister.

3. Comments and suggestions expressed at the Parliamentary Committee Hearings, along with the Expertise Opinions of the State Audit Office (SAO) and National Bank of Georgia (NBG) are sent by the Parliament to the Government of Georgia no later than by October 22 of each single year. Comments on the 3 fiscal years following the next (budgeted) year elaborated in the BDD Document are recommendations by their nature.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

a. The legislature receives the Executive’s Budget Proposal at least three months before the start of the budget year.

Source:

Law of Georgia Budget Code of Georgia Article 38. Submission of Draft State Budget (EBP) and BDD Document to Parliament of Georgia, pg 26 -27

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

Government of Georgia submits Draft State Budget to the Parliament of Georgia no later than by October 1 of every single year together with the supporting documents.

Peer Reviewer

Opinion: Agree

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:

Sources: Law of Georgia Budget Code of Georgia Article 39. Review and Approval of Draft State Budget Paragraph: 7,8,10,11. pg: 28,29.

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

8. Draft State Budget is voted by the Parliament of Georgia no later than by third Friday of December. Draft Law on State Budget is approved with a listed majority, within one hearing.

9. Draft State Budget approved by the Parliament of Georgia shall at least include information envisaged in Article 38.3.A-G of the present Code.

10. Draft State Budget may be adjusted at the Parliament of Georgia with a permission of the Government of Georgia. In such cases, Government of Georgia submits the respectively adjusted Draft Law to the Parliament of Georgia. Adjustments may also be made to the Draft State Budget at the Plenary Session of the Parliament of Georgia, during its discussions, provided the presenter agrees to the expressed comments.

11. If and when the Parliament of Georgia fails to approve the Draft State Budget by the third Friday of December, it is possible for the same draft or an updated one agreed between the Government of Georgia and Agreement Commission of the MPs be voted in 10 days, however no later than by December 31.

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:

d. No, the legislature does not have any authority in law to amend the Executive's Budget Proposal.

Source:

Budget Code of Georgia Article 39. Review and Approval of Draft State Budget pg: 28, 29.

[https://mof.ge/images/File/budget\\_legislation/BUDDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

Before approval MOF gets recommendations from the legislature, where some of them are taken into account by MOF and some of them not.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Parliament can suggest amendments in the proposed budget but it needs to be confirmed by the executive.

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:

d. No, the legislature does not have any such authority.

Source:

Legislature does not have any authority to amend the EBP.

Comment:

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:**

a. Yes, a specialized budget or finance committee had at least 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:**

The website of the Parliament of Georgia  
<https://info.parliament.ge/#law-drafting/16664>

**Recommendations (9 page document, only in Georgian):**

<https://info.parliament.ge/file/1/BillReviewContent/205029?>

**Comment:**

The Budget and Finance Committee of the Parliament examine the Executive's Budget Proposal and published a report with findings and recommendations prior to the budget being adopted.

**Here is an information that the Committee discussed EBP on 16 October 2018:**

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/axali-ambebi-safinanso/safinanso-sabiudjeto-komitetma-2019-wlis-saxelmwifo-biudjetis-kanonproeqts-mxari-dauchira.page>

**On 8 November 2018:**

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/axali-ambebi-safinanso/safinanso-sabiudjeto-komitetma-saqartvelos-2019-wlis-saxelmwifo-biudjetis-gadamushavebul-variants-mxari-dauchira.page>

**On 7 December 2018:**

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/axali-ambebi-safinanso/safinanso-sabiudjeto-komitetma-saqartvelos-2019-wlis-saxelmwifo-biudjetis-shesaxeb-kanonproeqts-saboolo-variants-mxari-dauchira.page>

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:

a. Yes, sector committees had at least one month to examine the Executive's Budget Proposal, and they published reports with findings and recommendations prior to the budget being adopted.

Source:

The Human Rights and Civil Integration Committee discussing the draft State Budget 2019:

<http://parliament.ge/en/saparlamento-saqmianoba/komitetebi/adamianis-uflebata-dacvisa-da-samoqalaqo-integraciis-komiteti/axali-ambebi-adamianis/adamianis-uflebata-dacvisa-da-samoqalaqo-integraciis-komitetma-saqartvelos-2019-wlis-saxelmwifo-biudjetis-shesaxeb-kanonproeqti-ganixila.page>

The Education, Science and Culture, the Sports and Youth Issues, and the Health Care and Social Issues Committees discussed the draft state budget 2019

<http://parliament.ge/en/saparlamento-saqmianoba/komitetebi/ganatilebis-mecnierebis-da-kulturis-komiteti/axali-ambebi-ganatileba/sami-komitetis-gaertianebul-sxdomaze-saqartvelos-2019-wlis-saxelmwifo-biudjetis-proeqti-ganixiles.page>

Environmental Protection and Natural Resources Committee discussed the draft state budget 2019

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/garemos-dacvisa-da-bunebrivi-resursebis-komiteti/gonisdziebebi/gonisdziebebi1/axali-ambebi-garemo/garemos-dacvisa-da-bunebrivi-resursebis-komitetma-saqartvelos-2019-wlis-saxelmwifo-biudjetis-shesaxeb-kanonproeqti-ganixila.page>

And so on. Some other committees discussed the EBP too.

Comment:

For its term of authority, Parliament creates committees for the preliminary preparation of legislative issues, for the assistance in the implementation of Parliament's decisions, control over the bodies that are accountable to Parliament, and control over Government's activities. Composition of a committee is determined proportionally to the representation of factions and the number of those MPs, who are not united in any faction. Composition of a committee is determined by at least 10 MPs. Within its competencies, a committee, along with its other functions, works out, considers and prepares for the plenary sitting of Parliament the drafts of laws, Parliamentary decrees and other decisions, as well as considers the draft budget and elaborates the conclusion. Comments and suggestions expressed at the Parliamentary Committee Hearings, along with the Expertise Opinions of the State Audit Office (SAO) and National Bank of Georgia (NBG) are sent by the Parliament to the Government of Georgia no later than by October 22 of each single year. The EBP was presented to the Parliament on September 25. As for the sectoral committees, they published reports on November 30, meaning that they had more than one month to prepare their reports.

It is the report of the environmental Protection and Natural Resources Committee:

<https://info.parliament.ge/file/1/BillReviewContent/205197?>

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:**

a. Yes, a committee examined in-year implementation on at least three occasions during a fiscal year, and it published reports with findings and recommendations.

**Source:**

The Budget and Finance The committee examined quarterly implementation of the EB:

3 month:

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/komitetis-saqmianoba1/komitetis-sxdomebi1140/sxdomis-oqmi-n15-21-maisi-2018-weli.page>

6 month:

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/komitetis-saqmianoba1/komitetis-sxdomebi1140/sxdomis-oqmi-n28-26-seqtemberi-2018-weli.page>

9 month:

<http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/komitetis-saqmianoba1/komitetis-sxdomebi1140/sxdomis-oqmi-n35-11-dekemberi-2018-weli.page>

**Comment:**

The Budget and Finance Committee always examines in year reports (3M,6M,9M) of execution of the State Budget.

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:

a. The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, and it does so in practice.

Source:

Law of Georgia Budget Code of Georgia, Article 31. Distribution of Budget Allocations and Adjustments in Program Budgeting Classification

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

Law of Georgia Budget Code of Georgia, Article 31:

Budget allocation may be forwarded from one spending institution (administrative units) to another only as a result of adjustments made to the Annual Budget Law.

Distribution of budget allocations between the programs and sub-programs of spending institutions along with the line items of budget classification may occur with a consent of the Ministry of Finance of Georgia.

Distribution of budget allocations between the individual programs of a spending institution shall not exceed 5% of the budget earmarkings for the spending institution envisaged in the Annual Budget.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

Comments: Generally, changes in expenditure between administrative units require legislative approval. However, there is one exception which allows for unspent funds with an administrative unit to be allocated to the general reserve fund up to the 2 percent limit of the reserve fund and then be allocated based on government decision. This requires the government to notify the Budget and Finance Committee of the parliament. See page 39 of the IMF's Fiscal Transparency Evaluation (2017).

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:

a The executive is required by law or regulation to obtain approval from the legislature prior to spending excess revenues, and it does so in practice.

Source:

Budget Code of Georgia: Article 18. Execution of Budget Expenditures, Article 40: Amendments and/or Additions to the Annual Budget Law

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

Amendments and/or additions to the Annual Budget allocations, except for the rules defined in Article 31 of the present Code, require such amendments and/or additions to be made to the Annual Budget Law.

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:

a. The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.

Source:

Budget Code of Georgia Article 40. Amendments and/or Additions to the Annual Budget Law, page: 29

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

Comment:

Amendments and/or additions to the Annual Budget allocations, except for the rules defined in Article 31 of the present Code, require such amendments and/or additions to be made to the Annual Budget Law.

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:**

Committees of the Parliament examined the Audit Report on the annual budget within three months of its availability and published a report with findings and recommendations

**The link of the discussion at the parliament:**

<https://sao.ge/en/news/1010>

**The link of the report:**

<https://info.parliament.ge/file/1/BillReviewContent/189693?>

**Comment:**

Final report was prepared by several committees: Committee on European Integration, Regional Policy and Self - Government Committee, Healthcare and Social Issues Committee, Sector Economy and Economic Policy Committee and others.

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:

Law of Georgia on the State Audit Office of Georgia, Article 9.  
<https://matsne.gov.ge/ka/document/view/17506?publication=17>

Comment:

Article 9:

1. Auditor General is elected by majority vote of the listed members of the Parliament with 5 year term by the nomination of the chairman of the Parliament.
2. General Auditor is not authorized to hold any other position or engage in other paid work, except pedagogic, academic and creative activities.
3. General Auditor, during his/her tenure, cannot be member of any political party or carry out other political activities.
4. independence of Auditor General is ensured by law. No one is authorized to influence his/her decision.
5. relevant state agencies ensure personal safety of Auditor General according to set regulations.

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:

Law of Georgia on the State Audit Office of Georgia, Article 11.  
<https://matsne.gov.ge/ka/document/view/17506?publication=17>

Constitution of Georgia, Article 48

<https://matsne.gov.ge/en/document/view/30346?publication=35>

Comment:

The Auditor General may be dismissed by the Parliament's decision under Article 48 of the constitution of Georgia.

Constitution of Georgia, Article 48:

1. No less than one third of the total number of the Members of Parliament shall have the right to raise the question of impeachment of the President of Georgia, a member of the Government, a judge of the Supreme Court, a General Prosecutor, a General Auditor or a member of the Board of the National Bank if the actions of the official in question violate the Constitution or contain signs of crime. Such cases shall be transferred to the Constitutional Court, which shall consider the case and submit its conclusion to Parliament within 1 month.
2. If the Constitutional Court's conclusion confirms a violation of the Constitution or signs of crime by the official in question, Parliament shall discuss and vote on the impeachment of the official within 2 weeks from the submission of the conclusion.

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:**

Law of Georgia on the State Audit Office of Georgia, Article 3 and 34.

<https://matsne.gov.ge/ka/document/view/17506?publication=17>

Budget Code of Georgia, Article 41

[https://mof.ge/images/File/budget\\_legislation/BUDGET\\_CODE\\_OF\\_GEORGIA\\_ENG.pdf](https://mof.ge/images/File/budget_legislation/BUDGET_CODE_OF_GEORGIA_ENG.pdf)

**Comment:**

1. Draft Budgets of the Parliament of Georgia and State Audit Office of Georgia are submitted to the Government by the Parliament of Georgia no later than by June 15 of every single year. 2. Rules for drafting the budgets of the Parliament of Georgia and State Audit Office are defined in the Regulations of the Parliament of Georgia.

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:

Law of Georgia on the State Audit Office of Georgia, Article 3, Article 17, Article 18.

<https://matsne.gov.ge/ka/document/view/17506?publication=17>

Comment:

The SAO is independent in planning its annual audit program. Ad-hoc financial and/or compliance audit(s) are carried out upon request of the Parliament of Georgia, as well as by the decision of the SAO, on address of the Parliament's interim investigation commission, Parliamentary minority and/or faction not belonging to the Parliamentary majority.

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:

In 2017 SAI-PMF Performance Assessment was conducted within the framework of the EU Project – "Capacity Building of SAO".

[https://sao.ge/files/chvens\\_shexaxeb/ENG-WEB.pdf](https://sao.ge/files/chvens_shexaxeb/ENG-WEB.pdf) (page 5).

[https://eeas.europa.eu/delegations/georgia/37292/launch-eu-funded-project-%E2%80%9CInstitutional-strengthening-state-audit-office-georgia%E2%80%9D\\_en](https://eeas.europa.eu/delegations/georgia/37292/launch-eu-funded-project-%E2%80%9CInstitutional-strengthening-state-audit-office-georgia%E2%80%9D_en)

In 2018 PEFA: The State Audit Office got a high score from PEFA

<https://sao.ge/en/news/1027>

There are many reports here that mention that reference the SAI-PMF Performance Assessment, however the full report is not available online.

For that reason, this question is assigned a score of C.

Comment:

In 2017-2018 SAI was reviewed by two independent agency, but not on an annual basis.

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:**

Links to prove the participation of the head or a senior staff member of the Supreme Audit Institution (SAI) in hearings of a committee of the legislature (it's not all):

<https://sao.ge/en/news/1035>

<https://sao.ge/en/news/1026>

<https://sao.ge/en/news/1019>

<https://sao.ge/en/news/1017>

<https://sao.ge/en/news/1038>

<https://sao.ge/en/news/1045>

**Comment:**

In the past 12 months, the head or a senior staff member of the Supreme Audit Institution (SAI) took part and testified in hearings of a committee of the legislature more than five times.

**Peer Reviewer**

Opinion: I choose not to review this question

Comments: Not in a position to confirm the response.

**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](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:

d. The requirements for a "c" response or above are not met.

Source:

Comment:

The webpage of the Ministry of Finance offers "Contribute to Budgeting" mechanism where citizens can select sectors they think is prior, but it is too general and does not answers to OBS requirements.

<http://survey.mof.ge/>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested 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).

Comments: There is a survey on the MOF website every year. The survey is in a simple format and gives opportunity to select broad priorities only. We are currently working on more sophisticated version of Budget Transparency and Participation web-based portal which is already ready in the testing regime. <http://survey.mof.ge/> There is also a PFM coordination council at MOF, which is chaired by the Minister/Deputy Minister of Finance. Council includes representatives of MOF Departments, heads of MOF structural units as well as SAI, State Procurement Agency, Finance and Budget Committee of Parliament of Georgia, representatives of Donor organizations, NGOs and others interested. Functions of the PFM Council are: elaboration of the relevant proposals regarding the PFM Reform Strategy and Action Plan; Monitoring of the implementations process of the PFM Reform Strategy and Action Plan; Coordination of the stakeholders at implementation; Facilitation of cooperation between stakeholders from the Executive and Donors etc.

Researcher Response

We can confirm survey on the MOF website, which asks about general priorities: education, health, infrastructure and so on. We can not confirm appropriate working of the PFM coordination council and its input during the formulation of the annual budget. Yes, PFM Council works on general issues, especially on strategic documents and action plans, but it does not allows for citizen input into the budget formulation.

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:**

The executive does not take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget.

**Comment:**

**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:**

d. The requirements for a "c" response or above are not met.

**Source:**

There is no participation mechanism for Georgia in the formulation process

**Comment:**

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

Comments: There is a survey on the MOF website every year. The survey is in a simple format and gives opportunity to select broad priorities only. We are currently working on more sophisticated version of Budget Transparency and Participation web-based portal which is already ready in the testing regime. <http://survey.mof.ge/>

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 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](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:



d. The requirements for a "c" response or above are not met.

Source:

The executive does not use public participation mechanisms during the budget implementation stage.

Comment:

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:

There is no participation mechanism for Georgia in the execution stage

Comment:

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:

d. The requirements for a “c” response or above are not met.

Source:

There is no participation mechanism for Georgia in the execution stage

Comment:

Peer Reviewer

Opinion:

Comments: It could be possible to rate this as C given that citizens can prioritize against categories of spending.

Government Reviewer

Opinion: Agree

Researcher Response

Yes, citizens can prioritize categories of spending, but it is possible on the budget planning stage, not during the implementation of the annual budget.

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:

d. The requirements for a "c" response or above are not met.

Source:

There is no participation mechanism either in the formulation or execution stage

Comment:

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:

There is no related mechanism in Q125

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer  
Opinion: Agree

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:

There is no related mechanism in Q128 to be assessed

Comment:

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:

The executive (MOF) does not use public participation mechanisms during the budget formulation or implementation stage

Comment:

Peer Reviewer

Opinion: Agree

Government 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](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:

In OBS 2017, it was noted that some line ministries hold ad-hoc meetings with the public, especially around new projects.

However, there is no available documentation about any such meetings online, or ability to confirm that they exist as a participation mechanism. Therefore the score is D.

Comment:

Peer Reviewer

Opinion: I choose not to review this question

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 legislature 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:

a. Yes, public hearings are held, and members of the public/CSOs testify.

Source:

Got this information from lawyer of TI Georgia (from parliamentary team). Also, I attended to some public hearings of the EBP at the committees.

Comment:

Legislature appointing meeting for MOF where everyone can attend, listen report of EBP of MOF and give his/her opinion. This meeting is not only for NGOs or not for concrete offices. This meeting is for everyone. The date of the meeting is announced publicly on the webpage of the parliament. Below is the information-link about discussing revised draft State Budget 2019 in the Parliament':

<http://parliament.ge/en/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/axali-ambebi-safinanso/safinanso-sabiudjeto-komitetma-saqartvelos-2019-wlis-saxelmwifo-biudjetis-gadamushavebul-variants-mxari-dauchira.page>

Peer Reviewer

Opinion: Disagree

Suggested Answer:

Comments: IMF Fiscal Transparency Evaluation (2017) suggests that individuals and business groups may participate in hearings of the budget and finance committee on the draft budget and may also submit written comments (p38). However, it is not clear if the committee engages in actions to promote participation or whether it actually occurs in practice.

Government Reviewer

Opinion: Agree

Researcher Response

I agree the comment, but answer is still "c".

IBP Comment

During an IBP consistency check, the score for this question is revised from C to A, based on the evidence that legislative committee meetings are open to anyone to attend, as per Parliamentary Regulations Article 34 (11), including the rights of members of the public to testify. In addition, as per the peer reviewer comment, draft legislation is subject to public comment as per Parliamentary regulations Article 102 (9). All draft bills, including the draft budget bill, are posted for comment here: <https://info.parliament.ge/#law-drafting>

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:

b. The legislature seeks input on at least three (but less than six) of the above-mentioned topics.

Source:

I have attending to the Budget and Finance Committee's public hearings where macroeconomic issues, social spending policies, deficit and debt levels and public investment projects were discussed.

Date: 16 October, 2018

Comment:

Peer Reviewer

Opinion: I choose not to review this question

Comments: Not in a position to confirm.

Government Reviewer

Opinion: Agree

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:

d. The requirements for a "c" response or above are not met.

Source:

No, legislature use public participation mechanisms during its deliberations on the annual budget, but it doesn't provide feedback to the public on how citizens' inputs have been used.

Comment:

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 legislature 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:

a. Yes, public hearings on the Audit Report are held, and members of the public/CSOs testify.

Source:

Got this information from lawyer of TI Georgia (from parliamentary team).

Comment:

Legislature appointing meeting for SAI where everyone can attend, listen report of SAI and give his/her opinion. This meeting is not only for NGOs or not for concrete offices. This meeting is for everyone. The date of the meeting is announced publicly on the webpage of the parliament. Below is the information-link about the Budget and Finance Committee hearings of the State Audit reports:

<https://sao.ge/news/1010>

<http://www.parliament.ge/ge/saparlamento-saqmianoba/komitetebi/safinanso-sabiudjeto-komiteti-139/axali-ambebi-safinanso/safinanso-sabiudjeto-komitetis-sxdoma27062017.page>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP consistency check, the score for this question is confirmed as A, based on the evidence that legislative committee meetings are open to anyone to attend, as per Parliamentary Regulations Article 34 (11), including the right to speak and testify. In addition, as the peer reviewer stated in Q136, draft legislation is subject to public comment as per Parliamentary regulations Article 102 (9). All draft bills, including the "Annual Report for State Budget Execution, Report of the Audit Office", are posted for comment here: <https://info.parliament.ge/#law-drafting>

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:

a. Yes, the SAI maintains formal mechanisms through which the public can suggest issues/topics to include in its audit program.

Source:

On SAI's webpage, below, you can see the special column named "Plan with us", through which a citizen is able to write his/her opinion and send it to SAI: <https://budgetmonitor.ge/en/citizen>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

c. Yes, the SAI provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

Source:

Comment:

The Budget Monitor site allows you to check on the status of your request, but it does not provide a report that shows how all the inputs it has received have been used.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the SAI provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

Comments: SAI Annual Performance Report for 2017 presents the summary information about citizens' inputs received which have been used to produce annual audit plan. According to the report, in 2017 55% of the citizens' requests have been considered by SAI. Please see the following link of the report (Only in Georgian language) - <https://sao.ge/about-us/annual-performance-report/annual-report-2017>; <https://sao.ge/files/auditi/2017-angarishi.pdf?fbclid=IwAR3-5mrs8isriqeReemBaanYLdoisL35XQ7YEhpeR6QjVoFnPSoGdfz4wZE> - page 8; According to the above-mentioned, we believe that the answer should be "c".

Researcher Response

Base on this information I agree, "c" is more appropriate answer.

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:

a. Yes, SAI maintains formal mechanisms through which the public can contribute to audit investigations.

Source:

I received this information from the SAI and also there were factual cases when citizens were respondents and witnesses. This is the link to the site which allows anyone to anonymously report any instances of corruption or wrongdoing of public institutions:  
<https://www.sao.ge/fightcorruption/>

Comment:

This can be considered as a formal mechanism tool provided by the SAI.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree