

Open Budget Survey 2019

Questionnaire

Korea (Republic of)

April 2020

Country Questionnaire: Korea (Republic of)

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

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

Answer:

FY 2019

Source:

National Finance Act, Article 2: "The State's fiscal year commences on January 1 of each year, and ends on December 31 of each year."

Comment:

The FY 2019 Budget went through the formulation and approval process in 2018. So, it should be most recent year to look into the availability of key budget documents.

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:

Ministry of Economy and Finance webpage:

[http://www.moef.go.kr/nw/nes/detailNesDtaView.do?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsld1=MOSFBBS_00000000028&searchNttld1=MOSF_00000000016415&menuNo=4010100#)

[searchBbsld1=MOSFBBS_00000000028&searchNttld1=MOSF_00000000016415&menuNo=4010100#](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsld1=MOSFBBS_00000000028&searchNttld1=MOSF_00000000016415&menuNo=4010100#)

Comment:

The PBS was released to the public on March 26, 2018 via the MoEF webpage. The Executive Budget Proposal is by statute required to be submitted to the National Assembly 120 days before the fiscal year begins, which is by September 2 each year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: September 2 → September 3

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:
26/3/2018

Source:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsld1=MOSFBBS_00000000028&searchNttld1=MOSF_00000000016415&menuNo=4010100#

Comment:
Please refer to the Comment on the previous question.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
The date of publication of the PBS is determined based upon the date it became available to the public via the MoEF's website. The PBS and a press release about it were posted on the webpage on March 26, 2018.

Source:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsld1=MOSFBBS_00000000028&searchNttld1=MOSF_00000000016415&menuNo=4010100#

Comment:
Please refer to the webpage whose URL is copied in Source.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

Source:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

Comment:

No comment.

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:

c. No

Source:

PBS is downloadable from the MoEF's webpage:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

Comment:

The PBS is in the PDF format that is not machine-readable.

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:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

Comment:

The PBS was produced and made publicly available on March 26, 2018.

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:

Guidelines for the Preparation of Budget and Fund Management Plan for FY2019

Source:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

Comment:

The PBS includes guidelines for the off-budget fund management plans as well.

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:
a. Yes

Source:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000016415&menuNo=4010100#

Comment:
A Citizens Version of PBS was released in the form of Press Release on the same date.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
FY 2019

Source:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_000000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:
The Korean National Finance Act requires that the government should submit the Executive Budget Proposal to the National Assembly by 120 days before the fiscal year begins. Accordingly, the Executive Budget Proposal was submitted to the National Assembly on September 3, 2018.

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:
3/9/2018

Source:
The Korean National Finance Act requires that the government should submit the Executive Budget Proposal to the National Assembly by 120 days before the fiscal year begins. Accordingly, the Executive Budget Proposal was submitted to the National Assembly on September 3, 2018.

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: 3/9/2018

Comments: The researcher mentioned the right date in the source.

Government Reviewer

Opinion: Disagree

Suggested Answer: 3/8/2018 → 3/9/2018

IBP Comment

Thank you for the comments - the date in the answer is revised.

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:

The Korean National Finance Act requires that the government should submit the Executive Budget Proposal to the National Assembly by 120 days before the fiscal year begins. Accordingly, the Executive Budget Proposal was submitted to the National Assembly on September 3, 2018.

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_00000000028

Comment:

The key contents of the EBP were disclosed via the MoEF website to the public on August 28, 2018.

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:
3/9/2018

Source:
The EBP itself was not disclosed to the public on August 28, 2018 on the MoEF website along with the press release. However it was made available on a separate website, the Open Fiscal Data portal maintained by the MoEF: <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

However, it is not clear when the EBP was made available on this Open Fiscal Data portal.

Comment:
While a very various summary of the EBP was disclosed to the public on August 28, 2018, and it was submitted to the National Assembly on September 2, 2018, I presume that the EBP itself was made publicly available on September 3, 2018.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer: You can search the EBP on the website(Bill Information System). <http://likms.assembly.go.kr/bill/main.do>

Researcher Response
Here I am talking about the date of public availability of the EBP, which is not shown directly on the link to the EBP.

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:
As described in my answers to the previous question, a summary of the EBP was released to the public on August 28, 2018, while it was submitted to the National Assembly on September 3, 2018. The EBP itself was made available on the Open Fiscal Data portal by the MoEF without specific date identified. So, I presume that the EBP was made publicly available on September 3, 2018.

Source:
<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

<http://www.moef.go.kr/nw/nes/detailNesDtaView.do?>

menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:

Please refer to my answer above.

Peer Reviewer

Opinion: Agree

Comments: The National Assembly also published the submitted EPB on its website, Bill Information System

http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I0I1N4J0K207E009

Government Reviewer

Opinion: Disagree

Suggested Answer: You can find the date of submission of the EPB on the website above(September 3, 2018).

Researcher Response

Here the concern is not with the date of the submission of EPB to the National Assembly, but the date of public availability of the EPB.

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:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Source:

This is a webpage of the Open Fiscal Data portal maintained by the MoEF.

For a stylish summary of the EBP was made available via a press release on August 28, 2018.

<http://www.moef.go.kr/nw/nes/detailNesDtaView.do?>

menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:

No further comment necessary.

Peer Reviewer

Opinion: Agree

Comments: The National Assembly also published the submitted EPB on its website, Bill Information System

http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I0I1N4J0K207E009

Government Reviewer

Opinion: Disagree

Suggested Answer: You can search the EBP on the website(Bill Information System). <http://likms.assembly.go.kr/bill/main.do>

Researcher Response

Yes, the EBP is available at this website as well.

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

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

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

Answer:
c. No

Source:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttld1=MOSF_00000000018791&searchBbsld1=MOSFBBS_000000000028

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B002>

Comment:
The EBP, its supporting documents, and its summaries are all in the PDF or Korean Word format that are not machine readable.

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:
It was made publicly available about 4 months before the fiscal year begins.

Comment:
No comment necessary.

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:

"The Executive Budget Proposal for FY2019" (2019년도 예산안)

Source:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Comment:

The supporting documents and accompanying documents are available from the Open Fiscal Data website.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Some of the documents are:

2019 EBP Supporting Documents
National Financial Management Plane 2019~2023
Performance Reports and Performance Plans
Tax Expenditure Budget
Gender Responsive Budget
Etc.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

<http://www.internationalbudget.org/opening-budgets/citizens-budgets>.

Answer:

a. Yes

Source:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:

The MoEF provided various summaries of the EBP via press release such as Overview of the Budget Proposal, Notable 100 Projects, Sectoral resource allocations and the like.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2019

Source:

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:

8/12/2018

Source:

According to the Article 55(2) of the Korean Constitution, the National Assembly shall decide upon the budget bill within 30 days (December 2 each year) before the beginning of the fiscal year. Moreover, the National Assembly Act (Article 83-3) stipulates that the committees should complete their deliberation on the executive budget proposal by November 20, each year.

Comment:

For the FY2018 budget, the National Assembly failed to approve it according to the Constitution and the National Assembly Act, due to the political bickering regarding the alleged irregularities by the Presidential Staff Office.

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:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

The FY2019 EB was disclosed to the public via the National Register on December 14, 2018, about a week after its approval by the National Assembly.

Comment:

Furthermore, the detailed information on expenditures across projects is available from the Open Fiscal Data portal by the MoEF.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Peer Reviewer
Opinion: Agree

Comments: EB is also published on the website of the National Assembly. http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I0I1N4J0K207E009

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:

14/12/2018

Source:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#

Comment:
Please refer to the previous answers.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
The EB disclosure is deliberated over the cabinet meeting within a couple of days after the legislative approval. For FY2019 EB, the cabinet meeting was held on December 11, 2018, and the EB was disclosed over the National Registry on December 14, 2018.

The webpage of the Korean National Register is as follows:
<http://gwanbo.mois.go.kr/main.do>

Source:
[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

Comment:
No further comment is necessary.

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:
[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

Source:
It can be found from the website of the National Register: <http://gwanbo.mois.go.kr/main.do>

Comment:
The National Register is a web-based portal through which new acts, decrees, regulations, budgets, and the like are made officially publicly disclosed and available.

Peer Reviewer

Opinion: Agree

Comments: The enacted version of the budget is also published on the website of the National Assembly.
http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I0I1N4J0K207E009

Government Reviewer

Opinion: Agree

Comments: Or you can search the EB on the website(Bill Information System). <http://likms.assembly.go.kr/bill/main.do>

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:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Along with the disclosure via the National Register, the detailed information across projects and revenue sources is available from the Open Fiscal Data portal, while the exact date of the data availability cannot be identified. The breakdown of the budget by types of projects and revenue sources (and accounts) is downloadable in Excel and text format.

Comment:

As far as I believe, the availability of the EB cannot be determined entirely by the disclosed EB of the PDF format. Much detailed information is provided over the web-based template, which should matter for the prospect users of the fiscal data.

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:
na

Comment:
na

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:

The Budget for FY2019 (2019년도 예산)

Source:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toclid=0000000000000001544663316979000&isTocOrder=N&name=%25EB%25C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toclid=0000000000000001544663316979000&isTocOrder=N&name=%25EB%25C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

Comment:

No comment necessary.

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:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000022891&menuNo=4010100

The MoEF provided a press release on December 8, 2018, just after the National Assembly approved the budget for FY2019. It summarizes the key contents of the EB, including budget balance, debt level, allocation of resources to key functions and programs, and differences between the EBP and EB.

Comment:

While a Citizens version is available from the MoEF, it serves more public relations purposes than enabling citizens and stakeholders toward informed actions.

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:

FY2019

Source:

Please refer to the answers to the previous questions about PBS, EBP, and EB, which are all dealing with FY2019. During 2018, the Korean national government prepared, deliberated and approved the budget for FY2019.

Comment:

No further comment necessary.

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:

Here CB is referring to the Executive Budget Proposal, while a citizens' version is available for the Pre-Budget Statement and for Enacted Budget.

[http://www.moef.go.kr/nw/nes/detailNesDtaView.do?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttld1=MOSF_000000000018791&searchBbsld1=MOSFBBS_000000000028)

[menuNo=4010100&searchNttld1=MOSF_000000000018791&searchBbsld1=MOSFBBS_000000000028](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttld1=MOSF_000000000018791&searchBbsld1=MOSFBBS_000000000028)

Comment:

The CB is of various forms; press release, graphics, a summary with key contents, etc.

Peer Reviewer

Opinion: Agree

Comments: The CB is posted on August 28, 2018, and is for the EBP that will be submitted to the National Assembly on September 3, 2018 after the approval of the State Council on August 28, 2018.

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:
28/8/2018

Source:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:
The MoEF released CB summarizing the EBP and highlighting its key contents to the public on August 28, 2018, before the government submitted the EBP to the National Assembly on September 3, 2018.

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:
It was the date of MoEF's press release that was directed to the media for them to cover the key contents of the EBP.

Source:
The URL of the press release is:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:
No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Source:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:

No further comment is necessary.

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:

My Life's Plus (+): Vibrant Budget Proposal for FY2019 (내 삶의 플러스(+) 2019 활력예산안)

Source:

The CB for FY2019 is composed of many documents (a press release, an overview, summary of notable projects, and six pieces of infographic).

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:

The CB tried to summarize the EBP and highlight the key programs and considerations in resource allocation. It also tried to explain how the budget would change the lives of the Korean citizens and contribute to Korean economy and society.

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 Executive Budget Proposal that was to be submitted to the National Assembly on September 3, 2018.

Source:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Comment:

No further comment is necessary.

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:

FY2018

Source:

Year 2018 was the fiscal year of 2018, which means that FY2018 Budget was executed in 2018. Therefore, it is most appropriate to evaluate the IYRs for FY2018 Budget.

Comment:

No comment is necessary here.

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:

The MoEF publishes "Monthly Public Finance" around the 10th of every month to disclose information on the progress in implementation of the EB. Some of the webpages from which the Monthly Public Finance can be downloaded are as follows:

March 2018: http://www.moef.go.kr/pl/policydta/pblictndetailPblictbnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000016073&searchBbsId1=MOSFBBS_000000000001&searchPolicyCategory=PUB02

October 2018: http://www.moef.go.kr/pl/policydta/pblictndetailPblictbnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000016073&searchBbsId1=MOSFBBS_000000000001&searchPolicyCategory=PUB02

October 2018: http://www.moef.go.kr/pl/policydta/pblictndetailPblictbnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000016073&searchBbsId1=MOSFBBS_000000000001&searchPolicyCategory=PUB02

menuNo=5020300&searchNttId1=MOSF_00000000019611&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02#
September 2018: [http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?](http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000019090&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02#)
menuNo=5020300&searchNttId1=MOSF_00000000019090&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02#

Comment:

No further comment is necessary.

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:

January 11, 2018

February 13, 2018

March 13, 2018

April 10, 2018

May , 2018

June 12, 2018

July 16, 2018

August 10, 2018

September 11, 2018

October 11, 2018

November 11, 2018

December 11, 2018

Source:

1. [http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?](http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000015210&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02)

menuNo=5020300&searchNttId1=MOSF_00000000015210&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

2. [http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?](http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000015656&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02)

menuNo=5020300&searchNttId1=MOSF_00000000015656&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

3. [http://www.moef.go.kr/nw/nes/detailNesDtaView.do?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId=MOSFBBS_00000000028&menuNo=4010100&searchNttId=MOSF_00000000016071#)

searchBbsId=MOSFBBS_00000000028&menuNo=4010100&searchNttId=MOSF_00000000016071#

4. [http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?](http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000016736&menuNo=5020300#)

searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000016736&menuNo=5020300#

5. [http://www.moef.go.kr/nw/nes/detailNesDtaView.do?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId=MOSFBBS_00000000028&menuNo=4010100&searchNttId=MOSF_00000000017219#)

searchBbsId=MOSFBBS_00000000028&menuNo=4010100&searchNttId=MOSF_00000000017219#

6. [http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?](http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000017698&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02)

menuNo=5020300&searchNttId1=MOSF_00000000017698&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

7. [http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?](http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000018117&menuNo=5020300#)

searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000018117&menuNo=5020300#

8. [http://www.moef.go.kr/nw/nes/detailNesDtaView.do?jsessionid=nuKZhJm2aqtGCWydCUE0MXK.node30?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?jsessionid=nuKZhJm2aqtGCWydCUE0MXK.node30?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000018440&menuNo=4010100#)

searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000018440&menuNo=4010100#

9. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000019090&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

rchNttId1=MOSF_00000000019090&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

10. http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?sessionId=gsXhsozMDNDnHWm+5eddGwlk.node20?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000019611&menuNo=5020300

11. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_000000000022587&searchBbsId1=MOSFBBS_000000000028

12. http://www.korea.kr/archive/expDocView.do?docId=38268&call_from=rsslink

Comment:

The monthly report for November 2018 was publicly available online on 11 December 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000022918&menuNo=5020300

The monthly report for October 2018 was publicly available online on 13 November 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000022592&menuNo=5020300

The monthly report for September 2018 was publicly available online on 11 October 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000019611&menuNo=5020300

The monthly report for August 2018 was publicly available online on 11 September 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000019090&menuNo=5020300

The monthly report for July 2018 was publicly available online on 10 August 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018508&menuNo=5020300

The monthly report for June 2018 was publicly available online on 16 July 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

The monthly report for May 2018 was publicly available online on 12 June 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000017698&menuNo=5020300

The monthly report for April 2018 was publicly available online on 10 May 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000017228&menuNo=5020300

The monthly report for March 2018 was publicly available online on 10 April 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000016736&menuNo=5020300

The monthly report for February 2018 was publicly available online on 13 March 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000016073&menuNo=5020300

The monthly report for January 2018 was publicly available online on 13 February 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000015656&menuNo=5020300

The monthly report for December 2017 was publicly available online on 11 January 2018 at:

http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000015210&menuNo=5020300

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

The Monthly Public Finance has been published about 10th~13th of each month through out the fiscal year. The dates of publication is those when each month's issue of the Monthly Public Finance was made available via governmental websites.

Source:

Please refer to the answer to the previous question.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

Answer:

http://www.moef.go.kr/pl/policydta/pblicitn/ComtBalbbsList.do?bbsId=MOSFBBS_00000000001&policyCategory=PUB02&menuNo=5020300

Source:

1. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000015210&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

2. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000015656&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

3. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId=MOSFBBS_00000000028&menuNo=4010100&searchNttId=MOSF_00000000016071#

4. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000016736&menuNo=5020300#

5. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId=MOSFBBS_00000000028&menuNo=4010100&searchNttId=MOSF_00000000017219#

6. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000017698&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

7. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000018117&menuNo=5020300#

8. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?jsessionid=nuKZhJm2aqoTGCWydCUE0MXK.node30?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000018440&menuNo=4010100#

9. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?menuNo=5020300&searchNttId1=MOSF_00000000019090&searchBbsId1=MOSFBBS_00000000001&searchPolicyCategory=PUB02

10. http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?jsessionid=gsXhsozMDNDnHWm+5eddGwlk.node20?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000019611&menuNo=5020300

11. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId=MOSF_00000000022587&searchBbsId=MOSFBBS_00000000028

12. http://www.korea.kr/archive/expDocView.do?docId=38268&call_from=rsslink

Comment:

No further comment is necessary.

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:
c. No

Source:
The Monthly Public Finance is in the Korean Word format, which does not qualify as machine readable.

Comment:
No further comment is necessary.

Peer Reviewer
Opinion: Agree
Comments: The Monthly Public Finance in PDF format is available on the site for download

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:
Please refer to the URLs copied in the previous answers.

Comment:

No comment is necessary.

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:

Monthly Public Finance (월간 재정동향)

Source:

Please refer to the URLs in the previous answers.

Comment:

No comment is necessary.

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:

For most issues of the Monthly Public Finance, the MoEF provides a Press Release summing their key issues and contents. While the Press Release is rather short, still it can be very effective in getting across the key developing issues and the extent of progress in executing the budget.

Comment:

Nov. 2018:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000022587&menuNo=4010100

September 2018:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=&searchNttId1=MOSF_00000000019288&menuNo=4010100

July 2018:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=&searchNttId1=MOSF_00000000018024&menuNo=4010100

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:

FY2018

Source:

The calendar year 2018 is the same as the FY2018. If MYR was produced, MYR for FY2018 would be appropriated for evaluation.

Comment:

Not comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

d. The MYR is not released to the public, or is released more than three months after the midpoint

Source:

The Korean government does not produce a MYR. While it keeps track of budget implementation and releases the progress in budget execution in the Monthly Public Finance, it is not qualified as a MYR since it does neither take into account the basic assumptions that were applied to the EB, nor does it evaluate the differences between such assumptions and the actual socio-economic conditions.

Comment:

No comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

Source:

An MYR is not published in Korea in 2018.

Comment:

No comment necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

An MYR is neither produced, nor published in Korea for FY2018.

Source:

Please see above.

Comment:

No comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

Source:

It was neither produced, nor published.

Comment:

No comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

d. Not applicable

Source:

Not applicable here.

Comment:

No comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

d. Not produced at all

Source:

Please refer to my previous answers.

Comment:

No comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

With due diligence, I searched the MoEF website and the media, but I cannot find any indication of the existence of such MYR. However, it is my understanding that the Korean government was working on developing the next year's budget (FY2019) during the first half of 2018. Therefore, it is only reasonable to assume that the MoEF revisited their socio-economic assumptions, strategic resource allocation across different sectors, and the progress on budget execution, while such information was not publicly disclosed. On the other hand, almost every year (including 2018), the Korean government submitted a supplementary budget to the National Assembly. In 2018, the reason for such rebudgeting was the dire employment situation. Such supplementary budget implies that the basic assumptions for the EB turned out to be quite inaccurate and the government tried to deal with it. All said, however, these considerations do not mean that the MoEF does produce an MYR.

Source:

Please refer to the answer above.

Comment:

No comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree

Suggested Answer: MYR is not published in Korea, but economic forecast and fiscal inspection is implemented through execution inspection process and policy direction announcements which has similar purpose with publishing MYR. - Policy direction announcement presents forecasts and policy target on overall economy (published in June and December). - Furthermore, current revenue status and fiscal execution condition is inspected via monthly public finance (published on 7th every month).

Comments: MYR is not published in Korea, but economic forecast and fiscal inspection is implemented through execution inspection process and policy direction announcements which has similar purpose with publishing MYR. - Policy direction announcement presents forecasts and policy target on overall economy (published in June and December). - Furthermore, current revenue status and fiscal execution condition is inspected via monthly public finance (published on 7th every month).

Researcher Response

It does not seem that the Korean government produces an MYR in the format that this OBS can regard as one. Yes, during the budget execution, the government is diligently revisit its various forecasts for the fiscal year, but it does not seem to qualify as an MYR. So, I would go with D here.

IBP Comment

A mid-year review shows updated fiscal projections for the remainder of the year, which is different from reporting actual execution throughout the budget year (which is assessed in the IYR questions). The policy direction announcements mentioned also do not discuss the impact of the revised macroeconomic projections on projections of the budget outcomes for the remainder of the fiscal year, therefore they are not considered as an MYR. The response of the researcher is confirmed.

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:

Source:
Not applicable here.

Comment:
No comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion:

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:
b. No

Source:

An MYR was not produced in Korea for FY2018.

Comment:
No comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion:

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:
FY2017

Source:
For the purposes of this survey, I regard the Settlement of National Accounts as the Year-End-Report. During the first half of 2018, the Korean government prepared the Settlement of National Accounts for FY2017, got it audited by the Korean Board of Audit and Inspection, the nation's supreme audit institution, and submitted it to the National Assembly. So, it is appropriate to evaluate the public availability of the Settlement of Accounts as the Korean YER for FY2017. The YER for FY2018 is now being prepared by the MoEF.

Comment:
No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer: FY2018
Comments: The YER is submitted to the National Assembly on May 31st of every year.

IBP Comment
Thank you to the Government Reviewer for the comment. Since the cut-off date for the OBS research was December 31, 2018, at that date the YER for 2018 had not yet been released. The researcher has therefore selected the correct fiscal year for assessment of the YER.

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:

The YER was submitted to the National Assembly on May 25, 2018, about five months after the Fiscal Year 2017 was concluded.

The submission and its key features were reported in local news media.

<https://news.join.com/article/22654653>

<http://www.asiae.co.kr/news/view.htm?idxno=2018052508441443395>

Comment:

However, the only confirmed publication date is on the website as September 4, 2018, which is more than nine months after the Fiscal Year is concluded. See: <http://likms.assembly.go.kr/bill/nafs/nafsList.do?tabMenuType=StlmtLaw>, which is the basis for scoring C in this question.

Peer Reviewer

Opinion: Disagree

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

Comments: Even though the YER was submitted to the National Assembly on May 31, 2018, and was finally approved on December 8, 2018, I think the publishing date of the YER was March 26, 2018 when it was reviewed and approved by the Cabinet. Moreover, the settled budget data was published in detail on the Open Fiscal Data system. At this point, that is, August 2019, the settled budget data for FY2018 has been posted.

<http://www.moef.go.kr/nw/nes/detailNesDtaView.do?>

[menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028#](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028#)

<http://www.openfiscaldata.go.kr/portal/service/mainFinanceStat1Page.do> <http://likms.assembly.go.kr/bill/billDetail.do?>

[billId=PRC_01P8X0J5Z3A1D1H0K1Z4O3T4B3Q6C4&ageFrom=20&ageTo=20](http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_01P8X0J5Z3A1D1H0K1Z4O3T4B3Q6C4&ageFrom=20&ageTo=20)

Government Reviewer

Opinion: Disagree

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

Comments: May 31st of every year. The YER documentation is available at <http://likms.assembly.go.kr/> upon its submission to the National Assembly.

Researcher Response

Basically, I disagree with government reviewer's points. In the following weblink, it indicates that the YER for FY2017 is registered at on September 4, 2018. Furthermore, I cannot independently confirm that the YER is made available to the public over the web upon its submission by the government. As for the PR's comment, I cannot independently confirm that the YER was actually made publicly available just after the deliberation over the cabinet meeting. Based on such information and consideration, I think I should change my response from C to B since September 4, 2018 is obvious within nine months from the conclusion of the FY2017.

IBP Comment

Based on the report submitted by the reviewer (<http://www.moef.go.kr/nw/nes/detailNesDtaView.do?>

[menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028)) the publication date of March 26, 2018, can be confirmed due to the timestamp on the website. While other, more comprehensive, reporting on the year-end results are available later in the year, based on the availability of this initial document the score for this question is revised from B to A.

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:

26/3/2018

Source:

<http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

This is a web-based information system for all proposed and submitted bills, budgets, settlements, etc. as well as committee meeting minutes.

The key contents of the YER was made available via a press release by the MoEF on March 26, 2018, when the National Council (Cabinet Meeting) tabled the YER before it was submitted to the Board of Audit and Inspection on April 10, 2018.

Comment:

There is one catch. While the YER was submitted to the National Assembly, it is still not clear when the YER itself was made publicly available over this website yet.

In the listing of Settlement Laws on the website, it looks like it has a posting date of September 4, 2018 - see:

<http://likms.assembly.go.kr/bill/nafs/nafsList.do?tabMenuType=StlmtLaw>, which is therefore used as the first confirmed publication date in this response.

Peer Reviewer

Opinion: Disagree

Suggested Answer: March 26, 2018

Comments: Refer to the comments on the previous question.

Government Reviewer

Opinion: Agree

Comments: The YER is submitted to the National Assembly on May 31st of every year.

Researcher Response

I disagree with the PR and government reviewer since from the web record, I cannot independently confirm that the YER was made available publicly either upon its deliberation over the cabinet meeting or its submission to the National Assembly.

IBP Comment

Based on the report submitted by the reviewer (http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028) the publication date of March 26, 2018, can be confirmed due to the timestamp on the website.

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:

My decision is based on the date when the YER was submitted to the National Assembly. Before it was officially disclosed, it had to go through the audit by the nation's supreme audit institution, The Board of Audit and Inspection.

Source:

<https://news.joins.com/article/22654653>

Comment:

Having said that, I was not able to pin down the date when the YER made available over the web-based National Assembly Information System: <http://likms.assembly.go.kr>.

Peer Reviewer

Opinion: Disagree

Suggested Answer: I think the date is when the Cabinet officially review and approve the YER. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028#

Government Reviewer

Opinion:

Comments: The date is determined according to National Finance Act Article 7

Researcher Response

I basically disagree with the reviewers' comments since neither the press release nor the stipulation of the National Finance Act confirms the actual date of public availability. The only information from the web about its public availability is yet the date of posting of the YER over the National Assembly website, which is September 4, 2018.

IBP Comment

Based on the report submitted by the reviewer (http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028) the publication date of March 26, 2018, can be confirmed due to the timestamp on the website.

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:
<http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Source:
This is a web-page from the National Assembly Information System.

Comment:
No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028#

Government Reviewer

Opinion: Agree

IBP Comment

Thank you for the comments. Please see the responses to YER-2.

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

Source:
The disclosed YER is in the PDF format. It is not machine readable.

Comment:
No further comment necessary.

Peer Reviewer

Opinion: Disagree

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

Comments: The settled data has been published in detail on the Detailed Budget Data System of Integrated fiscal management information system (Open Fiscal Data) in machine readable formats including XML and XLS. I cannot find the exact data of posting FY2017 data, but the settled FY2018 data has been already posted on the system. <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B013>

Government Reviewer

Opinion: Agree

Researcher Response

I agree that the information in the YER is available over the Open Fiscal Data web portal. Having said that, I am not comfortable with changing the answer here since the data available from the Open Fiscal Data portal is not exactly the same information included in the YER. I believe I am supposed to stick to the numbers in the YER.

IBP Comment

During an IBP consistency check, it is confirmed that some YER data is available in the portal. As the researcher states this is not the exact information that is in the YER document, the score is revised from C to B to show that some information, but not all of the exact information in the report, is available.

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:

Not applicable.

Comment:

No comment necessary.

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:

The Settlement of State Accounts for FY2017 (2017회계연도 국가결산보고서)

Source:
<http://likms.assembly.go.kr/bill/nafs/nafsList.do>

Comment:
No comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
a. Yes

Source:
A summary of the YER and its key contents were provided for the public via a press release on March 26, 2018, just before it was submitted to the Board of Audit and Inspection. I believe this one is qualified as a Citizens Version of YER. Unlike the previous years, the MoEF did not provide another press release when it was submitted to the National Assembly on May 25, 2018.

Comment:
The press release is available at the following URL:

http://www.moef.go.kr/nw/nes/detailNesDtView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016414&menuNo=4010100#

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
FY2017

Source:
The Korean Board of Audit and Inspection audited the Settlement of State Accounts for FY2017 in the April and May of 2018. The Settlement of State Accounts for FY2018 is under preparation right now. So, the AR for FY2017 is to be evaluated.

Comment:
No further comment necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

The OBS methodology requires that for an AR to be considered publicly available, it must be made available to the public no later than 18 months after the end of the fiscal year to which it corresponds. If the AR is not released to the public at least 18 months after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the AR.

Answer:

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

Source:

The AR was made available on June 1, 2018 via the webpage of the Board of Audit and Inspection. Actually, the Korean BAI submitted it to the MoEF on May 18, 2018, but it was not made available until the 1st of June.

http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do;jsessionid=yOhsgoCuMcg7DJtL5eBPkhhH.node01?bbsId=BBSMSTR_10000000010&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttlId=121873&tabOkFlag=&mdex=bai21

Comment:

No further comment necessary.

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:

1/6/2018

Source:

It is the date when AR was made available over a webpage of the BAI.

http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do;jsessionid=yOhsgoCuMcg7DJtL5eBPkhhH.node01?bbsId=BBSMSTR_10000000010&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttlId=121873&tabOkFlag=&mdex=bai21

Comment:
No further comment is necessary.

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:
It is the date when the AR was uploaded onto the BAI webpage.

Source:
http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do;jsessionid=yOhsgoCuMcg7DJtL5eBPkhkH.node01?bbsId=BBSMSTR_10000000010&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttId=121873&tabOkFlag=&mdex=bai21

Comment:
No further comment necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do;jsessionid=yOhsgoCuMcg7DJtL5eBPkhkH.node01?bbsId=BBSMSTR_10000000010&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttId=121873&tabOkFlag=&mdex=bai21

Source:
Please see above.

Comment:
No further comment necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

c. No

Source:

The AR is in the PDF format.

Comment:

No comment necessary.

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:

Not Applicable.

Comment:

No comment necessary.

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:

Audit Report on the Settlement of State Accounts for FY2017 (2017회계연도 결산검사보고)

Source:

http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do;jsessionid=yOhsgoCuMcg7DJtL5eBPkhhH.node01?bbsId=BBSMSTR_10000000010&searchCnd=&searchWrde=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttlId=121873&tabOkFlag=&mdex=bai21

Comment:

No further comment necessary.

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:

The BAI provided a summary version of its Audit Report on the Settlement of State Accounts for FY2017 on May 31, 2018 on its website.

https://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?bbsId=BBSMSTR_10000000009&nttId=121870&mdex=bai20&searchCnd=all_NTT_SJ_CN&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=10&recordCountPerPage=10

https://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?mdex=bai20&bbsId=BBSMSTR_10000000009&nttId=121870

Comment:

This press release provided a stylized summary for easier understanding by the citizens, which I believe made it qualified as a citizens version of the AR. So, the better appropriate answer should be "a" rather than "b".

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GQ-1a asks the researcher to list any government websites or portals where fiscal information can be found. For example, in New Zealand the Treasury website (<http://www.treasury.govt.nz/>) hosts important budget-related information, including the Pre-Budget Statement, the Executive's Budget Proposal, the Citizens Budget, In-Year Reports, the Mid-Year Review, and the Year-End Report. In addition, New Zealand's Parliamentary Counsel Office (<http://www.legislation.govt.nz/>) posts the Enacted Budget while the Controller and Auditor-General website (<http://www.oag.govt.nz/>) publishes the annual Audit Report. The New Zealand researcher would provide the links to each of these sites. Other countries have developed portals that include fiscal information, though not in the "documents" format. For example, these portals have been created by Mexico (<https://www.transparenciapresupuestaria.gob.mx/>) and Brazil (<http://www.portaltransparencia.gov.br/>). Some countries have both a website and a portal. The Brazilian government, for example, apart from the Transparency Portal, has a dedicated website for the federal budget, where all key documents and other information can be found (www.orcamentofederal.gov.br). Researchers should include details about all of the relevant websites and/or portals that they can be used to access budget information.

Answer:

a. Yes

Source:

There are a couple of sources for fiscal information. Two of the most frequently visited are the website of the MoEF and its companion Open Fiscal Data portal whose URLs are copied below.

<http://www.moef.go.kr>

<http://www.openfiscaldata.go.kr/portal/main.do>

The former is more for key budgetary and fiscal documents, while the latter is more useful for getting revenues by sources and expenditures by function and objects.

Comment:

In addition to those listed above, the Republic of Korea Policy Briefing is a government-wide portal for policy information, of course, including budget and fiscal policies: <http://www.korea.kr/main.do>

Peer Reviewer

Opinion: Agree

Comments: In addition to those mentioned above, the National Assembly Budget Office(NABO) disseminates government fiscal information through its website. <https://www.nabo.go.kr/> Local Finance Integrated Open System is the portal for publishing fiscal data of local governments and education offices. <http://lofin.mois.go.kr/portal/main.do>

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the Peer Reviewer for the additional links.

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:

Revenues and expenditures data are downloadable from the Open Fiscal Data portal, which is a public segment of the Korea's Digital Budgeting and Accounting System, D-Brain.

The data can be handled by agencies/ministries, funds, and programs(projects). It also provides information on last year's approval, executive proposal, and current year's approval.

<http://www.korea.kr/main.do>

Comment:

<http://www.openfiscaldata.go.kr/>

Or we could give more specifically the link where they can download the files for both revenues and expenditures:

Budget - <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B002>

Execution - <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B003>

It might be helpful to note that there is also data available to download by department and sector:

<http://www.openfiscaldata.go.kr/portal/service/mainFinanceStat1Page.do>

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:

Yes, the data is downloadable from 2007 in XML, JSON, XLS, CSV, and TXT formats.

Comment:

Budget - <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B002>

Execution - <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B003>

Data can be downloaded in separate files for each year.

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:

In the Open Fiscal Data portal, some of the information is provided using infographics/charts to visualize the data, but not all of the important data. An example can be found in: <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Comment:

See also: <http://www.openfiscaldata.go.kr/portal/service/mainFinanceStat1Page.do>

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:

Some of the legislations are as follows:

The National Finance Act for the framework for public financial management for the central government. Especially for budget transparency and participation, Article 9 of the Act and Article 5 of its Enforcement Decree are most appropriate:

Article 9 (Publication of Fiscal Information) of the National Finance Act

- (1) The Government shall publish the budget, funds, settlement of accounts, the State bonds, loans, present value of the State-owned assets, consolidated fiscal balance, and other important matters prescribed by Presidential Decree concerning finances of the State and local governments, by appropriate means, including information communications media and printed materials, at least once a year in a transparent and easy-to-understand manner.
- (2) The Minister of Strategy and Finance may request both the head of each central government agency and each fund managing entity to submit necessary data for publishing the fiscal information prescribed in paragraph (1).
- (3) The head of each central government agency shall disclose the current status of operation of its own revenue and expenditure budget on its web-site, and each fund managing entity shall disclose the current status of operation of the relevant fund on its web-site.
- (4) In disclosing the current status of operation of the revenue and expenditure budget and the current status of operation of the fund, materials explaining each project shall be attached to each project. Other matters necessary for such disclosure shall be prescribed by Presidential Decree.
- (5) The Minister of Strategy and Finance shall prepare guidelines concerning matters referred to in paragraphs (3) and (4) and notify such guidelines to both the head of each central government agency and each fund managing entity, respectively, and shall request correction if any matter is inconsistent with such guidelines. In such cases, the head of each central government agency and each fund entity shall comply with such request, unless otherwise provided in other Act and subordinate statute.

Article 5 of the Enforcement Decree of the National Finance Act:

Article 5 (Publication of Fiscal Information) 조문단위 인쇄

(1) "Important matters prescribed by Presidential Decree concerning finances of the State and local governments" in Article 9 (1) of the Act means the following: No. 27544, Oct. 18, 2016>

1. Current status of the State claims and details of changes thereof;
2. National financial management plans under Article 7 of the Act;
3. The evaluation results of major fiscal projects under Article 8 (6) of the Act;
4. The tax expenditure budget under Article 142-2 of the Restriction of Special Taxation Act;

5. The State debt management plans under Article 91 of the Act;
 6. Deleted;
 7. Items determined by the Minister of Strategy and Finance in consultation with the Minister of Interior (referring to the Minister of Education in case of matters concerning local educational finance) from among items publicly announced pursuant to Article 60-2 (1) of the Local Finance Act.
- (2) The Minister of Strategy and Finance shall publicly announce the matters prescribed in Article 9 (1) of the Act.
 - (3) The details of operation situation of revenue and expenditure budgets mandated to be disclosed on the web-site pursuant to Article 9 (3) of the Act shall be as follows:
 1. Status regarding collection of tax revenues of each central government agency and status regarding execution of expenditure budgets;
 2. Status regarding operation of funds by each central government agency;
 3. Other details necessary to transparently disclose the situation of revenue and expenditure budgets, as determined by the Minister of Strategy and Finance.
 - (4) Heads of each central government agency shall disclose every month the details set forth in the subparagraphs of paragraph (3) by classifying them pursuant to Articles 21 (4) and 67 (3) of the Act: Provided, That if it is difficult to produce certain data every month due to their characteristics, the disclosure shall be done quarterly, biannually, or yearly, in accordance with the cycle of creation of such data.

Article 16 of the National Finance stipulates that "The Government shall strive to enhance transparency and citizens' participation in the budgetary process". Article 7-2 of the Enforcement Decree of the National Finance Act stipulates that the government should operate a official mechanism for channeling public opinions and voices regarding the budgetary matters.

Comment:

Please refer to the source above.

Peer Reviewer

Opinion: Agree

Comments: BOARD OF AUDIT AND INSPECTION ACT stipulates the audit and the settlement of the budget as follows: SECTION 2 Confirmation of Settlement of Accounts and Scope of Audit and Inspection of Accounts Article 21 (Confirmation of Settlement of Accounts) 조문단위 인쇄 The Board of Audit and Inspection shall confirm the settlement of accounts of revenues and expenditures of the State in accordance with the results of the audit and inspection of accounts. Article 22 (Matters Subject to Obligatory Audit) (1) The Board of Audit and Inspection shall audit the following matters: 1. Accounts of the State; 2. Accounts of local governments; 3. Accounts of the Bank of Korea and those of juristic persons to which the State or local governments have invested a majority or more of their capital stock; 4. Accounts of the agencies prescribed by other Acts to be subject to the audit by the Board of Audit and Inspection. (2) The audit under paragraph (1) and Article 23 shall include revenues and expenditures, acquisition, custody, management, disposal, etc. of properties (including articles, negotiable instruments and rights, etc.). Article 23 (Matters Subject to Optional Audit) The Board of Audit and Inspection may audit the following matters, where deemed necessary or at the request of the Prime Minister: 1. Receipts and disbursements of cash, articles or negotiable instruments owned by the State or local governments which are handled by the persons, other than State agencies or local governments, for the State or local governments; 2. Accounts of those persons to whom the State or local governments, either directly or indirectly, have given subsidies, bounties, grants-in-aid, contributions, etc. or have given fiscal assistance of loans, etc.; 3. Accounts of those persons to whom the persons referred to in subparagraph 2 have again given such subsidies, bounties, grants-in-aid, contributions, etc.; 4. Accounts of those persons to which the State or local governments have invested a part of their capital stock; 5. Accounts of those persons in whom the persons referred to in subparagraph 4 or Article 22 (1) 3 have invested; 6. Accounts of those persons whose debts are guaranteed by the State or local governments; 7. Accounts of those agencies which have been established by the provisions of Acts, other than the Civil Act or the Commercial Act, and all or some of the executives or the representative of which have been appointed or approved for appointment by the State or local governments; 8. Accounts concerning matters related with the contract of those persons who have concluded contracts with the State, local governments or those persons referred to in subparagraphs 2 through 6, or Article 22 (1) 3 or 4; 9. Accounts of those persons who manage a fund to which Article 5 of the National Finance Act shall apply; 10. Accounts of organizations, etc. to which those persons referred to in subparagraph 9 have contributed and subsidized funds from the fund. http://elaw.klri.re.kr/kor_service/lawView.do?hseq=33742&lang=ENG

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:

The framework legislation for information disclosure is The Official Information Disclosure Act which was enacted in 1997).

For budget transparency and participation at the subnational level, Article 39 of the Local Finance Act stipulates that local residents should be allowed to participate in the budget formulation process:

Article 39 (Residents' Participation in Budget Compilation Process of Local Governments) of Local Finance Act:

(1) The heads of local governments shall prepare and implement procedures (referred to as "participatory budgeting process" hereafter in this Article) for residents to participate in the budget compilation process, as prescribed by Presidential Decree.

(2) The heads of local governments shall collect the opinions of residents participating in the budget compilation process pursuant to paragraph (1) and a budget bill sent to local councils shall be accompanied by such opinions.

(3) The Minister of the Interior may evaluate the administration of the participatory budgeting process by local government, as prescribed by Presidential Decree. [This Article Wholly Amended by Act No. 10991, Aug. 4, 2011]

Comment:

Please refer to Source above.

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:

Executive Budget Proposal for FY 2019.

The revenues and expenditures are organized according to the administrative units and all of such units are listed in the EBP for FY2019.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

See the document "2019년도예산안" Administrative Units shown on pages 159-343.

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:

Yes, expenditures are organized first by administrative units and by 16 functions and 69 sub functions from p. 161 of the EBP for FY2019.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

See the document "2019년도예산안"

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 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 with some qualifications. Korea has more detailed categories for economic affairs such as "Industry, SMES, and Energy," "Agriculture, Forestry, and Fisheries," "Transportation and Logistics," and "Science and Technology." As such, Korea has 16 functions and 69 sub functions, compared to COFOG's 10 functions.

Comment:

I regard the Korean classification compatible with international standards since it is inevitable that each country has its unique policy priorities and preferences that reflect her socio-economic circumstances.

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:

Yes, the Supporting Documents for the EBP for FY2019 provides a classification of the expenditures for the entire government according to their economic objects, from p. 26, and for each of the administrative units from p. 1218.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

See the document "2019년도 예산안 첨부서류"

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 with some qualifications. The Korean economic classification comes with Transfer that includes Subsidies, Grants and Social Benefits, which is not really compatible with the IMF standards, but it does not really distort and undermines the classification itself and it appropriately takes into account the unique expenditure mechanisms for the government.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

See the document "2019년도 예산안 첨부서류"

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:

For each of the administrative units, the expenditure sub-functions are further classified into Programs and Projects. "The Executive Budget Proposal for FY 2019: Descriptions of Program and Projects" provides an expenditure classification for each Administrative Unit by Programs and Projects.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

See the document "2019년도예산안" Administrative Units shown on pages 159-343, with programs shown underneath each function and sub-function.

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:

c. Yes, multi-year expenditure estimates are presented by only one of the three expenditure classifications.

Source:

Korea does not provide multi-year expenditure estimates for individual administrative units, economic objects in the EBP for FY2019 or its Supporting Documents. For the National Financial Management Plan for 2018-2022, it provides expenditure estimates for 12 functions in p. 40 and programs from p. 49.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Document is also online here:

<http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

Answer:

Functional classification

Source:

Such multi-year expenditure estimates are for 12 functional categories, not for 16 functions. Those 10 functions are: Health/Welfare/Employment, Education, Culture/Sports/Tourism, R&D, Industry/SMEs/Energy, SOC, Agriculture/Forestry/Food, Environment, National Defense, Foreign Affairs/Unification, Public Order and Safety, and General Administration.

Comment:

No further comment is necessary.

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:

Here if you use "program" to mean any level of detail below an administrative unit, such as a ministry or department, I would go with "a" since the 2018-2022 National Financial Management Plan provides expenditure estimates for programs under the administrative ministries.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Document is also online here: <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: 2018-2022 National Management Plan provides estimates for major mandatory expenditure programs.

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

GUIDELINES:

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

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

Answer:

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

Source:

The information for revenues by sources is provided in pages 23-24 of the "EBP for FY2019: Overview". The revenue sources are: Personal Income Tax, Corporate Income Tax, Value-Added Tax, Excise Tax, Inheritance & Gift Tax, Securities Transaction Tax, Stamp Tax, and earmarked taxes such as Education Tax, Composite Property Tax, and Transportation/Energy/Environment Taxes. There is also "Other" category whose share is about 3.23%.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

See the document "2019년도 예산안 개요"

Comment:

Since the other categories of revenues are above 3%, this question scores B.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The Attached Document for the FY2018 Budget(p.14) and Explanatory Document for FY2018 Revenue and Expenditure Budget(vol.1) (pp.229-230) present individual sources of all tax revenue. <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020227&tabMenuType=BudgLaw&strPage=1>

Government Reviewer

Opinion: Agree

Researcher Response

I agree.

IBP Comment

Based on the FY 2019 budget (<http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020295&tabMenuType=BudgLaw&strPage=1>) as this document is available the researcher's revision to A is confirmed.

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

GUIDELINES:

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

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

Answer:

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

Source:

The revenues are broken down into multiple categories by administrative units in the EBP for FY2019 from page 15. Non-tax revenues include Revenues from Properties, Sale of Goods and Services, Sale of Public Assets, etc. These non-tax revenues are listed according to the line ministries and to their respective accounts and funds.

But, as for the general account fund for the Ministry of Economy and Finance, non-tax revenues are classified as Property Revenues, Transfer Revenues, Sale of Services/Goods, Loan/Loan Withdrawal, and Other. The share of these non-tax revenues is about 10.28%.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>
See the document "2019년도예산안"

Comment:

Since the share of unclassified revenue is above 3% this question scores B.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The Attached Document for the FY2018 Budget(pp.15-19) and Explanatory Documents for FY2018 Revenue and Expenditure Budget(vol.1-vol.5) present individual sources of all non-tax revenue in their totals and data of each ministry <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020227&tabMenuType=BudgLaw&strPage=1>

Government Reviewer

Opinion: Agree

Researcher Response

While noting the comment by the PR, I would still go with B here since although the the non tax revenues are broken down into subcategories, still at the subcategory level there are about 9.6% of revenues that are categorized as the "other". Having said that, if we are okay with the highest level of categorization (Property Revenues; Current Transfers-In; Sale of Goods and Services; Off-setting Revenues; Sale of Public Properties; Withdrawal of Loans; Loans; Internal and Other Revenues), I think the answer should be A, rather than B.

IBP Comment

The peer reviewer's and researcher's comments are confirmed. As the individual sources mentioned (Property Revenues; Current Transfers-In; Sale of

Goods and Services; Off-setting Revenues; Sale of Public Properties; Withdrawal of Loans; Loans; Internal and Other Revenues) are the third-level GFS classification revenues. Furthermore, the broad 'other' category has details at the individual source, meaning that there are no 'other' categories presented: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020295&tabMenuType=BudgLaw&strPage=1> see "2019년도 예산안 첨부서류" see Table 4, p. 18-19 The response is revised from B to A.

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

GUIDELINES:

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

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

Answer:

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

Source:

The National Financial Management Plan 2018-2022 provides revenues by tax, non-tax, off-budgetary fund sources up to 2022 in page 21.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Document is also online here: <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

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:

d. No, multi-year estimates for individual sources of revenue are not presented.

Source:

Estimates for individual sources of revenue are not provided in the EBP or its Supporting Documents for a multi-year period.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Estimates of total revenue classified into tax revenue, non-tax revenue, and public fund revenue are presented in the National Fiscal Management Plan 2018-2022(pp.21-23) for 5 years along with estimates of ratio of tax revenue to GDP.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>.

Government Reviewer

Opinion: Agree

Researcher Response

Yes, the revenue information is classified by Tax, Nontax, and Fund sources. However, I would rather not regard them as "individual" sources.

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

GUIDELINES:

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

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

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

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

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

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

Answer:

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

Source:

The total amounts of new debt by funds are stipulated in the EBP for FY2019 in pages 5-6.

The total amount for debt service is available in page 27 of the "EBP for FY2019: Supporting Document." This information is interest payments only, not principal repayment.

The information on total outstanding debt is available in page 7 of the National Financial Management Plan 2018-2022.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document "2019년도 예산안 첨부서류"

EBP Main Document – See the document "2019년도예산안"

National Financial Management Plan: Document is also online here <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

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:

The total amounts of new debt by funds are stipulated in the EBP for FY2019 in pages 5-6. The total amount for debt service is available in page 27 of the "EBP for FY2019: Supporting Document." The information on total outstanding debt is available in page 7 of the National Financial Management Plan 2018-2022. The information from page 7 of the National Financial Management Plan 2018-2022 includes the changes in total outstanding debt between FY2018 and FY2019 that should be net new borrowing.

Comment:

No further comment is necessary.

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:

b. Yes, the core information is presented for the composition of the total debt outstanding.

Source:

The required information is presented in the National Debt Management Plan 2018-2022 that is a supporting document to the National Financial Management Plan 2018-2022. The document provides estimates for maturity over the period by maturity of the debt. It also provides information on the percentage of debt owned by external holders.

It also presents information on estimates on interest payment over the year from which the overall interest rate on the debt can be deduced. However, the information on interests rates on the debt is not provided specifically for the budget year, only through 2017.

The Plan also provides the estimates for the portfolio of the national debt. Given the much information beyond the core information, I would go with "b" here.

Comment:

EBP Supporting document – See the document “2019년도 예산안 첨부서류”
<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

National Financial Management Plan: Document is also online here <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.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:

Maturity profile of the debt

Whether the debt is domestic or external

Information beyond the core elements (please specify)

Source:

The information includes 1) national debt by type (treasury bonds, loans, and obligations) and 2) interest payments by type of debt. I believe that some information provided by the Plan is much more in detail than the qualifications in Question 14, but detailed information on interest rates is rather missing.

Comment:

No further comment is necessary.

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:

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

Source:

The information on the macroeconomic forecast available from the EBP for FY2019 and its supporting documents is very scarce and minimal. The language for describing the macroeconomic prospect for the budget year is provided at the initial pages of the National Financial Management Plan 2018-2022, but is very much indicative rather than precise.

When it comes to GDP growth rate, it substitutes IMF's forecast for developed and developing countries (see p. 11). It does not provide any specific and point forecast for nominal GDP growth, inflation rate, interest rate, or real GDP growth in the main budget documents. The language is just generic and implicit. However, it provides a point forecast of economic growth for 2019 (see p. 36-37).

In page 2 of the Citizen Budget, it provides a point forecast of nominal economic growth at 4.4%.

So I would go with "c" here.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

National Financial Management Plan: Document is also online here <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented for the macroeconomic forecast.

Comments: MoEF presents the detailed economic outlook by releasing the report named 'Economic Policy Direction' which EBP is based on. So, EBP shows the summary of the economic outlook to avoid redundancy.

Researcher Response

The Economic Policy Direction for FY2019 was released on December 17, 2018 and it was not part of the EBP for FY2019. So, I do not think this document is qualified for this survey's consideration of the EBP.

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:

Real GDP growth

Source:

In page 2 of the Citizen Budget, it provides a point forecast of nominal economic growth at 4.4%.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Nominal GDP level and Real GDP growth

Comments: In the National Fiscal Management Plan FY2018-2023, nominal GDP level is included indirectly by presenting the estimates of budget deficit and national debt by their levels and ratios to GDP. <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002#>

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the peer reviewer for this comment. The implicit inclusion of nominal GDP because values are also shown as a percentage of GDP is not counted for this question, however - the nominal value used in fiscal projections is expected to be a value presented in the macroeconomic forecast. The researcher's initial response is confirmed.

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

(The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.)"

GUIDELINES:

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

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

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

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

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

Answer:

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

Source:

No relevant information can be found in the EBP for FY2019 or its supporting documents.

Comment:

No further comment necessary.

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:

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

Source:

There are three elements that are relevant for Question 17. The first element is the Section IV of the National Financial Management Plan 2018-2022 where a description of strategic resources allocation along the 12 functional categories of expenditures is provided. The description is most about summarizing key policy initiatives for furthering the objectives across these functional fields. The other element is the "100 Notable Projects for Citizens" that was released to the press along with the EBP for FY 2019 that provides estimates on expenditures and narrative discussions. It provides most of the new projects that amount to key policy initiatives and innovation for the budget year. The third element is from the pages 1201-1217 that lists all new policy initiatives and its budgetary allocations without a narrative discussion. So, I would go with "b" here.

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttld1=MOSF_00000000018791&searchBbsld1=MOSFBBS_000000000028

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I would go with "a" because policy objectives and changes after 5 years in key indicators are presented for new policy proposals in narrative words even though they are not very descriptive.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: MoEF released the 'The Overview of the Budget plan FY2019' in its Website on 28/8/2018. It describes the budget plan FY2019 by presenting the categories of important and different projects which would be started in 2019. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsld1=MOSFBBS_00000000028&searchNttld1=MOSF_00000000018791&menuNo=4010100

Researcher Response

Basically I disagree with the reviewers since to qualify for A here all new initiatives' expenditure implications are to be dealt with. As far as I look at the documents, new major, not all, initiatives are discussed.

IBP Comment

During an IBP review, the score for this question is revised from B to A. The cited document includes a narrative of the proposed new policies for the budget year. As the document also includes all major policies initiatives, this qualifies for an A score for cross-country consistency.

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:

d. No, information that shows how new policy proposals affect revenues is not presented.

Source:

No relevant information is provided in the EBP or its supporting documents. The Korean national budget is not really linking revenues and expenditures in a consistent manner. They are presented and discussed in a separate manner.

Comment:

No further comment is necessary.

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:

Yes, the required information is available from the “EBP for FY2019: Supporting Document” in pages 23-31 for the entire budget in a separate column along with the proposed level of expenditures for the budget year.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

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:

Yes, the required information is available from the “EBP for FY2019: Descriptions of Programs and Projects” in page 35 and on for all administrative units.

Comment:

No comment necessary.

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:

The "EBP for FY2019: Descriptions of Programs and Project" provides information for the current FY2018's approved budget (BY-1) and the proposed budget for FY2019. No such updating (new estimates) for the FY2018 is provided in the EBP for FY2019.

Comment:

No comment necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

22. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure for more than one year prior to the budget year (that is, BY-2 and prior years) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 22 asks if expenditure estimates for more than one year prior to the budget year (BY-2 and prior years) are presented by any of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-2 and prior years by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-2 and prior years must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-2 and prior years are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-2 and prior years are not presented by any of the three classifications

Answer:

d. No, expenditure estimates for BY-2 and prior years are not presented by any expenditure classification.

Source:

No information on expenditure estimates on BY-2 is available from the EBP for FY2019 or its supporting documents

Comment:

No further comment necessary.

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:

None of the above

Source:

No source is necessary here.

Comment:

No comment is necessary.

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:

The "EBP for FY2019: Performance Plans" provides expenditure information on individual projects over BY-2 years. Performance Plans for the ministries are available from the Open Fiscal Data portal: <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mid=B002>

Comment:

No further comment necessary.

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:

If the question is not about the total expenditures by functions, administrative units, or economic objects, I think the Performance Plans for individual ministries provide information on actual expenditures over BY-2 years for individual projects.

Comment:

No further comment necessary.

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:

The relevant information is provided in pages 14, 18-19 of the EBP for FY2019: Supporting Document.

Comment:

No further comment necessary here.

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:

The relevant information is provided in pages 14, 18-19 of the EBP for FY2019: Supporting Documents. The tax and non-tax sources are broken down into individual sources for FY2018 along with the proposed FY2019. Given that the "others" category takes up more than 3% of the total, "b" would be the correct answer.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-1.

Comments: In the page 14 of the Supporting Documents of the EPB for FY2018, the total tax revenue and the 'other' internal tax revenue of the general account are 260,881 billion Won and 3,446 billion Won respectively, and the latter is less than 3% of the former. Moreover, 'other' internal tax revenue is actually internal tax revenue of previous FYs collected in 2018, which is considered as one revenue item.

Government Reviewer

Opinion: Agree

Researcher Response

I think the PR has a point here. I am here referring to the the EBP for FY2019: Supporting Documents. When considering the tax and non-tax revenues together, I now find that the "other category" goes down to 2.77%. So, I am more than happy to change the answer to A.

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:

No such updating is reported in the EBP for FY2019 or its Supporting Document. The information for revenue for FY2018 was the approved budget for FY2018 only.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

28. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for more than one year prior to the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

b. No, revenue estimates for BY-2 and prior years are not presented by category.

Source:

No such estimates are available from the EBP for FY2019 or its supporting documents. Only BY-1 are presented.

Comment:

No more comment is necessary.

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:

b. Yes, individual sources of revenue accounting for at least two-thirds of, but not all, revenue are presented for BY-2 and prior years.

Source:

No such information is available from the EBP for FY2019 or its supporting documents. Only BY-1 are presented.

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree

Suggested Answer:

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-2 and prior years.

Comments: You can see the individual sources of revenue of BY-2 in the website below. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000018811&menuNo=4010100

Researcher Response

Yes, I can find the information in the press release. However, the EPB and its supporting documents that were submitted such information do not carry such information. So, I would rather not consider this press release qualified for this survey's purpose.

IBP Comment

During a cross-country consistency check, IBP confirms that this document can be assessed as part of the EBP package. While it is published separately from the other EBP documents, and it is not clear whether it is tabled with the EBP to Parliament, it is published on the MoF's website on the same day as the release of the other EBP documents and specifically speaks to the 2019 budget proposal revenue estimates. However, the release only covers the sources of tax revenue, not non-tax revenues, which account for around 10% of the total revenue for the government (see citations in Q9 and Q10). Therefore the score is revised from D to B.

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:

d. No actual data for all revenues are presented in the budget or supporting budget documentation.

Source:

No actual revenue outcome for previous fiscal years is provided in the EBP for FY2019 or its supporting documents. Only BY-1 is presented.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Comments: In the Source of the researcher, "Only BY-1 is presented" would be typo of "Only EPB figures of BY-1 is presented".

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Two years prior to the budget year (BY-2).

Comments: You can see the actual outcome of the revenue in 2017(BY-2) in the website below.

[http://www.moef.go.kr/nw/nes/detailNesDtaView.do?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000018811&menuNo=4010100)

[searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000018811&menuNo=4010100](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000018811&menuNo=4010100)

Researcher Response

This is the Economic Policy Direction for FY2019 that was released on December 17, 2018. This is not part of the EBP and it was released even when the EBP had been approved by the National Assembly.

IBP Comment

During a cross-country consistency check, IBP confirms that the press release cited by the government reviewer can be considered for this question (see response to Q29). However, as the press release only shows tax revenues, and not all revenues, the researcher's original response of D is confirmed.

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:

b. Yes, the core information is presented for government debt.

Source:

Some relevant basic information is available from the National Financial Management Plan 2018-2022 such total debt outstanding, amount of new borrowing, and interest payment. The information on interest rate is provided only for the major treasury bonds, not for others. The interest rates are provided for up to FY2017. The core and more detailed information is provided in the National Debt Management Plan 2018-2022 which is a supporting document for the National Financial Management Plan 2018-2022.

Comment:

No comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IBP Comment

The score for this question is revised from C in OBS 2017 to B in OBS 2019, because as per OBS methodology when there is one element missing (interest rates, only provided for the prior year and not the budget year), but there is information beyond the core as there is information beyond the core, but there is one element missing (interest rates only provided for the prior year).

32. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

GUIDELINES:

Question 32 asks for which year the actual outcome for debt is shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated its debt data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

It is essential that all government activities that may have an impact on the budget – in the current budget year or in future budget years – be fully disclosed to the legislature and the public in budget documents. In some countries, for instance, entities outside central government (such as public corporations) undertake fiscal activities that could affect current and future budgets. Similarly, activities that can have a significant impact on the budget, such as payment arrears and contingent liabilities, sometimes are not properly captured by the regular presentations of expenditure, revenue, and debt.

Answer:

a. Two years prior to the budget year (BY-2).

Source:

The National Debt Management Plan 2018-2022 provides the profiles of the actual debt by types for FY2017, and provides actual outcomes.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

National Financial Management Plan: Document is also online here <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

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:

c. Yes, information is presented, but it excludes some core elements or some extra-budgetary funds.

Source:

The EBP for FY2019 includes Plan for the Management of Extra-budgetary Funds for FY2019 that it was submitted to the National Assembly. It covers 67 off-budget funds for the Korean national government. The Plan for the Management of these funds is to be going through the same process for the Executive Budget Proposal; they are only given more flexibility in the execution compared to the Budget.

However, unfortunately, the Plan for the Management for Extra-budgetary Funds for FY2019 is not available from the Open Fiscal Data website as of May 4, 2019. (It is still not available as of July 31, 2019.) So, the answer would be "d" rather than "a".

Comment:

Honestly, I am not sure which choice option I should go for, but I think it is reasonable to assume that Question 33 is about the coverage of EBP for FY2019, not for its direct availability here. In addition, all of the discussions and press releases refer to both Proposed Budget and the Plan for the Management of Extra-budgetary Funds when they are talking about the overall size of the Korean national public finance. So, I think it is reasonable to choose "a" rather than "d" or "e" here.

Having said that, per the suggestions by the IBP staffers, I here tentatively go with "d" and want to wait for the responses from the governmental reviewer.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for all extra-budgetary funds.

Comments: Under the National Finance Act, Ministry of Economy and Finance(MOEF) sets up the Fund Management Evaluation Group which evaluates fund operation and asset management every year. MOEF sends the evaluation reports to the National Assembly by the end of May after being approved by the Cabinet meeting. The reports and EPB contain all the core information. The FY2017 evaluation reports of 800 pages for the asset management and of 1014 pages for management were posted on the MOEF website on June 1, 2018 and July 4, 2018 respectively.

[http://www.moef.go.kr/com/bbs/detailComtPolbbsView.do?](http://www.moef.go.kr/com/bbs/detailComtPolbbsView.do?menuNo=5020200&searchNttId1=MOSF_00000000017574&searchBbsId1=MOSFBBS_00000000039)

[http://www.moef.go.kr/com/bbs/detailComtPolbbsView.do?](http://www.moef.go.kr/com/bbs/detailComtPolbbsView.do?menuNo=5020200&searchNttId1=MOSF_00000000017969&searchBbsId1=MOSFBBS_00000000039)

http://www.moef.go.kr/com/bbs/detailComtPolbbsView.do?menuNo=5020200&searchNttId1=MOSF_00000000017969&searchBbsId1=MOSFBBS_00000000039 National Finance Act Article 82 (Evaluation of Fund Management) (1) The Minister of Strategy and Finance shall conduct surveys and evaluations of the management state of at least 1/3 of all funds each fiscal year, as prescribed by Presidential Decree, and shall make an assessment once every three years as to whether to allow each of such funds to continue, taking into consideration the entire financial system. (2) The Minister of Strategy and Finance may operate the fund management evaluation team for the surveys and evaluations of the status of fund management pursuant to the provisions of paragraph (1), and the specialized and technical research or consulting on the fund system. (3) The Minister of Strategy and Finance shall report to the State Council the results of the evaluation conducted pursuant to paragraph (1) or (2), and then submit a report to the National Assembly along with the national statement of accounts submitted to the National Assembly pursuant to Article 61 (4) Necessary matters concerning the organization and management of the fund management evaluation team under the provisions of paragraph (2) shall be prescribed by Presidential Decree.

Government Reviewer

Opinion: Agree

Researcher Response

The PR's document is not part of the EBP, but an evaluation of the previous year's operations of the extra-budgetary funds. So, I do not think it qualifies for this survey's intent. While checking on the open fiscal data web portal, I can now see the Fund Management Plans even for FY2020. Having said that, given my consideration in the initial response, I would like to go with C here since the budget totals and other considerations in the EBP actually take into account the operation of the extra-budgetary funds.

34. Does the Executive's Budget Proposal or any supporting budget documentation present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year?

GUIDELINES:

Question 34 asks whether the Executive's Budget Proposal or supporting documents present the finances of the central government on a consolidated basis, showing both its budgetary and extra-budgetary activities. Virtually all of the questions in the OBS questionnaire focus on budgetary central government – the activities of the ministries, departments, or agencies of central government. In addition, Question 33 asks about extra-budgetary funds, such as social security funds that are not included in the budget.

Coverage is an important aspect of fiscal reporting. Budget documents should cover the full scope of government's financial activity. In many countries, extra-budgetary activities are substantial, and can represent a sizable share of the central government's activities. To get a full picture of the central government's finances, therefore, it is necessary to examine both activities that are included in the budget and those that are extra-budgetary. This question asks whether such a consolidated presentation of central government finances is provided.

The central government is only one component of the overall public sector. The public sector also includes other levels of government, such as state and local government, and public corporations. (See Box 2.1 under Principle 1.1.1 of the IMF's Fiscal Transparency Handbook (2018):

<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml> For the purpose of answering this question, please consider only the central government level.

In order to answer "a," the Executive's Budget Proposal or supporting documentation must present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year.

Answer:

a. Yes, central government finances are presented on a consolidated basis.

Source:

Specifically speaking, the National Financial Management Plan is dealing the the Budget and Extra-budgetary funds on a consolidated basis when it comes to the size of revenues and expenditures and governmental debt over the period of 2018-2022.

For example, please refer to the table in page 7 of the Plan. All the numbers are on a consolidated basis.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

National Financial Management Plan: Document is also online here <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

35. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of intergovernmental transfers for at least the budget year?

GUIDELINES:

Question 35 asks about intergovernmental transfers. In many cases, the central government supports the provision of a good or service by a lower level of government through an intergovernmental transfer of funds. This is necessary because, independent from the level of administrative decentralization that exists in a given country, the capacity for revenue collection of a local government is unlikely to be sufficient to pay for all its expenses. However, because the activity is not being undertaken by an administrative unit of the central government, it is unlikely to receive the same level of review in the budget. Thus it is important to include in the budget proposal a statement that explicitly indicates the amount and purposes of these transfers.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all intergovernmental transfers and a narrative discussing these transfers. If a narrative discussion is not included, but estimates for all intergovernmental transfers are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all,

intergovernmental transfers (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of intergovernmental transfers are presented.

Answer:

b. Yes, estimates of all intergovernmental transfers are presented, but a narrative discussion is not included.

Source:

I would go with "b" here for two reasons. The first is that the total amount of intergovernmental transfers is presented in page 26 of the EBP for FY2019: Supporting Document with no narrative discussion. The second is that subsidies to local governments are broken down by administrative units in pages 1134-1139 of the EBP for FY2019: Supporting Document. The third issue is that there are at least three broad categories of transfers, local shared tax, national subsidies, and transfer for education and that such information is not provided in the EBP and its supporting documents.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

Peer Reviewer

Opinion: Agree

Comments: As the researcher mentioned, the total amount of intergovernmental transfers, 147.5 billion Won, is presented on page 26 of the EBP for FY2019. <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020295&tabMenuType=BudgLaw&strPage=1> And on the page 1226 of the document shows the total 147.5 billion Won of intergovernmental transfers by ministries. Transfer of the Ministry of the Interior and Safety(no.18), 53.7 billion Won is the local shared tax. Transfer of the Ministry of Education(no.12), 55.9 billion Won, is transfer for education to local education authorities, and other transfers by other ministries are national subsidies.

Government Reviewer

Opinion: Agree

36. Does the Executive's Budget Proposal or any supporting budget documentation present alternative displays of expenditures (such as by gender, by age, by income, or by region) to illustrate the financial impact of policies on different groups of citizens, for at least the budget year?

GUIDELINES:

Question 36 asks about "alternative displays" of expenditures that highlight the financial impact of policies on different groups of citizens. As discussed above, expenditures are typically presented by at least one of three classifications – administrative, functional, and economic classifications (see Questions 1-5) – and by individual program (Question 6). In addition, governments can provide alternative displays to emphasize different aspects of expenditure policies and to show who benefits from these expenditures.

For the purpose of answering this question, the alternative presentation must differ from the presentations (such as administrative, functional, or economic classifications or presentation by program) used to answer other questions. The alternative display can cover all expenditures or only a portion of expenditures. For instance, it can show how all expenditures are distributed according to geographic region or it can show how selected expenditures (such as the health budget or the agriculture budget) are distributed to different regions. But such a geographic display must be something different than the presentation of intergovernmental transfers used to answer question 35. One exception is when a country includes a special presentation of all policies intended to benefit the most impoverished populations (and is used to answer Question 52) then that can be considered an alternative display for purposes of answering this question as well. Finally, brief fact sheets showing how proposals in the budget benefit particular groups would be insufficient; only more detailed presentations would be considered.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?"

(<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of the importance of alternative displays of budget information and provides a number of examples. For instance,

- Bangladesh in its 2017-18 Budget included a detailed supplementary Gender Budgeting Report, which presents the spending dedicated to advancing women across various departments. (<https://mof.portal.gov.bd/site/page/3bb14732-b5b1-44df-9921-efedf1496295>).
- The UK's 2017 budget included a supplementary analysis that provided a distributional analysis of the budget by households in different income groups (see https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661465/distributional_analysis_autumn_budget_2017.pdf)
- South Africa's 2017 Budget Review goes beyond the standard presentation of intergovernmental transfers, discussing the redistribution that results from national revenue flowing to the provinces and municipalities and presenting the allocations on a per capita basis (see chapter 6, <http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBR.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must include at least three different presentations that illustrate the financial impact of policies on different groups of citizens for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must include at least two different alternative displays of expenditures. A "c" applies is only one type of alternative display of expenditure is presented. Answer "d" applies if no alternative display of expenditure is presented.

Answer:

c. Yes, one alternative display of expenditures is presented to illustrate the financial impact of policies on different groups of citizens.

Source:

The EBP for FY2019 comes with a Gender Responsive Budget that considers public projects in terms of the differential effects of the budget between men and women. Basically the Gender Responsive Budget aims to improve gender equality in the impacts from the national resource allocations across those projects. Other than GRB, Korea does not pay comparable attention to dividing lines in the budgetary consequences for different income and/or age groups and regions.

Comment:

See the document "2019년도 성인지(性認知) 예산서"

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

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:

Policy impacts based on gender

Source:

The EBP for FY2019 comes with a Gender Responsive Budget that considers public projects in terms of the differential effects of the budget between men and women. Basically the Gender Responsive Budget aims to improve gender equality in the impacts from the national resource allocations across those projects. Other than GRB, Korea does not pay comparable attention to dividing lines in the budgetary consequences for different income and/or age groups and regions.

Comment:

No further comment necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

37. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of transfers to public corporations for at least the budget year?

GUIDELINES:

Question 37 asks about transfers to public corporations. It is often the case that governments have a stake in enterprises that manage resources that are particularly relevant for the public good (such as electricity, water, and oil). While these public corporations can operate independently, in some cases the government will provide direct support by making transfers to these corporations, including to subsidize capital investment and operating expenses.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all transfers to public corporations and a narrative discussing the purposes of these transfers. If a narrative discussion is not included, but estimates for all transfers to public corporations are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, transfers to public corporations (regardless of whether it also includes a narrative discussion). Answer "c" also applies if estimates of transfers to public corporations are presented as a single line item. Answer "d" applies if no estimates of transfers to public corporations are presented.

Answer:

c. Yes, estimates of some but not all transfers to public corporations are presented.

Source:

In pages 1153-1191 of the EBP for FY2019: Supporting Document, the EBP provides information on the transfers to 13 governmental corporations without a narrative. And, in pages 1130-1133 of the same document, investment to 38 state-owned enterprises is reported up to June 2018 with a narrative description, which means that the EBP does not provide any estimates for such transfers to state-owned enterprises for FY2019. So, I would go with "C" rather than "b".

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: All Public Information In-One(ALIO system) is a portal site where all 339 public entities including 36 public enterprises publicly post their information of 42 items classified into 5 groups: general, operation, major business and performance, internal/external evaluation, and public notice.

The item 18, revenue and expenditure, includes transfers from the government with individual program the transfer is given to and type of the transfer. <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mld=B002> <http://www.alio.go.kr/home.do>

Government Reviewer

Opinion: Agree

Researcher Response

The ALIO system is for information disclosure from the Korea's State Owned Enterprises. The information there is not about estimates of transfers from the government for future years, which means that it is not relevant in dealing with transfer forecasts in the EBP,

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:

In Korea, quasi-fiscal activities are typically conducted via public financial institutions and other state-owned enterprises. Information on the activities of the state-owned enterprises is not provided in the EBP for FY2019, while some information on governmental investment on such enterprises is provided up to FY2018.

Comment:

No further comment necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, information is presented, but it excludes some core elements or some quasi-fiscal activities.

Comments: In addition to the budget, the Korean government runs 67 funds among which 27 funds actively use loan to the private sector.

Information on the level and its change from the previous year for individual fund are presented in the Supporting Document for Reviewing Fund Operation Plan. <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020226&tabMenuType=BudgLaw&strPage=1> Also, Pursuant to the law, Expenditure Budget for Special Cases concerning State Property is submitted to the National Assembly. The document provides the purpose of the special treatment such as exemption of useage fees and numerical data., ACT ON REGULATION OF SPECIAL CASES OF STATE PROPERTY Article 10 (Preparation of Expenditure Budget for Special Cases concerning State Property) (1) The Minister of Strategy and Finance shall prepare a report in which the actual outcomes of funding in the immediately preceding fiscal year according to special cases concerning State property, such as reduction of and exemption from fees, etc., transfer, etc., and the estimated amount of funding in the relevant year and the next year are analyzed by types of special cases concerning State property (hereinafter referred to as "expenditure budget for special cases concerning State property"). (2) When necessary for preparing an expenditure budget for special cases concerning State property, the Minister of Strategy and Finance may request the heads of the central government agencies to submit data. (3) Matters concerning the specific method of preparing an expenditure budget for special cases concerning State property shall be prescribed by Presidential Decree.

Government Reviewer

Opinion: Agree

Researcher Response

The information on the off-budget funds is actually included in the EBP. So, the activities by the extra budgetary funds are actually regarded as fiscal, not quasi-fiscal, activities. What I am looking for here is the operations of the state-owned enterprises and public financial institutions. Such information is largely missing from the EBP except for some minimal information of transfers-out to them. So, I would stick with D. But if you believe that such transfer information is relevant. I am willing to change to D.

IBP Comment

The activities described by the peer reviewer do not appear to clearly be quasi-fiscal activities undertaken by SOEs or public corporations, but, as the researcher states, fiscal activities of extra-budgetary funds. Since there is no clear discussion of quasi-fiscal activities in the budget, therefore, the researcher's response of D is confirmed.

39. Does the Executive's Budget Proposal or any supporting budget documentation present information on financial assets held by the government for at least the budget year?

(The core information must include a listing of the assets, and an estimate of their value.)

GUIDELINES:

Question 39 focuses on financial assets held by the government, asking whether "core" information related to these assets is presented. These core components include:

- A listing of the financial assets; and
- An estimate of their value.

Governments own financial assets such as cash, bonds, or equities. Unlike private sector businesses, however, few governments maintain balance sheets that show the value of their assets and liabilities.

Beyond the core information, some governments may also provide other information about financial assets, including for example: a discussion of their purpose; historical information on defaults; differences between reported values and market values; and a summary of financial assets as part of the government's balance sheet.

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

Answer:

d. No, information related to financial assets is not presented.

Source:

In pages 1104-5 of the EBP for FY2019: Supporting Document, the EBP provides a very brief information on the total value of financial assets by the government as of June 2018. It does not provide information on the estimation of financial assets for the budget year, FY2019. So, I go with "d" instead of "c" here.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for all financial assets.

Comments: The MOEF portal for Open Fiscal Data System provides in-depth financial statements from FY2011, including Financial Position Statement for the whole nation, for accounts and funds, and for departments. All financial data, including amounts of financial assets are provided.

http://www.moef.go.kr/st/financstats/finanIndex.do?bbsId=MOSFBBS_000000000049&menuNo=6040000

<http://www.openfiscaldata.go.kr/fdata/3Y07DS6E78AF4G5L7W01222074>

Government Reviewer

Opinion: Agree

Researcher Response

The issue here is about the estimates for the Budget Year, not for the current year or the previous years.

40. Does the Executive's Budget Proposal or any supporting budget documentation present information on nonfinancial assets held by the government for at least the budget year?

(The core information must include a listing of the assets by category.)

GUIDELINES:

Question 40 focuses on nonfinancial assets held by the government, asking whether "core" information related to these assets is presented. The core information is a listing of nonfinancial assets, grouped by the type (or category) of asset.

Nonfinancial assets are things of value that the government owns or controls (excluding financial assets) such as land, buildings, and machinery. The valuation of public nonfinancial assets can be problematic, particularly in cases where the asset is not typically available on the open market (such as a government monument). In these cases, it is considered acceptable to provide summary information in budget documents from a country's register of assets. But, in some cases, governments are able to value their nonfinancial assets; some present a summary of nonfinancial assets as part of their balance sheets. For an example of how nonfinancial assets are presented in one of the many supporting documents to the New Zealand Executive's Budget Proposal, see the Forecast Financial Statement 2011, Notes to the Financial Statements (Continued), Note 14, accessible here: <https://treasury.govt.nz/sites/default/files/2011-05/befu11-pt6of8.pdf>.

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

Answer:

d. No, information related to nonfinancial assets is not presented.

Source:

In pages 1104-5 of the EBP for FY2019: Supporting Document, the EBP provides a very brief information on the values of non-financial assets by types as of June 2018. It does not provide information on the estimation of non-financial assets for the budget year, FY2019. So, I go with "d" instead of "c" here.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for all nonfinancial assets.

Comments: Refer to the comment for the previous question.

Government Reviewer

Opinion: Agree

Researcher Response

No, they are not for the budget year (FY2019).

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:

As far as I examined the EBP for FY2019 and its supporting documents, no such information is provided. However, I am not entirely sure whether such arrears are not reported or whether they are not planned to happen during the budget year. But, from the soundness of the national finance in Korea, my hunch is that they would not plan for such to occur.

In cases of substantial revenue shortfalls or expenditure adjustments that are not expected at the time of budget preparation or approval, the South Korean government should submit a Supplementary Budget to deal with such situation, which prevent the accrual of any expenditure arrears.

So, I would go with "e" rather than "d" here.

Comment:

No further comment necessary.

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:

d. No, information related to contingent liabilities is not presented.

Source:

As far as this reviewer searched the EBP and its supporting documents, no information on contingent liabilities including loan guarantees is reported. The Korean government is required to prepare a National Plan for National Guarantee Obligations over a midterm along with the EBP(National Finance Act Article 9-2), but such plan is not available from the open access sources including the Open Fiscal Data.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The Open Fiscal Data provides information on government loan guarantees such as loan guarantee for Korea Student Aid Foundation, which includes its size and ration compared to GDP. <http://www.openfiscaldata.go.kr/fdata/9DQF7E72M4Z89V8S128M4946190>

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for all contingent liabilities.

Comments: ■ Korean government is required to submit a supporting document of Government debt management plan for the budget year to the National Assembly. The eligible securities, ceiling for government contingent liabilities, and the like, are approved by the National Assembly ■ The Korean government is also required to produce and report the plan for next five years of government-guaranteed liability management to the National Assembly.

Researcher Response

Basically I disagree with the reviewer. First of all, the Open Fiscal Data does not deal with the estimate for the Budget Year, FY2019. Second, as far as this researcher examines, the Supporting Document for the National Financial Management Plan for 2018-2022, specifically, the National Debt Management Plan, does not deal with contingent liabilities. As I initially responded, the National Plan for the National Guarantee Obligations is not available from the open access sources yet. So, I would like to stick with D here.

IBP Comment

The researcher's response is confirmed - contingent liabilities should be presented for the upcoming budget year (2019), not prior fiscal years, and if this information is not presented as part of the EBP package it is not counted for this question. The score of D is confirmed.

43. Does the Executive's Budget Proposal or any supporting budget documentation present projections that assess the government's future liabilities and the sustainability of its finances over the longer term?

(The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

GUIDELINES:

Question 43 focuses on government's future liabilities and the sustainability of its finances over the longer-term, asking whether "core" information related to these issues is presented. These core components must include:

- *Projections that cover a period of at least 10 years.*
- *The macroeconomic and demographic assumptions used in making the projections.*
- *A discussion of the fiscal implications and risks highlighted by the projections. Good public financial management calls for budgets to include fiscal sustainability analyses.*

The IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) recommends that governments regularly publish the projected evolution of the public finances over the longer term (see Principle 3.1.3.). Future liabilities are a particularly important element when assessing the sustainability of public finances over the long term. Future liabilities are the result of government commitments that, unlike contingent liabilities, are virtually certain to occur at some future point and result in an expenditure. A typical example consists of government obligations to pay pension benefits or cover health care costs of future retirees. Under a cash accounting system, only current payments associated with such obligations are recognized in the budget. To capture the future impact on the budget of these liabilities, a separate statement is required.

Beyond the core information, some governments may also provide other information about the sustainability of their finances, including for example: projections that cover 20 or 30 years; multiple scenarios with different sets of assumptions; assumptions about other factors (such as the depletion of natural resources) that go beyond just the core macroeconomic and demographic data; and a detailed presentation of particular programs that have long time horizons, such as civil service pensions.

For more details on future liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

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

Answer:

d. No, information related to future liabilities and the sustainability of finances over the longer term is not presented.

Source:

The National Financial Management Plan only covers five years. The Article 2(3) of the Enforcement Decree of the National Finance Act stipulates that "(3) The Minister of Economy and Finance shall offer long-term financial forecasts under Article 7 (2) 2 of the Act at least once every five years for a period of longer than 40 fiscal years." But, such long term forecast information for fiscal liabilities is not included in the EBP or its supporting document.

Comment:

No further comment necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

44. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of the sources of donor assistance, both financial and in-kind, for at least the budget year?

GUIDELINES:

Question 44 asks about estimates of donor assistance, both financial and in-kind assistance. Such assistance is considered non-tax revenue, and the sources of this assistance should be explicitly identified. In terms of in-kind assistance, the concern is primarily with the provision of goods (particularly those for which there is a market that would allow goods received as in-kind aid to be sold, thereby converting them into cash) rather than with in-kind aid like advisors from a donor country providing technical assistance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all donor assistance and a narrative discussing the assistance. If a narrative discussion is not included, but estimates for all donor assistance are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, donor assistance (regardless of whether it also includes a narrative discussion). Answer "c" also applies if the sources of donor assistance are not presented, but the total amount of donor assistance is presented as a single line item. Answer "d" applies if no estimates of donor assistance are presented. Select answer "e" if your country does not receive donor assistance.

Answer:

e. Not applicable/other (please comment).

Source:

I could not find any such information in the EBP for FY2019. Korea is now a member of those countries that provide aids for developing and less developed countries .

Comment:

As Korea does not receive any donor financing, the correct answer here is E.

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:

a. Yes, information beyond the core elements is presented for all tax expenditures.

Source:

The Korean government keeps track of the various tax expenditure programs and reports its key profiles in its Tax Expenditure Budget and submits it to the National Assembly as a supplementary document. The Tax Expenditure Budget for FY2019 is available at the following link:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Comment:

See the document "2019년도 조세지출예산서"

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:

b. Yes, estimates of all earmarked revenues are presented, but a narrative discussion is not included.

Source:

The information on the earmarked revenue sources and their respective amounts is reported in page 14 of the EBP for FY2019: Supporting Document, but without any narrative discussion.

Specifically, in addition to the general account (fund), the Korean government maintains 19 special accounts to pursue particular purposes with more stable and predictable fund sources. The revenues into these special accounts are essentially earmarked for expenditures for projects and activities that are consistent with the purposes of such special accounts.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document "2019년도 예산안 첨부서류"

Peer Reviewer

Opinion: Agree

Comments: EBP Supporting document, "2019년도 예산안 첨부서류", can be accessed by the following link:

<http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=L110020295&tabMenuType=BudgLaw&strPage=1> Revenues of earmarked taxes are present on page 4, and revenues of different sources for special accounts are present on pages 33-310.

Government Reviewer

Opinion: Agree

47. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals.

The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

a. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, along with a narrative discussion.

Source:

The various accompanying documents to the EBP for FY2019 try to highlight the policy goals the government aims to achieve. Some of them are the Performance Plan for each department, the key resource allocation directions from the National Financial Management Plan, and the 100 Notable Projects for Citizens.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document "2019년도 예산안 첨부서류"

EBP Main Document – See the document "2019년도예산안"

EBP for FY2019: Overview - See the document "2019년도 예산안 개요"

National Financial Management Plan: Document is also online here <http://ww2.mynewsletter.co.kr/kcplaa/201809-2/issue2.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

48. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for a multi-year period (for at least two years beyond the budget year)?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

a. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, along with a narrative discussion.

Source:

The "EBP for FY2019: Overview for Citizens" provides information on resource allocations for the broadly defined policy goals for the 12 functional areas over the budget year. Such discussion on resource allocation and policy goals is extended over the 5-year period in the National Financial Management Plan 2018-2022. So, unlike in the previous round of the Survey, I would like to go with "a" instead of "c".

Comment:

No further comment is necessary.

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:

b. Yes, nonfinancial data on inputs are presented for all administrative units (or functions) but not for all (or any) programs.

Source:

Personnel data for all administrative units is provide in pages 970-983 in the EBP for FY2019: Supporting Document, but information on other than personnel inputs is not available. I think that this qualifies the Korean EBP for "b" rather than "c".

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

EBP Supporting document – See the document “2019년도 예산안 첨부서류”

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:

The 2019 Performance Plan (2019년도 성과계획서) for each department/agency provides a series of measures for outputs and outcomes for each projects for the budget year. The Performance Plans are available at the following link:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Comment:

No further comment is necessary.

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:

Each department's Performance Plan specifically assigns performance targets for the pre-established measures of results (outputs and outcomes) from each of the projects.

Comment:

No further comment necessary.

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 and http://www.finance.gov.pk/survey_1718.html).

To answer "a," the Executive's Budget Proposal or supporting documentation must for at least the budget year both present estimates covering all policies that are intended to benefit the most impoverished populations and include a narrative discussion that specifically addresses these policies. (For countries using program budgeting that breaks out individual anti-poverty programs, there should be a separate narrative associated with each such program.) Answer "b" if a narrative discussion is not included, but estimates for all policies that are intended to benefit the most impoverished populations are presented. Answer "c" if the presentation includes estimates covering only some, but not all, policies that are intended to benefit the most impoverished populations (regardless of whether it also includes a narrative discussion). Answer "d" if no estimates of policies that are intended to benefit the most impoverished populations are presented.

Answer:

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:

The Korean EBP does not classify expenditures by different income groups. Having said that, the EBP for FY2019: Overview for Citizens provides some information on how the government plans to allocate budgetary resources for the nation's less fortunately individuals and families in pages 11-19 and 34-41. I believe such information comes with some narrative discussions, which makes it go beyond "c" while not covering all policies. So, I feel comfortable to choose "b" rather than "c" to Question 52.

Comment:

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>
EBP for FY2019: Overview For Citizens - See the document "'내 삶의 플러스' 2019년 활력예산안"

Peer Reviewer
Opinion: Disagree
Suggested 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.

Comments: The document the researcher mentioned, "'내 삶의 플러스' 2019년 활력예산안" can be accessed by the following link. http://www.moef.go.kr/com/synap/synapView.do?atchFileId=ATCH_000000000008841&fileSn=2 On the page 4, it is reported that the welfare area gets the biggest increase of 17.6 billion Won (144.6-->162.2 billion Won), and the ratio to the total expenditure increases from 33.7% to 34.5%. On pages 9-62, key policy initiatives with budget numbers are explained, and on pages 63-86 budget allocation among 12 functional areas is present with budget amounts of areas and sectors. Based on these comment, I would go to "a"

Government Reviewer
Opinion: Disagree
Suggested 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.

Comments: As the previous comment says, FY2019: Overview for Citizens shows how the government plan to allocate budgetary resources for the country's most impoverished populations with some narratives.

Researcher Response

As indicated in my initial response, I cannot say that the EBP provides the information on all of such projects with narrative discussions, but certainly it provides such information on the major projects targeting the impoverished population with narratives. That is why I felt uncomfortable with going with C since C does not talk about narratives. In a nutshell, I cannot say that all expenditure information on all projects for the poor is provided with narrative discussions, which makes Korea not qualified for A, but B at most.

IBP Comment

During an IBP cross-consistency check the score is revised from B to A, as the South Korean budget presents the major programs that impact poverty, as well as a summary in the Overview for Citizens document with a narrative about budget resources for impoverished groups. In comparison to presentations in other countries, this is enough information to qualify for an A score, even as the researcher is correct that a more detailed accounting to ensure that the coverage of the report includes all programs.

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:

b. Yes, a timetable is released, but some details are excluded.

Source:

The press release, in page 3, regarding the Guidelines for Budget Preparation and Formulation of the Extrabudgetary Fund Management Plan briefly indicates the timeline for preparing and submitting the EBP for FY2019, specifically referring to the due date for the submission of departmental budget requests and the submission of presidential budget proposal to the National Assembly. I believe it lacks more detailed timeline for the National Fiscal Strategy Meeting, National Participatory Budgeting, National Fiscal Advisory Board Meeting, the Joint Meeting between the Government and the Ruling Party, reporting to the President, and the Cabinet Approval. In addition, such timeline information is buried in the press release, rather than being provided to the public on a separate more noticeable occasion. Having said that, the budgetary timeline should be a common knowledge for those who aspire to participate in or monitor the budgetary process over the budget season

On the other hand, the National Finance Act provides the timeline for the budgetary process including the submission of the EBP to the National Assembly, the date for the approval of the budget, and the schedule for handling the Audit Report. https://elaw.klri.re.kr/kor_service/lawView.do?hseq=46680&lang=ENG

So, "b" is more appropriate than "c".

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

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

Comments: Some events cannot set certain date because Government has to make an appointment with related people and group. However, people can anticipate the period when these events will be held, so it does not mean that some details are excluded.

IBP Comment

The researcher's response is confirmed, as details that should have dates are not disclosed for each budget year. This includes the Fiscal Strategy Meeting, the Joint Meeting between the Government and the Ruling Party, reporting to the President, and the Cabinet Approval. Since those key dates are missing, a B score is confirmed.

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:

d. No, information related to the macroeconomic forecast is not presented.

Source:

Information on macroeconomic prospect for the budget year can be found in pages 2-3 of the PBS, but the language is very minimal and not directly dealing with the Korean economy. It only tangentially refers to the macroeconomic context against which budget for FY2019 is to be formulated.

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000016415&menuNo=4010100#

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, information related to the macroeconomic forecast is not presented.

Comments: As the researcher commented, the prospect of the Korean economy is very briefly mentioned., but the core information is not presented in the PBS.

Government Reviewer

Opinion: Agree

Comments: MoEF presents the detailed economic outlook by releasing the report named 'Economic Policy Direction' which EBP is based on. So, PBS shows the summary of the economic outlook to avoid redundancy.

Researcher Response

The Economic Policy Direction for FY2019 was released on December 17, 2018. So, this document is irrelevant in discussion macroeconomic considerations for drafting budget for FY2019. As for the PR's comment, I think that the PBS at least provides some inklings about what the economic would look like during the budget year. So, I think Korea qualifies for C, rather than D.

IBP Comment

As no values are provided specifically on the Korean economic forecast for 2019, and only global estimates from the IMF for other countries and regions, for cross-country consistency purposes this score is revised from C to D. As the researcher notes, there are two lines that discuss the trend in growth for Korea, based on the global projections, but nothing specific on values or projections for Korea.

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:

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

Source:

The PBS provides the key policy priorities and directions in allocating the budgetary resources over the 12 functional areas in pages 4-27. It does not provide any inkling of an estimate of total expenditures. The expenditure ceilings are notified to the line ministries but such information is not disclosed in Korea yet.

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented for the government's expenditure policies and priorities.

Comments: On the p.4 of the PBS and on the first page of the press release, it is stated that the total expenditure will be expansionary through higher increase rate than 5.7% planned in the 2017-2011 National Fiscal Management Plan.

Government Reviewer

Opinion: Disagree

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

Comments: The total amount of the expenditure is determined after the National Fiscal Strategy Meeting, which is held after releasing the PBS (Ministries need enough time to prepare for the budget demand, so PBS is released quite early in the year). So it is natural that PBS cannot show the estimate of the total expenditure.

Researcher Response

In the PBS, expenditure policies are discussed, while expenditure estimates are not provided. As for the government reviewer's point, the National Fiscal Strategy meeting is usually held after the PBS is announced. Having said that, still the expenditure estimates are not disclosed to the public. So, I would like to stick with my original answer.

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:

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

Source:

The PBS does not provide any discussion of the revenue side at all.

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000016415&menuNo=4010100#

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Revenue policies and priorities are presented in the PBS. On page 5, it is stated that revenue base will be expanded through restructuring expenditures, realigning similar special accounts and funds, dealing with offshore tax evasion, and utilizing state properties. On page 31, it provides detailed guidelines for preparing the revenue budget, especially for non-tax revenue including state properties.

http://www.moef.go.kr/com/synap/synapView.do?atchFileId=ATCH_00000000007736&fileSn=2

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for the government's revenue policies and priorities.

Comments: In the page of 9 and 31 of the PBS(FY 2019), there are some information about the revenue policies and guidelines to get more revenue.

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_000000000028&searchNttId1=MOSF_000000000016415&menuNo=4010100

Researcher Response

I basically disagree with the reviewers' points since the language about revenue policies are not really about specific policies, but rather either a general approach in fiscal management or a technical guideline in preparing for revenue budget. So, I would like to stand by my original response.

IBP Comment

Based on the researcher's response and the peer reviewers' response, as part of IBP's cross-country consistency checks the discussion about offshore tax evasion and utilizing state properties counts as a discussion of revenue policy for this question. As there is no projection of revenue totals for the BY, however, the score is only revised from D to C.

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:

d. No, none of the three estimates related to government borrowing and debt are not presented.

Source:

No information is provided at all about debt and debt policies for the budget year in the PBS.

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

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:

b. No, multi-year expenditure estimates are not presented.

Source:

No information on estimates of total expenditures for a multi-year period is presented in the PBS at all.

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

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:

b. Yes, the Enacted Budget presents expenditure estimates by two of the three expenditure classifications.

Source:

The EB for FY2019 classifies the estimated expenditures by administrative units, functions and sub function and by fund accounts. It does not provide a classification by economic objects.

The entire budget (revenues and expenditures) are first classified by administrative units, then by functions/subfunctions, and fund accounts. The information is not provided in a simple summary format.

Comment:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

[contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Comments: By law the budget presentation contains all three elements, and we can find all three classifications of the budget in the Supporting Document for the Budget. <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=L110020295&tabMenuType=BudgLaw&strPage=1> Summary of Budget for FY2018 published on Feb. 25, 2018 by MOEF presents in pages 254-731 not only the three classifications, but also tabulation of function with economic nature and of economic nature with function. www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?searchBbsId1=MOSFBBS_000000000003&searchNttId1=MOSF_00000000015876&menuNo=5020300# Open Fiscal Data also provides very in-depth data for those three classifications. <http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002>

Government Reviewer

Opinion: Agree

Researcher Response

The information the PR refers to is about the EBP, not the EB.

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

Functional classification

Source:

The EP for FY2019 classifies the estimated expenditures by administrative units, functions and sub function and by fund accounts. It does not provide a classification by economic objects.

Comment:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

[contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

Peer Reviewer

Opinion: Disagree

Suggested Answer: Administrative classification Economic classification Functional classification

Comments: Refer to the comments for the previous question.

Government Reviewer

Opinion: Agree

IBP Comment

Thank you for the reviewer's comments. Please see the researcher's response to the previous question.

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:

The EP for FY2019 provides estimates for expenditures for all individual projects in pages 153-337.

Comment:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCid=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCid=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

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:

The EB for FY2019 present revenue estimates by 1) administrative units, 2) fund accounts, and 3) tax and non-tax sources in pages 10-151.

Comment:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

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:

The EB for FY2019 provides individual sources of revenues, different types of taxes and non-tax sources. Such information is provided from p. 10 to p. 151 of the document.

Comment:

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

[http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8\(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0\)#](http://gwanbo.mois.go.kr/ezpdf/customLayout.jsp?contentId=0000000000000001544663316738000&toCId=0000000000000001544663316979000&isTocOrder=N&name=%25EB%258C%2580%25ED%2586%25B5%25EB%25A0%25B9%25EA%25B3%25B5%25EA%25B3%25A0%25EC%25A0%259C283%25ED%2598%25B8(2019%25EB%2585%2584%25EB%258F%2584%2520%25EC%2598%2588%25EC%2582%25B0%2520%25EA%25B3%25B5%25EA%25B3%25A0)#)

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:

c. Yes, one of the three estimates related to government borrowing and debt are presented.

Source:

The information on the estimated level of debt for the budget is limited in the EP for FY2019. It only provides information on the ceilings for new borrows by different funds. There are three figures for the entire central government, each for a separate fund to which the borrowing goes. It is in page 5 of the Enacted Budget for FY2019.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, two of the three estimates related to government borrowing and debt are presented.

Comments: Open Fiscal Data provides information on interest payments for different types of borrowing, such as interest payment on treasury bond, interest payment on borrowing from the private market, and interest payment on borrowing from public funds, etc.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002> Open Fiscal Data also provides information on the amount of new borrowing, that is, revenues of new national and public bonds, savings of public funds.

<http://www.openfiscaldata.go.kr/portal/service/openInfPage.do?mId=B002> The total debt outstanding at the end of budget year is not included in the FY2019 EB.

Government Reviewer

Opinion: Agree

Researcher Response

I think that the numbers from the Open Fiscal Data are not the estimates for the budget year.

IBP Comment

The researcher's response is confirmed. Unless there is a reference in the Enacted Budget that directs readers to the Open Fiscal Data portal for information on approved estimates of debt information in the budget, the source of information for these questions is confirmed as the enacted budget documents.

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:

The CB provides rich information on the core elements listed in Question 64, including contact information, except for the macroeconomic forecast upon which the budget is based. No clear language is provided for this purpose, but it provides a specific forecast for economic growth, 4.4%. And it becomes quite clear from its resource allocation priorities that the government is not expecting that the macroeconomic performance during the budget year will be bright. So, I would go with "b".

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_00000000028

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Presentation of fiscal reform initiatives such as Citizen Participatory Budget, allocation of budget among major functions and sub-functions, and expected changes by the budget are some examples presented in the CB. http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_00000000028

Government Reviewer

Opinion: Agree

Researcher Response

The CB provides a pinpoint forecast of nominal economic growth (4.4%) as provided in the initial survey comment. However, it does not provide any rationale for such a specific forecast and furthermore the way the information is presented is not for informing citizens of on what basis the EBP's revenues and expenditure levels are determined, but just for referencing such levels of expenditures and revenues. Since the core elements are not sufficiently covered in CB regardless of the participatory budgeting information, I would still want to go with "B" rather than "A" here.

IBP Comment

During an IBP review, the score for this question is revised from B to A. Based on cross-country consistency for assessing this question, the basic reporting of the macro-economic projection of GDP growth counts as one of the elements for this question. Since this was the only element that was assessed as missing, the score then goes to A.

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:

a. A Citizens Budget is disseminated widely through a combination of at least three different appropriate tools and media (such as the Internet, billboards, radio programs, newspapers, etc.).

Source:

When the EBP is announced, its main contents are summarized and highlighted by the MoEF and disclosed to the public via its website and press release. The news media (newspapers, radio stations, and TV news shows) do actively cover the EBP based on its citizens' version, based on active dissemination from the MoEF. So, I would go with "a". Here are some links for these news articles.

http://news.khan.co.kr/kh_news/khan_art_view.html?art_id=201808281013001

<https://www.hankyung.com/economy/article/2018082841227>

http://biz.chosun.com/site/data/html_dir/2018/08/28/2018082800468.html

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

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:

When the focus is narrowly on the informational requirements for the Citizens' Budget, I cannot find any formal mechanisms for the public to provide input for the Ministry of Economy and Finance. The government offers a webpage for citizens' proposals regarding policy suggestions and ideas, but that mechanisms is not directly focusing on the contents of the Citizens' Budget.

The CB actually discloses the responsible officers at its heading for citizens to direct their questions and suggestions. I do not have any information about how much widely the contact persons are actually contacted by the attentive citizens. Furthermore, although the Korean MoEF consistently provides citizens's budget offering key policy priorities and strategic resource allocation, it does not maintain an official mechanism for inviting inputs and providing feedback on such inputs. So, the appropriate answer would be "d" rather than "c".

Comment:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_000000000028

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:

a. Yes, the executive has established mechanisms to identify the public's requirements for budget information in the Citizen's Budget, and these mechanisms are accessible and widely used by the public.

Comments: MoEF holds National Fiscal Advisory Board Meeting regularly to gather citizens' opinion.

Researcher Response

The National Fiscal Advisory Board Meeting is held regularly. But, I do not think that it is for specifically dealing with the informational contents of the Citizen's Budget.

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:

The Korean MoEF publishes a series of press releases at each major step of the budget process, including the PBS, EBP, EP, and YER, and Audit Report. So, I would go with "a".

Comment:

PBS: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016415&menuNo=4010100#

EBP: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000018791&searchBbsId1=MOSFBBS_00000000028

EB: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000022891&menuNo=4010100

IYR: July 2018:
http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=&searchNttId1=MOSF_00000000018024&menuNo=4010100

YER: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000016414&menuNo=4010100#

AR: https://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?mdex=bai20&bbsId=BBSMSTR_10000000009&nttId=121870

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

68. Do the In-Year Reports present actual expenditures by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 68 asks if expenditure estimates in In-Year Reports are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above.

Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," In-Year Reports must present actual expenditures by all three of the expenditure classifications. To answer "b," actual expenditures must be presented by two of these three classifications. A "c" answer applies if actual expenditures are presented by one of the three classifications. Answer "d" applies if actual expenditures are not presented by any of the three classifications in In-Year Reports.

Answer:

b. Yes, the In-Year Reports present actual expenditures by two of the three expenditure classifications.

Source:

The Monthly Public Finance reports actual expenditures by administrative units, economic objects and fund accounts for an aggregate summary purpose, while it keeps track of progress in expenditures by administrative units and major projects. Please refer to pages 6-7, 15 & 54-72 of the July 2018 issue of the Monthly Public Finance.

Comment:

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

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

Source:

The Monthly Public Finance reports actual expenditures by administrative units, economic objects and by fund accounts for an aggregate summary purpose. Please refer to pages 6, 7, and 15 of the July 2018 issue of the Monthly Public Finance.

Comment:

The Korean IYR reports progress by different fund accounts as well.

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

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 detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," In-Year Reports must present actual expenditures for all individual programs, accounting for all expenditures. To answer "b," In-Year Reports must present actual expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if In-Year Reports present actual expenditures for programs that account for less than two-thirds of expenditures. Answer "d" applies if actual expenditures are not presented by program in In-Year Reports.

Answer:

b. Yes, the In-Year Reports present actual expenditures for programs accounting for at least two-thirds of, but not all, expenditures.

Source:

The Korean Monthly Public Finance keeps track of the actual expenditures of the 437 major individual projects whose size is bigger than 50 billion won. For an example, please refer to pages 55-72 of the July 2018 issue of the Monthly Public Finance.

Comment:

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

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:

The progress in budget execution is presented relative to the original estimates based on the EP (and the supplementary budget) and the same period in the previous fiscal year. The latter provides a year-to-year comparison. For an example, please refer to page 7 of the July 2018 issue of the Monthly Public Finance

Comment:

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

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:

The Korean In-Year Reports present progress in revenue collection by types of taxes, types of non-tax sources, and extra-budgetary funds. Please, for an example, refer to pages 3-5 of the July 2018 Issue of the Monthly Public Finance.

Comment:

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

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:

b. Yes, In-Year Reports present individual sources of actual revenue accounting for at least two-thirds of, but not all, revenue.

Source:

For tax and non-tax revenues, the Korean In-Year Reports (월간 재정동향) present actual collections by their types. For tax revenues, they report collections by personal income tax, corporate income tax, value-added tax, transportation tax, customs & tariffs, and other taxes. For non-tax sources, they keep track of revenues by earnings from properties, transfers-in, sale of goods and services, loans & retrieval of loans, and others. For an example, please refer to pages 3-4 of the July 2018 issue of the Monthly Public Finance. "Other taxes" category takes up about 13% of the total revenues, "b" is the right answer.

Comment:

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblictndetailPblictndbbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

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:

There are two references in its reporting of actual revenues by taxes, non-tax sources, and extra-budgetary funds. The one is the same period the previous year; the other is the EP (and the supplementary budget if there is one). Please, for an example, refer to pages 3-5 of the July 2018 issue of the Monthly Public Finance.

Comment:

See July Monthly Financial Trends: http://www.moef.go.kr/pl/policydta/pblicitn/detailPblicitnbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_000000000018117&menuNo=5020300

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

74. Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

GUIDELINES:

Question 74 asks about three key estimates related to borrowing and debt:

- *the amount of net new borrowing so far during the year;*
- *the central government's total debt burden at that point in the year; and*
- *the interest payments to-date on the outstanding debt.*

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

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

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

To answer "a," In-Year Reports must present all three estimates of borrowing and debt. For a "b" answer, In-Year Reports must present two of those three estimates. For a "c" answer, IYRs must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in In-Year Reports.

Answer:

b. Yes, two of the three estimates related to government borrowing and debt are presented.

Source:

The Korean In-Year Reports provide information on the total amount of debt by types and on net new borrowing up-to-date of the year, with reference to the same period of the previous year and the previous month. However, it does not provide any information on interest payments.

Comment:

See pp. 10-12 & 16 of July Monthly Public Finance: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?searchBbsId=MOSFBBS_000000000028&menuNo=4010100&searchNttId=MOSF_000000000018024#

Peer Reviewer

Opinion: Agree

Comments: Monthly Public Finance does not provide information on interest payments.

Government Reviewer
Opinion: Agree

IBP Comment

A value for 'debt repayment' is shown on p. 7 of the IYR under the economic classification. However, the value includes both interest payments and principal payments, this does not count for this question. The researcher's original response of B is confirmed.

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:

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

Source:

The Korean In-Year Reports provides some information on the composition of the national debt by types of borrowings, but it does not provide information on interest rates, maturity, or its origin (domestic or foreign). So, I would go with "c", rather than "d" here.

Comment:

See July Monthly Public Finance: http://www.moef.go.kr/pl/policydta/pblictN/detailPblictNbsView.do?searchBbsId1=MOSFBBS_00000000001&searchNttId1=MOSF_00000000018117&menuNo=5020300

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:

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

Source:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

d. No, expenditure estimates have not been updated.

Source:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

d. No, the Mid-Year Review does not present expenditure estimates by any expenditure classification.

Source:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

None of the above

Source:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

d. No, the Mid-Year Review does not present expenditure estimates by program.

Source:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

Korea does not produce and disclose a Mid-Year Review.

Comment:
Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion:

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:
Korea does not produce and disclose a Mid-Year Review.

Comment:
Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion:

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:

d. No, estimates of government borrowing and debt have not been updated.

Source:

Korea does not produce and disclose a Mid-Year Review.

Comment:

Korea does not produce and disclose a Mid-Year Review.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion:

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:

The differences between the actual and approved levels of expenditures are presented for all expenditures by function, economic object, and administrative units along with narrative discussions. Please refer to pages 36-41 the Korean YER.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The actual expenditures and their differences from the enacted levels are presented for all expenditures by function, economic object, and administrative units along with narrative discussions. Please refer to pages 36-41 the Korean YER.

Functional classification - P. 37

Economic classification - P. 38

Administrative classification - P. 39-40

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The differences between the actual and approved levels of expenditures are presented for all expenditures by function, economic object, and administrative units along with narrative discussions. Please refer to pages 36-41 the Korean YER.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The Korean YER for FY2017 provides expenditure estimates for all individual programs, including the EP, changes after the EP, actual expenditures, and carry-overs. Please refer to pages 356-583 of the YER.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The YER for FY2017 provides detailed information on the differences between the enacted and actual levels of revenues by types. Please refer to pages 30-34 & 205-355. Some narrative descriptions are provided in pages 31 and 32, which makes it qualified for "a".

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The YER for FY2017 provides detailed information on the differences between the enacted and actual levels of revenues by taxes and non-tax sources. Please refer to pages 30-34 of the YER for FY2017.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The YER for FY2017 provides detailed information on the differences between the enacted and actual levels of revenues by taxes (individual income tax, corporate income tax, value-added tax, transportation/energy/environment taxes, education taxes, composite property tax, customs & tariffs, and other taxes) and non-tax sources(earning from properties, transfers-in, sale of good and services, off-setting revenues, loan and retrieval of loans, carry-overs, and others). Please refer to pages 30-34 of the YER for FY 2017.

There is no stand-alone "other" category for these revenues. All of the tax and non-tax revenues are classified. There are some sub-"other" categories under specific revenue categories, but they are just minor, compared to the total.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

The Korean YER for FY2017 provides information on the composition of debt by the end of 2017 and compare it to that of 2016, but it does not provide any information on the original estimates on the total debt, interest payments, and maturity profiles and their differences to the actual outcomes. The information provided is only referring to the composition of different debt and the difference between 2016 and 2017, not referring to the original forecast amounts. Please refer to pages 22-24 and 676- 681 of the YER for FY2017.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, 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.

Researcher Response

I do not know which pages of the YER for 2017 the governmental reviewer is referring to.

IBP Comment

During an IBP review, it is noted that one of the documents cited by the government reviewer in Section 1 contains additional information. See:

[http://www.moef.go.kr/nw/nes/detailNesDtaView.do?](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_000000000028)

[menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_000000000028](http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_000000000028) This includes a table "2017년 국가채무 결산(조원)" that shows total debt as compared to the budget. The score is revised from D to C.

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

Source:

The Korean YER for FY2017 provides information on the composition of debt by the end of 2017 and compare it to that of 2016, but it does not provide any information on the original estimates on the total debt, interest payments, and maturity profiles and their differences to the actual outcomes. Please refer to pages 22-24 and 676- 681of the YER for FY2017.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

Comments: <http://moefnet.moef.go.kr/nesdta/getNesDta.do>

IBP Comment

Thanks for the reviewer comments. See the researcher's response to Q90. See: http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016414&searchBbsId1=MOSFBBS_00000000028 This includes a table "2017년 국가채무 결산(조원)" that shows total debt as compared to the budget.

91. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.

To answer "a," the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year is not presented.

Source:

The Korean YER does talks about economic performance during FY2017 but does not provide any information on the original macroeconomic forecast and the actual's variance from such forecasts.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

91b. Based on the response to Question 91, check the box(es) to identify which elements of the macroeconomic forecast have the differences between the original forecast and the outcome for the year presented in the Year-End Report:

Answer:

None of the above

Source:

The Korean YER does talk about economic performance during FY2017 but does not provide any information on the original macroeconomic forecast and the actual's variance from such forecasts.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

92. Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?

GUIDELINES:

Question 92 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 49 for the nonfinancial data on inputs included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome are not presented.

Source:

The Korean YER for FY2017 does not provide any relevant information regarding actual nonfinancial inputs and their difference from the original EP.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

One section of the Korean YER is about Performance Report that is based upon the individual departments/agents' performance reports. Individual departments' performance reports list all major programs and projects and their accompanying strategic goals, performance measures, and performance targets, and their level of achievements. The YER for FY2017 reports how each ministry achieves its strategic performance goals and project-based performance targets. Please refer to pages 1388-1396 in the YER for FY2017.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

b. 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, but a narrative discussion is not included.

Source:

The expenditures for the most impoverished population can be spread across multiple functions and sub functions, but most of such expenditures come under the rubric of Social Welfare. Under Social Welfare, there are sub functions like Basic Livelihood, Support for the Vulnerable Population, The Elderly and Youth, and Labor. In pages 974-979, the Korean YER provides information on the enacted expenditures and the actual expenditures for FY2017, without any narrative discussions. So, I believe it qualifies for "b" rather than "a".

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

95. Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

GUIDELINES:

Question 95 asks whether the Year-End Report presents estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 33 for estimates of extra-budgetary funds in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented

Answer:

a. Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, along with a narrative discussion.

Source:

The YER for FY2017 sets aside the Chapter 3 for all enacted and actual revenues and expenditures for all 67 extra-budgetary funds from pages 694 to 900. A narrative discussion on extra-budgetary funds' revenues and expenditures is provided in pages 53-55.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

96. Is a financial statement included as part of the Year-End Report or released as a separate report?

GUIDELINES:

Question 96 asks whether a financial statement is included as part of the Year-End Report, or whether it is released as a separate report. The financial statement can include some or all of the following elements: a cash flow statement, an operating statement, a balance sheet, and notes on accounting. For purposes of responding to this question, the financial statement in question does not need to be audited. For an example of a financial statement, see the document "Financial Statements of the Government of New Zealand 2013" (<https://treasury.govt.nz/sites/default/files/2013-10/fsgnz-year-jun13.pdf>)

To answer "a," a financial statement must either be included in the Year-End Report or must be released as a separate report. Answer "a" applies if a financial statement is released as a separate report, even if the Year-End Report is not publicly available. Answer "b" applies if no financial statement is released either as part of the Year-End Report or as a separate report.

Answer:

a. Yes, a financial statement is part of the Year-End Report or is released as a separate report.

Source:

Key financial statements (reports) are provided as a part of the YER for FY2017, pp. 1013~1381.

Comment:

See FY2017 YER: <http://likms.assembly.go.kr/bill/nafs/nafsView.do?libDatId=LI10020275&tabMenuType=StlmtLaw&strPage=1>

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:

While the Korean Supreme Audit Institution, that is, the Board of Audit and Inspection, performs all three types of audit, its most common type is financial audit followed by compliance audit and performance audit. The BAI audits the YER to determine mostly if the financial information presented there is accurate. Performance report is part of the YER, but auditing this part of the YER is more about determining whether information there is accurate.

Comment:

Audit Reports are published on the SAI website:

http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?jsessionid=CqjlCyjOHTEWIDRMI+asGw+E.node01?bbsId=BBSMSTR_100000000010&searchCnd=&searchWrde=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttd=121873&tabOkFlag=&mdex=bai21

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

98. What percentage of expenditures within the mandate of the Supreme Audit Institution (SAI) has been audited?

GUIDELINES:

Question 98 focuses on the coverage of audits by the Supreme Audit Institution (SAI), asking what percentage of expenditures within the SAI's mandate has been audited.

The SAI's mandate is typically defined in statute. Only expenditures related to budgetary central government (ministries, departments, and agencies) that are within the SAI's mandate should be considered for this question. (Question 99 addresses audits of extra-budgetary funds.) Further, the question does not apply to "secret programs" (for example, security-related expenditures that are confidential). Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.

Only the Audit Report identified in Section 1 should be used to answer this question. Financial audits and compliance audits, or a hybrid of the two, can be taken into account to answer this question. Performance audits should not be considered for this question.

To answer "a," all expenditures within the SAI's mandate must be audited. A "b" response applies if at least two-thirds, but not all, expenditures within the SAI's

mandate have been audited. A "c" response is appropriate when less than two-thirds of expenditures within the SAI's mandate have been audited. A "d" response applies when no expenditures have been audited.

Answer:

a. All expenditures within the SAI's mandate have been audited.

Source:

The Korean YER, which is the Settlement of Accounts, covers entire governmental accounts: the general fund account, 19 special fund accounts, and 67 extra-budgetary fund accounts that are either managed by line ministries or by separate public institutions. The BAI's mandates cover the entire government organizations (of course, except for the National Intelligence Service) and public institutions that are controlled by the government including state-owned enterprises. As long as the YER covers the finances of the governmental ministries/agencies, they are audited by the BAI.

Comment:

No further comment is necessary.

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:

a. All extra-budgetary funds within the SAI's mandate have been audited.

Source:

There are 67 extra-budgetary funds as of December 31, 2017. Korea's consolidated budget encompasses those extra-budgetary funds and the MoEF prepares the YER that covers those funds as well. So, the entire extra-budgetary funds are audited by the BAI.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

100. Does the annual Audit Report(s) prepared by the Supreme Audit Institution (SAI) include an executive summary?

GUIDELINES:

Question 100 asks whether the annual Audit Report includes an executive summary. Only the Audit Report identified in Section 1 should be used to answer this question. The Audit Report can be a fairly technical document, and an executive summary of the report's findings can help make it more accessible to the media and the public.

To answer "a," the Audit Report must include at least one executive summary summarizing the report's content. Answer "b" applies if the Audit Report does not include an executive summary, or the Audit Report is not made publicly available.

Answer:

b. No, the annual Audit Report(s) does not include an executive summary.

Source:

It does not seem to provide an executive summary. It offers a really brief introduction (pp. 3~5) to the AR and a very long summary discussion (pp. 6-221). None of them could be reasonably regarded as an executive summary.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.

Comments: In my opinion, the first section of the AR, pages 3-66, titled as "Outline of the Audit" can be considered as the executive summary of the total 1404 pages report. The summary consists of: 1) the outline of the report including the structure of audit system and composition of reports; 2) economic environments; 3) budget formulation and execution; 4) financial operation such as budget deficit and national debt; 5) major contents of audit.

Government Reviewer

Opinion: Agree

Researcher Response

Like I pointed out in the initial response, the overview of the Audit is presented in pages 6~221 of the AR for FY2017. I do not think it qualifies as an executive summary. Obviously the PR is looking at a different document, I guess.

IBP Comment

The researcher's response is confirmed. As the outline of the audit does not summarize the key findings and results of the audit, it cannot be considered an Executive Summary.

101. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

GUIDELINES:

Question 101 asks whether the executive reports to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution (SAI). The ultimate purpose of audits is to verify that the budget was executed in a manner consistent with existing law, and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the SAI's audit reports.

To answer "a," the executive must report publicly on the steps it has taken to address all audit findings. A "b" response applies if the executive reports publicly on the steps it has taken to address most, but not all, audit findings. A "c" response applies if the executive reports publicly on the steps it has taken to address only some audit findings. As long as the executive reports publicly on the steps it has taken to address audit finding, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if the executive does not report at all on its steps to address audit findings.

Answer:

d. No, the executive does not report on steps it has taken to address audit findings.

Source:

It is unfortunate, but as far as this review has searched the web, the MoEF does not provide any information about the steps it takes to follow up on the audit recommendations by the BAI. I do not believe this means that the government does not take actions on such recommendations, but I do believe that it would take a lot of effort to get access to such information either online or off-line.

Comment:

No comment is necessary.

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:

Given that the language of Question 102 does not refer specifically to the Audit Report of the YER, I would go with “a” to this question. The second volume of the Audit Report deals entirely with the BAI’s audit activities and their resultant recommendations including cases of errors in financial statement and performance reports in the YER. It also provides information on specific problematic cases and necessary actions either taken or recommended. To the end of the second volume, information on whether the recommendations are being executed. The AR is available from the following link:

http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?bbsId=BBSMSTR_10000000010&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIndex=1&recordCountPerPage=10&nttId=121873&tabOkFlag=&mdex=ba121

Comment:

No further comment is necessary.

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:

There is the National Assembly Budget Office (NABO) that is a legislative counterpart to the executives' MoEF. With its 138 authorized full-time employees, the NABO conducts analysis of the EBP, separate and independent macroeconomic forecast, evaluation of key public programs/projects, and estimates the cost of legislative bills.

Its independent status is set in the Act on the National Assembly Budget Office. The direct of the NABO has the obligation to be nonpartisan. It was established in 2004.

Comment:

No further comment is necessary.

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:

The Article 3(3) of the Act on the NABO stipulates that the NABO has a mandate on analysis of national public finance and on forecasting of macroeconomic prospects along with other mandates like analysis of the EBP.

Comment:

Please click the first line of the webpage whose URL is copied here: https://www.nabo.go.kr/Sub/04Etc/04_Search.jsp?query=2019년+및+중기+경제+전망

Peer Reviewer

Opinion: Agree

Comments: NABO regularly conducts its economic forecast and fiscal forecast. Followings are some examples. "2019 Economic Forecast", 2019. 3. 29 https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp?funcSUB=view&bid=19&arg_cid1=0&arg_cid2=0&arg_class_id=0&Page=0&pageSize=10&PageSUB=1&pageSizeSUB=10&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&department=0&department_sub=0&etc_cate1=&etc_cate2=&sortBy=reg_date&ascOrDesc=desc&search_key1=&etc_1=0&etc_2=0&tag_key=&arg_id=6853&item_id=6853&etc_1=0&etc_2=0&name2=0 "2019 and Midterm Economic Forecast", 2018.10.10

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp?funcSUB=view&bid=19&arg_cid1=0&arg_cid2=0&arg_class_id=0&Page=0&pageSize=10&PageSUB=4&pageSizeSUB=10&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&department=0&department_sub=0&etc_cate1=&etc_cate2=&sortBy=reg_date&ascOrDesc=desc&search_key1=&etc_1=0&etc_2=0&tag_key=&arg_id=6715&item_id=6715&etc_1=0&etc_2=0&name2=0 "2018 Economic Forecast", 2018.3.14,

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp?funcSUB=view&bid=19&arg_cid1=0&arg_cid2=0&arg_class_id=0&Page=0&pageSize=10&PageSUB=6&pageSizeSUB=10&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&department=0&department_sub=0&etc_cate1=&etc_cate2=&sortBy=reg_date&ascOrDesc=desc&search_key1=&etc_1=0&etc_2=0&tag_key=&arg_id=6536&item_id=6536&etc_1=0&etc_2=0&name2=0 "2019-2050 NABO Long-term Fiscal Forecast", 2018.12.28

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp?funcSUB=list&bid=19&arg_cid1=0&arg_cid2=0&arg_class_id=0&Page=0&pageSize=10&PageSUB=1&pageSizeSUB=10&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&department=0&department_sub=0&etc_cate1=&etc_cate2=&sortBy=reg_date&ascOrDesc=desc&search_key1=&etc_1=0&etc_2=0&tag_key=&name=null&name2=null "2018 NABO Mid-term Fiscal Forecast: 2018-2027," 2018. 11. 1

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp?funcSUB=list&bid=19&arg_cid1=0&arg_cid2=0&arg_class_id=0&Page=0&pageSize=10&PageSUB=3&pageSizeSUB=10&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&department=0&department_sub=0&etc_cate1=&etc_cate2=&sortBy=reg_date&ascOrDesc=desc&search_key1=&etc_1=0&etc_2=0&tag_key=&name=null&name2=null

Government Reviewer

Opinion: Agree

Comments: For fiscal forecasts, please click the first line of the webpage whose URL is copied here:

http://www.nabo.go.kr/Sub/04Etc/04_Search.jsp?query=2018년+중기+재정+전망, also.

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:

One of the mandates of the NABO is costing of proposed bills. The National Assembly Act makes it clear that a proposed bill with cost implications for the government would attach cost estimate that is conducted by the NABO. And the Act on the NABO also include costing of bills as one of its mandates. As of 2017, the NABO conducted such costing services for 3,407 times.

Comment:

See example link with costing of 2017 legislation:

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp

https://www.nabo.go.kr/Sub/01Report/01_01_Board.jsp?funcSUB=view&bid=19&arg_cid1=0&arg_cid2=0&arg_class_id=0&Page=0&pageSize=10&PageSUB=4&pageSizeSUB=10&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&department=0&department_sub=0&etc_cate1=&etc_cate2=&sortBy=reg_date&ascOrDesc=desc&search_key1=&etc_1=0&etc_2=0&tag_key=&arg_id=6560&item_id=6560&etc_1=0&etc_2=0&name2=0

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: As of 2018, the NABO conducted cost estimation services for 3,179 times.

106. In the past 12 months, how frequently did the head or a senior staff member of the Independent Fiscal Institution (IFI) take part and testify in hearings of a committee of the legislature?

GUIDELINES:

Question 106 concerns the interaction between two important oversight actors and assesses how frequently the Independent Fiscal Institution (IFI) made high-level inputs to the work of legislative committees. Almost all IFIs interact with the legislature in some form (von Trapp et al 2016, p. 18), but the intensity of the interaction varies. This question assesses this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the IFI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the IFI staff member in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). As evidence to support your answer, you can refer to official records of legislative committees, websites and annual reports of the IFI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; and "c" for once or twice. Answer "d" should be selected if the head or a senior staff member of the IFI never took part and testified in hearings of a committee of the legislature, or if there is no IFI.

Answer:

d. Never, or there is no IFI.

Source:

Regarding this question, the Act on the National Assembly Budget Office stipulates that the staff members are required to testify at the committees of the National Assembly upon request. The 2018 Annual Report of the NABO does not provide any information on their employee's testimony at legislative hearings.

Upon my request of such information, a staffer at NABO informed me that there were four cases that NABO staff members reported to lawmakers at the National Assembly. While they were not for the Committees, I believe this can be regarded as taking part in the legislative processes.

So, I believe "b" is the most appropriate answers.

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IBP Comment

During an IBP consistency check, the score for this question was revised from B to D, as the examples of the NABO official reporting to law makers is not the case of them testifying either to a committee or the plenary of the legislature. Given that case, the response to this question is D.

107. Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal?

GUIDELINES:

Question 107 asks whether the legislature debates budget policies prior to the tabling of the Executive's Budget Proposal. In general, prior to discussing the Executive's Budget Proposal for the coming year, the legislature should have an opportunity to review the government's broad budget priorities and fiscal parameters. Often times this information is laid out in a Pre-Budget Statement, which the executive presents to the legislature for debate. (See Questions 54-58.)

A number of countries conduct a pre-budget debate in the legislature around six months before the start of the budget year. In some cases, they adopt laws that guide the upcoming budget, for example the Budget Guidelines Law in Brazil and the Spring Fiscal Policy Bill in Sweden. A pre-budget debate can serve

two main purposes: 1) to allow the executive to inform the legislature of its fiscal policy intentions by presenting updated reports on its annual and medium-term budget strategy and policy priorities; and 2) to establish "hard" multi-year fiscal targets or spending ceilings, which the government must adhere to when preparing its detailed spending estimates for the upcoming budget year.

To answer "a," the full legislature must debate budget policy prior to the tabling of the Executive's Budget Proposal and approve recommendations for the upcoming budget.

Answer "b" applies if a legislative committee (but not the full legislature) debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the budget. Option "b" also applies if, in addition to the action by the committee, the full legislature also debates budget policy in advance of the budget, but does not approve recommendations.

Answer "c" applies if the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but does not approve recommendations for the budget. Answer "d" applies if neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

In your comment, please indicate the dates of the budget debate, and if both the full legislature and a legislative committee held a debate. Note that a debate does not need to be open to the public, but a public record of the meeting or a public notice that the meeting occurred is required. In addition, please indicate whether the budget debate was focused on a Pre-Budget Statement published by the Executive. If the Executive did not publish a Pre-Budget Statement, then please indicate what served as the focus of the legislature's debate (for instance, a report released by an IFI or some other institution).

Answer:

d. No, neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

Source:

The Special Committee on Budget and Settlement of Account starts to talk about budget policies only after the revised budget proposal (by the standing committees) is tabled. The plenary session of the National Assembly in September does not discuss budget policy in advance of tabling the executive budget proposal.

Comment:

No further comment is necessary.

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:

According to the Korean National Finance Act, the National Assembly receives the EBP 120 days before the fiscal year begins, which is by September 3, each year.

Comment:

No further comment is necessary.

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:

Per the Article 54(2) of the Korean Constitution and the Articles 84-85 of the National Assembly Act stipulate that the budget should be approved at least 30 days before the fiscal year begins, which is December 2, each year. But in reality, since 2010, only once the budget was approved by December 2, which was the budget for FY2015. As for the FY2019 Budget, it was approved in the wee hours of December 8, 2019. So, I would go with "b" rather than "a".

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:

a. The legislature approves the budget at least one month in advance of the start of the budget year.

Comments: The National Assembly Advancement Act was created in 2014, and if approving the budget proposal was not completed within November 30, it was automatically assessed at the plenary session on December 1. (Article 85-3 of the National Assembly Act) After this act, the budget for FY2015 was approved by Dec. 2, 2014. The budget for FY2016, FY2017 was approved by each Dec. 3, 2015 and 2016. They exceeded the legal deadline, however, the Ministry of Strategy and Finance spent so much of the work after the political parties agreement. So it is generally regarded as having met deadlines. So, I would go with "a" rather than "b".

Researcher Response

Even with the effort on the part of the MoEF, still the EBP was approved on December 9, 2018, which makes Korea qualify only for B, not A here.

110. Does the legislature have the authority in law to amend the Executive's Budget Proposal?

GUIDELINES:

Question 110 examines the legislature's power to amend—as opposed to simply accept or reject—the budget proposal presented by the executive. This question is about legal authority rather than actions the legislature takes in practice. The legislature's powers to amend the budget can vary substantially

across countries.

The "a" response is appropriate only if there are no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus. The "b" response would be appropriate if, for instance, the legislature is restricted from changing the deficit or surplus, but it still has the power to increase or decrease funding and revenue levels. The more limited "c" response would apply if, for instance, the legislature can only re-allocate spending within the totals set in the Executive's Budget Proposal or can only decrease funding levels or increase revenues. Finally, response "d" would apply if the legislature may not make any changes (or only small technical changes), or if amendments must first be approved by the executive. In these cases, the legislature is essentially only able to approve or reject the budget as a whole. If the answer is "b" or "c", please indicate the nature of the amendment powers available to the Parliament and how they are limited.

Answer:

b. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.

Source:

The Korean Constitution, Article 57, stipulates that the National Assembly can neither increase expenditures nor create new expenditure items without consent from the government. So, when it comes to cut the executive proposals for expenditures, it does not have any problem. When it wants to increase expenditures for specific programs/projects or to create new projects, it is required to get governmental consent. And, most likely and most of the time, the government is willingly obliged to the requests of such changes from the committees of the National Assembly. So, I would go with "b" rather than "c".

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

111. During the most recent budget approval process, did the legislature use its authority in law to amend the Executive's Budget Proposal?

GUIDELINES:

Question 111 assesses whether any formal authority of the legislature to amend the Executive's Budget Proposal is used in practice. The responses to this question should be determined based on action by the legislature related to the Enacted Budget used in the OBS. Choose answer "a" if the legislature used its authority in law to amend the Executive's Budget Proposal during the most recent budget approval process, and amendments were adopted (all, or at least some of them). Answer "a" also applies if the legislature used its authority in law to amend the Executive's Budget Proposal, but the amendments were rejected by executive veto. Answer "b" applies if the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but none of these amendments were adopted. Answer "c" applies if the legislature has the authority in law to amend the budget, but no amendments were proposed during its consideration. Answer "d" applies when the legislature does not have any authority to amend the budget (that is, Question 110 is answered "d").

If the answer is "a" or "b", please specify in the comments the number of amendments introduced by the legislature (and in the case of an "a" response, the number adopted, or if applicable, information about an executive veto) and describe their nature. For example, did the amendments result in an increase or decrease of the deficit? What were the most significant amendments to revenues and to expenditures in terms of the sums involved? How did amendments affect the composition of expenditures? If the answer is "a," please specify which amendments were adopted, and provide evidence for it.

Answer:

a. Yes, the legislature used its authority in law to amend the Executive's Budget Proposal, and (at least some of) its amendments were adopted.

Source:

Definitely this should be "a" since all the time the National Assembly cuts some areas of the EBP, like interest payments, and increases the areas that provide direct benefits to the narrowly defined beneficiary groups including electoral districts, especially projects for SOC. However, the total amount of amendments to the EBP is typically less than one percent of the total. For example, for FY2019 budget, the total expenditure amount by the EBP was 470.5 trillion won, and the EP's total expenditure for FY2019 is 469.6 trillion won. The total cut from the EBP was 5.2 trillion won, and total increase from the EBP is 4.3 trillion. So, the net cut was 0.9 trillion won.

The information on the executive budget proposal, the deliberations of the standing committees and the Special Committee on Budget and Settlement of Accounts, and the final approved budget is available on the copied link: http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I011N4J0K207E009&ageFrom=20&ageTo=20

Comment:

No further comment is necessary.

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 key committee for budget deliberation in the Korean National Assembly is the Special Committee on Budget and Settlement of Accounts where there are 50 members who are also playing their respective roles as sectoral standing committee members. Their term of the Special Budget Committee member is 1 year. Obviously they have more than one month for deliberating the budget proposal revised by the standing committees.

But there is a catch here. The actual consideration of cutting and increasing expenditures for the programs/projects are mostly done by its Subcommittee for Adjustments of Expenditure Proposals. And the Subcommittee has been formulated around the mid-November about less than 20 days before the fiscal year begins. The actual dates since 2010 of the formulation of the Subcommittee have been 11.30, 11.16, 11.23, 11.26, 11.13, 11.9, 10.26, 11.13, and 11.21.

Having said that, given that the EBP was tabled for the Committee on November 5, 2015 and the legislature finally approved a revised version on December 8, 2019 and that the members of the Committee worked on the EBP while the formation of the subcommittee was just up in the air, I believe that the Committee had more than one month for its deliberation. So, I would rather go with "a" rather than "b" to this question.

Please refer to the following URL for the timeline for legislative deliberation and the approved budget.

http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I0I1N4J0K207E009&ageFrom=20&ageTo=20

Comment:

No further comment is necessary.

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 legislative process for budget deliberation consists largely of two separate rounds of deliberations: The one by the sectoral standing committees and the other by the Special Budget Committee.

The process of the budgetary deliberation starts with the tabling of the Proposed Budget to the plenary session and listening to the address by the president. Then, the speaker of the NA refers the proposed budget to the 17 standing committees. Only after the completion of the deliberation by the standing committees, the Special Committee on Budget and Settlement works on the recommendations of the standing committees. The standing committees do their deliberation of the EBP typically during October.

The information on Standing Committees' reports on the EBP can be found in the URL copied below:

http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_D1T8T0H9U0E3A1I011N4J0K2O7E009&ageFrom=20&ageTo=20

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

114. In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

GUIDELINES:

Question 114 is about legislative oversight of budget execution. It assesses whether and how often a committee examined the implementation of the budget during the budget execution period (i.e., financial year) for which it was approved, and whether this resulted in an official report with findings and recommendations. This question does not apply to the ex post review of implementation following the end of the budget year as part of the audit stage, which is assessed separately. Nor does it apply to the legislature's review of the budget that it may undertake as part of the process of considering a supplemental budget during the year. In-year monitoring by the legislature will be affected by the frequency that the executive publishes In-Year Reports.

To answer "a," a committee must have examined in-year implementation of the Enacted Budget at least three times during the course of the relevant budget year and published reports with findings and recommendations. Answer "b" applies where this occurred only once or twice during the year.

Exception: If a legislature is in session only twice during the year, and it examines the implementation of the budget during both sessions, then it would be eligible for an "a" response.

Choose "c" if a committee examined in-year implementation (without regard to frequency), but did not publish any report with findings and recommendations. Answer "d" applies where no committee examined in-year implementation.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed budget implementation, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation.

For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.

Answer:

b. Yes, a committee examined in-year implementation on one or more occasion (but less than three times), and it published a report with findings and recommendations.

Source:

The National Assembly and its standing committees conduct an annual inspection of the government-wide affairs during September and October each year while they are working on the EBP. The Act on the Inspection and Investigation of the State Administration stipulates that: (1) The National Assembly shall conduct an annual inspection of overall state affairs by competent standing committees, setting a period of not more than 30 days from the date on which the inspection commences before the regular session is convened.

Such annual inspection covers the entire issues of public administration and policy implementation, not limited to budgetary affairs. And, I believe that through the annual inspection by the National Assembly, many cases of irregularities in budget execution have been revealed and reported. <http://committee.na.go.kr/finance/inspect/inspect02.do?mode=view&articleNo=660479&article.offset=0&articleLimit=10>

The plan and schedule of such inspection by the Finance Committee is also available from: <http://committee.na.go.kr/finance/inspect/inspect01.do?mode=view&articleNo=659189>

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Comments: The first site the researcher gave above is the official report on the 2018 annual inspection performed by the Finance Committee. The report includes various cases of pointing out inappropriate implementation of budget. It is frequent that political parties do not agree on the contents of the inspection report, which often leads to late publication of the report. And the rate of progress in implementing the EB is extensively questioned and examined when both standing committee and the Special Committee on Budget and Accounts review the next year budget.

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:

The National Finance Act, Article 47, stipulates that the government shall get approval from the National Assembly when it wants to transfer funds across functions, subfunctions, and programs. These broader classifications tend to cut across multiple administrative units, it is reasonable to regard that the government needs to get legislative approved before moving funds across the administrative units. On the other hand, if the government wants to move funds across different projects that are typically under the jurisdiction of each ministry/agency, it can do that with the approval of the Minister of Economy and Finance.

For the approval for transferring funds across programs, the government needs to submit a supplementary budget and the Korean government does not quite frequently. For example the current Administration is seeking to get its third supplementary budget approved by the National Assembly when it is into the third year in charge of the government. So, I would go with "a".

The Korean National Finance Act is available at:

https://elaw.klri.re.kr/kor_service/lawView.do?hseq=46680&lang=ENG

Comment:

No more comment is necessary here.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

116. Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.

Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

Answer:

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:

The Korean National Finance Act specifically stipulates how excess revenues should be used and the government has no choice but to abide by the relevant articles of the Act. Here are some of the Articles. First Article 48 (1) of the Act stipulates that "the expenditure budget for each fiscal year may not be carried over for spending during the following fiscal year."

Article 90 of the Act stipulates regarding the use of surplus revenues that:

- (1) The State bonds may be repaid preferentially by using excess tax revenue anticipated in the year concerned within the extent of the State bonds already issued in the year concerned for the purpose of making up for lost revenue of general account budget, In such cases, it may be treated as an exception to the revenue and expenditure.
- (2) The balance of the surplus in the settlement of the revenue and expenditure budgets for each fiscal year after deducting the amount deductible pursuant to other Acts and the amount carried over pursuant to the provisions of Article 48 (hereinafter referred to as "surplus in tax accounts") may be expended for the settlement of subsidies under Article 5 (2) of the Local Subsidy Act and the settlement of the subsidies under Article 9 (3) of the Local Education Subsidy Act.
- (3) At least 30/100 of the surplus in tax accounts excluding the amount expended pursuant to the provisions of paragraph (2) shall be contributed

first, among other things, to the fund for redemption of public capital under the Public Capital Redemption Fund Act.

(4) At least 30/100 of the surplus in tax accounts excluding the amounts spent or contributed pursuant to the provisions of paragraphs (2) and (3) shall be spent for repayments of the following obligations:

1. Principal and interest on State bonds or borrowed loan funds;
2. State compensation decided pursuant to the State Compensation Act;
3. Principal and interest on the borrowed loan funds (including deposits received) in the loan account of the public capital management fund under the Public Capital Management Fund Act: Provided, That the foregoing shall apply only to loan funds (including deposits received) borrowed on or before December 31, 2006;
4. Other obligations that the Government owes pursuant to other Acts.

(5) The surplus in tax accounts excluding the amounts spent or contributed pursuant to the provisions of paragraphs (2) through (4) may be used in the formulation of a supplementary revised budget Bill.

(6) Spending or contribution of the surplus in tax accounts pursuant to the provisions of paragraphs (2) through (4) may be done until the end of the year immediately after the current year during which the surplus in tax accounts accrues, irrespective of the expenditure budget of the accounts, subject to deliberation by the State Council and approval of the President.

(7) Spending or contribution of the surplus in tax accounts pursuant to the provisions of paragraphs (2) through (5) may be initiated upon obtaining the approval of the President for the national statement of accounts pursuant to Article 13 (3) of the National Accounting Act, notwithstanding any express provisions to the contrary in any other Act.

(8) The balance of the surplus in tax accounts after deducting the amounts expended or contributed pursuant to the provisions of paragraphs (2) through (5) shall be carried over to the revenue for the following year.

For these pre-established regulations regarding the use of excess revenues, the government does not need to seek approval from the National Assembly. Given such considerations, I prefer to go for "a" rather than "d".

Comment:

When the Korean government seeks to a substantial rebudgeting, it submits a supplementary budget during the fiscal year. One such example happened in 2018 and the following web link provides information on the results of the legislative deliberation.

http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_N1L8A0I4C0I6W1P002N5F3K1X4U806&ageFrom=20&ageTo=20

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:

If the budget execution substantially deviates from the EP and the government needs to find additional sources of revenues and/or change allocation of resources substantially, then it is required to submit a supplemental budget to deal with such changed circumstances.

Article 89 of the National Finance Act stipulates that: "(1) The Government may formulate any supplementary revised budget Bill, if one of the following events occurs, thereby making it necessary to revise the budget already finalized: 1. A war or large-scale disaster (referring to damage caused by natural disasters and social disasters defined in Article 3 of the Framework Act on the Management of

Disasters and Safety) breaks out; 2. A significant change in circumstances at home and abroad, such as an economic recession, mass unemployment, change in inter-Korean relations or economic cooperation, occurs or is likely to occur; 3. The expenditure the State is obligated to pay pursuant to statutes is incurred or increased. (2) The Government shall not allocate or execute the supplementary revised budget in advance before the budget Bill is finally adopted by a resolution of the National Assembly."

The actual practice is more complicated than what the Act implies since in many cases the government have successfully sought supplementary budgets for very diverse reasons beyond those circumstances stipulated in Article 48.

Anyway, given such statutory regulations, "a" is quite obvious to be right choice here.

A weblink for the 2018 supplementary budget is copied below:

http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_N1L8A0I4C0I6W1P002N5F3K1X4U8O6&ageFrom=20&ageTo=20

Comment:

No further comment is necessary.

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:

The government is required to submit the YER (the Settlement of Accounts) with the Audit Report by May 31 each year to the National Assembly(National Finance Act, Article 61). The National Finance Act stipulates that the Settlement of Accounts should be deliberated and approved by the National Assembly by August 31 each year before it regular annual session begins early September.

The Settlement of Accounts is deliberated by the Standing Committees including the Finance Committee, the Special Budget Committee and the plenary session of the National Assembly. The Standing Committees initially deliberated and approved the Settlement of Accounts for FY2017 by August 31, 2018 and published its results over the web: http://likms.assembly.go.kr/bill/billDetail.do?billId=PRC_01P8X0J5Z3A1D1H0K1Z4O3T4B3Q6C4&ageFrom=20&ageTo=20, while the National Assembly finally approved it on December 08, 2018.

Since Question 118 is not specific about the committee and all of deliberation results from the standing committees were published by August 31, 2018, I think "a" is the appropriate answer.

Comment:

No further comment is necessary.

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:

The Korean supreme audit institution, the Board of Audit and Inspection, is housed under the executive branch of the government. Article 2 of the Act of the Board of Audit and Inspection stipulates that "(1) The Board of Audit and Inspection shall be established under the President, but shall retain an independent status in regard to its duties." And, Article 4 states that "(1) The Chairperson shall be appointed by the President with the consent of the National Assembly. (2) The Chairperson shall represent the Board of Audit and Inspection, and direct and supervise public officials assigned to the Board of Audit and Inspection."

Article 2(2) of the Act of the Board of Audit and Inspection also stipulates the independence of the BAI such that "With respect to the appointment, dismissal and organization of public officials under the control of the Board of Audit and Inspection, and the compilation of its budget, the independence of the Board of Audit and Inspection shall be respected to the maximum extent."

The Act of the Board of Audit and Inspection can be found in the following web link:
https://elaw.klri.re.kr/kor_service/lawView.do?hseq=33742&lang=ENG

Comment:

While going with "a" here, BAI's institutional independence has been a very serious political issue in Korea over successive Administrations.

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:

The term of office of the 7 board members (commissioners including the head) is 4 years. Article 8 of the Act of the Board of Audit and Inspection stipulates that "(1) No Commissioner [including the head of the BAI] shall be dismissed against his/her will unless he/she falls under any of the following subparagraphs: 1. Where a decision of impeachment has been made against him/her or he/she has been sentenced to imprisonment without prison labor or heavier punishment; 2. Where he/she is unable to perform his/her duties due to long-term mental or physical weakness. (2) A Commissioner shall retire from office ipso facto in cases under paragraph (1) 1, and in cases under subparagraph 2 of the same paragraph, the President shall, upon the recommendation of the Chairperson, order a Commissioner to retire from office, via a decision by the Council of Commissioners." So, it seems that the position of the head of the BAI is secured and he or she can only be removed by the process of impeachment by the National Assembly.

Comment:

Having said that, still BAI's institutional independence has been seriously doubted especially by the opposition parties as the BAI are required to audit public programs/projects of political controversies.

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:

Basically the Board of Audit and Inspection has a lot of voice in determining its budgets while the National Assembly has the ultimate authority in that matter. Article 40 of the National Finance Act stipulates that "The Government shall, when it intends to reduce the expenditure budget demanded by the Board of Audit and Inspection, seek the opinion of the Chairperson of the Board of Audit and Inspection during a meeting of the State Council." Such voice allows the BAI to secure sufficient amount of resources for its operation.

Comment:

No further comment is necessary.

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:

The authority that the Board of Audit and Inspection can enjoy when it decides upon which institutions it wants to audit is stipulated by Articles 20~24 of the Act of the BAI as follows:

Article 20 (Functions)

The Board of Audit and Inspection shall audit the settlement of accounts of revenues and expenditures of the State and constantly audit and supervise any other accounts as prescribed by this Act and other Acts in order to ensure their correctness, and inspect the functions of administrative agencies and public officials in order to improve and promote the operation of public administration.

Article 21 (Confirmation of Settlement of Accounts)

The Board of Audit and Inspection shall confirm the settlement of accounts of revenues and expenditures of the State in accordance with the results of the audit and inspection of accounts.

Article 22 (Matters Subject to Obligatory Audit)

(1) The Board of Audit and Inspection shall audit the following matters:

1. Accounts of the State;
2. Accounts of local governments;
3. Accounts of the Bank of Korea and those of juristic persons to which the State or local governments have invested a majority or more of their capital stock;
4. Accounts of the agencies prescribed by other Acts to be subject to the audit by the Board of Audit and Inspection.

(2) The audit under paragraph (1) and Article 23 shall include revenues and expenditures, acquisition, custody, management, disposal, etc. of properties (including articles, negotiable instruments and rights, etc.).

Article 23 (Matters Subject to Optional Audit)

The Board of Audit and Inspection may audit the following matters, where deemed necessary or at the request of the Prime Minister:

1. Receipts and disbursements of cash, articles or negotiable instruments owned by the State or local governments which are handled by the persons, other than State agencies or local governments, for the State or local governments;
2. Accounts of those persons to whom the State or local governments, either directly or indirectly, have given subsidies, bounties, grants-in-aid, contributions, etc. or have given fiscal assistance of loans, etc.;
3. Accounts of those persons to whom the persons referred to in subparagraph 2 have again given such subsidies, bounties, grants-in-aid, contributions, etc.;
4. Accounts of those persons to which the State or local governments have invested a part of their capital stock;
5. Accounts of those persons in whom the persons referred to in subparagraph 4 or Article 22 (1) 3 have invested;
6. Accounts of those persons whose debts are guaranteed by the State or local governments;
7. Accounts of those agencies which have been established by the provisions of Acts, other than the Civil Act or the Commercial Act, and all or some of the executives or the representative of which have been appointed or approved for appointment by the State or local governments;
8. Accounts concerning matters related with the contract of those persons who have concluded contracts with the State, local governments or those persons referred to in subparagraphs 2 through 6, or Article 22 (1) 3 or 4;
9. Accounts of those persons who manage a fund to which Article 5 of the National Finance Act shall apply;
10. Accounts of organizations, etc. to which those persons referred to in subparagraph 9 have contributed and subsidized funds from the fund.

Article 24 (Matters Subject to Inspection)

(1) The Board of Audit and Inspection shall inspect the following matters:

1. Affairs of administrative agencies established under the Government Organization Act or other Acts, and the duties of the public officials assigned thereto;
2. Affairs of local governments and the duties of the local public officials assigned thereto;
3. Affairs of those persons referred to in Article 22 (1) 3 and subparagraph 7 of Article 23 and affairs of the executives assigned thereto or employees who have direct or indirect relations with the account subject to the audit by the Board of Audit and Inspection;
4. Affairs entrusted or executed vicariously by the State or local governments pursuant to Acts and subordinate statutes, and duties of those holding the status of public officials or corresponding to them pursuant to other Acts and subordinate statutes.

(2) The administrative agencies referred to in paragraph (1) 1 shall include military and educational institutions: Provided, That in the case of military institutions, combat divisions under the command of a major general or lower ranking officer, and regiments under the command of a lieutenant colonel or lower ranking officer, shall be excluded.

(3) The public officials referred to in paragraph (1) shall exclude the public officials assigned to the National Assembly, courts and the Constitutional Court.

(4) Where the Board of Audit and Inspection intends to conduct an inspection under paragraph (1), it shall not inspect any of the following matters:

1. Matters for which the Prime Minister made clear that they are the State secrets;
2. Matters for which the Minister of National Defense made clear that an inspection interferes with keeping military secrets or would be harmful for military operations.

For these reasons at least in law the BAI seems to enjoy full discretion to undertake audits.

Comment:

Having said that, there are notable cases that imply that the BAI is under a heavy influence from the President and the ruling party, one of which is the multiple round of audit of the renovation project for the nation's 4 major river systems.

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:

Along with other ministries/agencies of the government, the Board of Audit and Inspection gets annually inspected by the National Assembly, but this cannot be regarded as a systematic review by an independent agency.

On the other hand, there is an internal audit office with the responsibility of auditing the BAI's audit activities and BAI itself. Some brief information of the office is available at the following link: <http://www.bai.go.kr/bai/cop/organmanagement/list.do?fdptidx=100000>

So, "c" should be the appropriate answer here.

Comment:

No more comment is necessary.

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:

Per Article 122-2 of the National Assembly Act (Article 122-2) that stipulates the interpellation sessions between the governmental ministers and the National Assembly, the head of the Korean BAI appears before the plenary session twice a year. He or she also appears at the National Assembly Judiciary Committee as needs emerge. During the annual inspection of the state administration by the National Assembly, the head of the BAI also appears at the Judiciary Committee. So, in total the number of legislative appearance, reporting and testimony of the head of the BAI before the National Assembly seem to be at least four times. In reality during 2018, it seems that the BAI head appeared at the meeting of the National Assembly at least five times as featured in the media coverage as follows:

<http://www.kjtimes.net/news/articleView.html?idxno=103395>

<https://www.mk.co.kr/news/society/view/2018/10/675106/>

<https://news.joins.com/article/22905933>

http://www.ohmynews.com/NWS_Web/View/img_pg.aspx?CNTN_CD=IE002367048&memcd=00052629&gb=reporter

<http://www.newdaily.co.kr/site/data/html/2018/11/12/2018111200090.html>

<http://www.newscj.com/news/articleView.html?idxno=567351>

So, I would go with "a" rather than "b" here.

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

GUIDELINES:

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and

revenue levels, and macro-fiscal planning .

To answer "a," the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

a. Yes, the executive uses open participation mechanisms through which members of the public and government officials exchange views on the budget.

Source:

The Korean national government has introduced a full-fledge participatory budgeting system at the national level in 2018 after piloting such system in 2017. Through this mechanism, members of the general public can propose policy projects and be chosen for serving a participatory budget committee that deliberates on the merit and desirability of those proposed projects. The participatory budget committee is provided technical assistance from the officials of the MoEF and experts from the research community.

For this purpose, the MoEF has established a new division only for managing the process for participatory budgeting at the national level. There is also a website for the participatory budgeting: <https://www.mybudget.go.kr>

The participatory budgeting in 2018 resulted in 39 projects' budget of 83.5 billion won included in the Executive Budget Proposal:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?jsessionid=z7jd5+uOq8znrHrUpfDt87N2.node40?searchBbsId1=MOSFBBS_00000000028&searchNttId1=MOSF_00000000018788&menuNo=4010100

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

126. With regard to the mechanism identified in question 125, does the executive take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on the executive's efforts to seek out the views of members of the public from socially vulnerable groups and/or who are underrepresented in the process.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented communities and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives of vulnerable/underrepresented groups.

Answer "b" applies if the executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

A total of 300 citizens were randomly selected into the participatory budget committee while there is no mechanism for inviting more citizens from the vulnerable population.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Korean National Participatory Budgeting system is developing the way to expand the participation of socially marginalized groups and thus to enhance democracy in financial sector. We added 50 members from socially disadvantaged class into Citizen's committee(total 400 members) to listen to their requests more directly. We also added 'Visiting reception' form of receiving proposals. Most of the submissions are made online and we took note that there are people, especially vulnerables, who find it difficult to access to the internet or who are too busy in daily affairs to submit the proposals. To solve the problem, we visited institutions related to vulnerable groups and took their proposals as tape-recording method. In 2019, 49% of the proposals were taken through visiting reception.

Researcher Response

Thank you for updating upon the practices of the participatory budgeting system. I think it can change the Answer to this Question in the future rounds of the OBS.

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:

c. The executive's engagement with citizens covers at least one (but less than three) of the above-mentioned topics.

Source:

The Korean government in 2018 did not hold a public debate meeting when it formulated the EBP for FY2019. This was a setback since in the previous years the MoEF held such meetings and addressed some of the issues listed in the question. Instead it launched the participatory budgeting system at the central level. When it comes to the engagement with the public, the government provides information on the structure of national public finance, the budget process, the total size of revenues and expenditures and its allocation across different functions, and the individual projects. So, it seems that through the participatory budgeting process, the issue of diverse public services (this is, projects) was covered in a rather intensive way, but the other issues were largely ignored, evidently from its video clips from its webpage:

<https://www.mybudget.go.kr/budgetSchool/budgetSchoolMain>

So, "c" seems more appropriate here.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: When compiling the National budget and establishing National Fiscal Management Plan, there are public debates and opinion gathering process from local governments on overall public finance such as Macro economic issues, deficit levels, spending per sectors etc. There is also National Participatory Budgeting program which directly accepts ideas on national budget from citizens.

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

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:

b. Yes, the executive uses open participation mechanisms through which members of the public provide their inputs on budget implementation.

Source:

First of all, the Korean national participatory system is for budget formulation, not particularly for budget implementation.

Instead, the government invites citizens to report cases of wasteful spending and illegal budgetary activities by the government and to suggest ideas for saving taxpayers' money via the following webpage:

<https://www.epeople.go.kr/jsp/user/bw/cvreq/UBwCvreqForm.jsp?flag=N&>

This reporting web-template does not seem to enable two-way conversation between citizens and public officials. So, I believe "b" is the right answer here.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the executive uses open participation mechanisms through which members of the public and government officials exchange views on budget implementation.

Comments: By law, the MoEF gives its responses to the citizen, usually in a month, which I think can be considered as exchanging views. National Finance Act Article 100 (Citizen Monitoring against Unlawful Spending of Budget and Funds) (1) When it is obvious that a person executing the budget or funds of the State, a person who receives financial support, the head of a central government agency (including the head of one of its subordinate organs), or a person who enters into a contract or conducts any other transaction with a fund management entity has incurred losses upon the State in violation of any statute, each citizen has a right to submit evidence of any unlawful spending to the head of the central government agency or the fund managing entity responsible for the execution and demand to take corrective measures. (2) The head of a central government agency or a fund managing entity shall, upon receiving the demand for corrective measures pursuant to the provisions of paragraph (1), notify the person who demanded such corrective measures of the results of the measures taken, as prescribed by Presidential Decree. (3) The head of a central government agency or a fund managing entity may pay the budgetary incentive under the provisions of Article 49 to the person who demanded corrective measures, if revenue has been increased or expenditure has been saved as a result of such measures taken in accordance with the provisions of paragraph (2).

Government Reviewer

Opinion: Agree

Researcher Response

I may have a different opinion about the dialogue quality of the web template. It is rather like raising an issue to the government and the latter responding over the web template, which I do not think a full-blown exchange of views in the normal sense.

IBP Comment

In the mechanism reporting complaints and wasteful spending, citizens can only file suggestions online. They receive a notification on the status of the complaint/ suggestion, but it's not a dialogue. Further, the suggestions/ complaints that are most compelling do receive a monetary incentive but even then it is not an open dialogue where views are exchanged. For these reasons, the researcher's response of B is confirmed.

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:

No. As far as this reviewer examines the webpage, it does not seem to provide such steps.

Comment:

No further comment is necessary.

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:

b. The executive's engagement with citizens covers at least three (but less than six) of the above-mentioned topics.

Source:

The webpage mentioned in the previous question(<https://www.epeople.go.kr/jsp/user/bw/cvreq/UBwRdofferForm.paid?flag=N>) encourages citizens to report cases of wasteful spending and to propose ideas to save taxpayers' money. So, obviously, it at least covers the areas of delivery of public services, implementation of social spending, and implementation of public investment projects. On the other hand, this mechanism does not tangentially refer to macroeconomic issues or changes in deficit and debt levels. So, "b" seems to be the right answer.

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

a. Comprehensive information is provided in a timely manner prior to citizens engagement in both budget formulation and implementation phases.

Source:

If the participatory budgeting system is regarded as the most important mode of engagement with the public, then it provides comprehensive information during the formulation stage. In its webpage (<https://www.mybudget.go.kr/systemIntrcn/operatingPlan>), the participatory budgeting system provides information on all of the five listed elements of the system and moreover provides information on all current major projects by the government for citizens to better understand the system and to better generate project proposals.

Comment:

The implementation mechanism - the webpage mentioned in Q128 (<https://www.epeople.go.kr/jsp/user/bw/cvreq/UBwRdofferForm.paid?flag=N>) provides some information, but is not comprehensive. Therefore B is selected for this question.

Peer Reviewer
Opinion: Disagree
Suggested Answer:

a. Comprehensive information is provided in a timely manner prior to citizens engagement in both budget formulation and implementation phases.
Comments: For the implementation mechanism, I think, the website, e-People, provides comprehensive information.

<https://www.epeople.go.kr/jsp/user/bw/front/UBWIntroduction.paid>

Government Reviewer

Opinion: Disagree

Suggested Answer:

- a. Comprehensive information is provided in a timely manner prior to citizens engagement in both budget formulation and implementation phases.

Researcher Response

I definitely agree with the reviewers' point.

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:

- a. Yes, the executive provides a written record which includes both the list of the inputs received and a detailed report of how the inputs were used in the formulation of the annual budget.

Source:

The webpage of the participatory budgeting system (<https://mybudget.go.kr/howsltPrclsng/bsnsPropseSttusList>) provides information on all 1,206 proposed projects for FY2019 and feedback on them regarding why and how each proposal is feasible or not to be included in the executive budget proposal. Every proposal was supposed to go through two round of reviews, the one by the relevant line ministry and the other by the participatory budget committee that was composed of randomly chosen 300 citizens.

Comment:

No more comment is necessary.

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 take 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:

a. Yes, the executive provides a written record which includes both the list of the inputs received from the public and a detailed report of how the inputs were used to assist in monitoring the annual budget.

Source:

The webpage for reporting wasteful spending also provides 41 exemplary cases that have been very helpful in saving tax monies that were reported between 2015 and 2017. This booklet was published in late October of 2018. The webpage also provides information on 28 cases of budgetary compensations for the reporter of the wasteful spending during 2017, while information on the reportings during 2018 is not yet available.

For these reasons, I would go with "a" rather than "b".

The afore-mentioned information can be found at:

https://www.epeople.go.kr/jsp/user/bw/front/UBwBestCase.paid?brd_id_v=bestcase

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

IBP confirms a response of A for this answer. While the full list of complaints is not presented, we understand that the government provides individual feedback to those who submit reports in addition to the summary of the reports provided on the website as described by the researcher.

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:

a. Yes, the executive incorporates participation into its timetable for formulating the Executive’s Budget Proposal and the timetable is available to the public.

Source:

The time line for the participatory budgeting system coincides with the regular executive budget formulation process. For example, the PB system invites proposals from citizens during February, March, and April. Then the line ministries decide whether they want to include such proposals in their respective budget requests in May. Then the participatory budget committee deliberates on the merits and validity of the chosen proposals by the line ministries during June and July when the central budget office reviews the ministerial budget requests.

Such time table is also available to the public via its webpage:

<https://www.mybudget.go.kr/systemIntrcn/operatingPlan>

The time line for the submission of the ministerial budget request is specifically indicated in p. 30 of the Prebudget Statement whose web link is copied below:

http://www.moef.go.kr/nw/nes/detailNesDtaView.do?menuNo=4010100&searchNttId1=MOSF_00000000016415&searchBbsId1=MOSFBBS_000000000028

Comment:

No further comment is necessary.

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

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:

c. Yes, at least one line ministry uses participation mechanisms during the budget formulation or implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Source:

As far as this reviewer understands the question, Korea's participatory budgeting system at the central level qualifies Korea for "a" since the system is organized and maintained by the MoEF and at the same time all spending ministries are participating in the process by initially analyzing the proposals' legality, overlapping with preexisting projects, etc. Each line ministry is supposed to include the proposals that they believe sound and promising in its budget request to the MoEF.

The following weblink provides information on the ministerial review results of the projects proposed by citizens for FY2019 and FY2020.

<https://www.mybudget.go.kr/howstPrsng/bsnsPropseSttusList>

<https://www.mybudget.go.kr/howstPrsng/bsnsPropseSttusList01?searchSDate=2019&searchKind2=1>

Comment:

No more comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP cross-country consistency check, the response for this question is revised from A to C. The C score acknowledges that the line ministries have an important role in the PB process in reviewing the proposals submitted by citizens and incorporating the proposals into their budget submissions. However, this does not entail line ministry officials having direct consultations with the public, nor is their entire ministry budget open to discussion, but only the portion that is added through additional projects from the PB process. Based on this, the score of C is appropriate.

136. Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislative are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to

allowing the public to attend or hear public budget deliberations.

Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) has put in place and is using to allow the public to participate in their deliberations on the annual budget. This includes deliberations during the pre-budget phase (i.e., when the executive is still in the process of formulating the draft budget) and the budget discussions after the budget has been tabled to parliament and before it is approved. In the comment box, please specify during which stage of the budget cycle the legislature has put in place a public participation mechanism.

Mechanisms through which members of the public reach out to individual Members of Parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.

If there is more than one mechanism, please select a mechanism that best shows/reflects the legislature's efforts to incorporate citizens into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenues, policy selection, and macro-fiscal planning (please note that the issue of coverage is covered in a subsequent question).

To answer "a," the legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- Testimony is not allowed from members of the public or CSOs; but
- There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.

Answer "c" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- Testimony is not allowed from members of the public or CSOs;
- No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, but
- The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget

Answer:

c. Yes, public hearings are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

The standing committees and the Special Committee on Budget and Accounts hold hearings when they start deliberating on the EBP and the updated version revised by the standing committees. The legislature invites only a few individuals/groups to provide expertise on public finance and public resource allocation. As far as this reviewer understands such hearings, they are not really hearing opinions from the "general" public since the participants and panelists are largely professionals (professors, researchers, and CSO activists).

A media report on the public hearing by the Special Budget Committee can be found in the following link:

<https://news.v.daum.net/v/20181101181826630>

Comment:

No further comment is necessary,

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

137. During the legislative deliberations on the annual budget (pre-budget or approval stages), which of the following key topics does the legislature's (or relevant legislative budget committee) engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider the range of mechanisms currently used by the legislature to promote public participation during legislative deliberations on the annual budget.

Please note that while the public engagement can/may cover other topics, for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the legislature's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

c. The legislature seeks input on at least one (but less than three) of the above-mentioned topics.

Source:

The public hearings at the standing committees and the Special Budget Committee do not engage the ordinary members of the public, but only professionals and experts, I believe Question 137 is about something that Korea does not practice seriously.

A media report on the public (professional) hearing by the Special Budget Committee can be found at:
<https://news.v.daum.net/v/20181101181826630>

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. The legislature seeks input on at least one (but less than three) of the above-mentioned topics.

Comments: The public hearings at the standing committees and the Special Committee on Budget and Accounts are conducted by experts and professionals. They reflect the opinions of citizens and they cover the key topics like Macroeconomic conditions, Revenue and expenditure forecasts, Fiscal soundness, and Resource allocations. So, I would go with "c" rather than "d".

Researcher Response

Yes, they may reflect the citizens' concerns, but they do not directly engage the citizens.

IBP Comment

Based on the feedback from the government reviewer and the researcher, this score is revised from D to C. Even though only experts and professionals are invited to the meeting, this external engagement with non-governmental representatives qualifies for a C score on this question. The government reviewer's suggested response is confirmed.

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- *The inputs received from the public (e.g., a written transcript) and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).*

Answer "b" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).

Answer "c" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

c. Yes, the legislature provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

Source:

The public hearings at the standing committees and the Special Budget Committee do not engage the ordinary members of the public, but only professionals and experts, I believe Question 138 is about something that Korea does not practice seriously.

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP cross-country review, the response for this question is revised from D to C. Based on the information in the meeting minutes provided on the website (see <http://likms.assembly.go.kr/record/mhs-40-010.do?classCode=2&daeNum=20&commCode=AA&outConn=Y#none> - information noted under the Special Budget Committee section (예산결산특별위원회) and the specific date of the session (such as 제2차(2018년11월01일)), you can find a report of the submissions reported during the meeting, but not how these inputs were used in amending the proposed budget. This qualifies for a C score.

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:

c. Yes, public hearings on the Audit Report are held. No testimony from the public is provided during the hearings and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

The public hearings at the standing committees and the Special Budget Committee do not engage the ordinary members of the public, but only professionals and experts. So, "c" is believed to be the right answer here.

Some media reports on the public (professional) hearing of the Special Budget Committee held for the FY2019 Budget can be found in the web links below.

<https://news.v.daum.net/v/20181101181826630>

<https://www.msn.com/ko-kr/news/national/국회-이제-470조-예산전쟁...일자리·남북협력기금-격돌/ar-BBPbttG>

Comment:

No further comment is necessary.

Peer Reviewer

Opinion: Agree

Comments: The sites the researcher included above are for the news media reports on the public hearing held on November 1, 2018. The following site provides the official minutes of the public hearing. <http://likms.assembly.go.kr/record/mhs-40-010.do?classCode=2&daeNum=20&commCode=AA&outConn=Y#none>

Government Reviewer

Opinion: Agree

140. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

GUIDELINES:

This question assesses whether the Supreme Audit Institution (SAI) has established mechanisms through which the public can provide suggestions on issues/topics to be included in its audit program. When deciding its audit agenda, the SAI may undertake audits for a sample of agencies, projects, and programs in the country; and such a selection could be based on complaints and suggestions made by members of the public. To receive such suggestions, the SAI may create formal mechanisms, like setting up a website, hotline, or office (or assigning staff to liaise with the public).

Answer:

a. Yes, the SAI maintains formal mechanisms through which the public can suggest issues/topics to include in its audit program.

Source:

The webpages of the Board of Audit and Inspection provide a channel through which citizens can suggest topics of audit and inspection:
<http://www.bai.go.kr/bai/html/participate/guide.do;jsessionid=afcrCNjLLxirwy9JJONLLkmz.node02?mdex=bai67>
<http://www.bai.go.kr/bai/html/audit/auditdemand/auditdemandstep.do?mdex=bai50>
<http://www.bai.go.kr/bai/html/audit/auditreport/info.do?mdex=bai45>

Comment:

No comment is necessary.

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:

b. Yes, the SAI provides a written record which includes both the list of inputs received and a summary of the how the inputs were used to determine its audit program.

Source:

The BAI allows those citizens who propose topics of audit to check the status of their proposals via the website. It also provides some exemplary cases on its website as well.

<https://www.bai.go.kr/bai/cop/report/reportSignup.do?mdex=bai48>

<https://www.bai.go.kr/bai/cop/report/claimSignUp.do?mdex=bai54>

<http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?>

[bbsId=BBSMSTR_10000000038&nttId=123029&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIdx=1&recordCountPerPage=10&mdex=bai53](http://www.bai.go.kr/bai/cop/bbs/detailBoardArticle.do?bbsId=BBSMSTR_10000000038&nttId=123029&searchCnd=&searchWrd=&searchBgnDe=&searchEndDe=&searchYear=&pageIdx=1&recordCountPerPage=10&mdex=bai53)

The audit results are disclosed via press releases:

https://www.bai.go.kr/bai/cop/bbs/listBoardArticles.do?bbsId=BBSMSTR_10000000009&mdex=bai20

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

142. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.)?

GUIDELINES:

This question mirrors question 140, but instead of covering public assistance in formulating the SAI's audit program, it focuses on whether the Supreme Audit Institution has established mechanisms through which the public can participate in audit investigations. In addition to seeking public input to determine its audit agenda, the SAI may wish to provide formal opportunities for the public and civil society organizations to participate in the actual audit investigations, as witnesses or respondents.

Answer:

a. Yes, SAI maintains formal mechanisms through which the public can contribute to audit investigations.

Source:

There is a BAI webpage for the public to participate in its audit activities by offering opinions, evidence, and others:

<http://www.bai.go.kr/bai/html/participate/guide.do?mdex=bai67>

For this purpose, the BAI discloses information on its audit schedules over the following webpage: <http://www.bai.go.kr/bai/cop/audit/list.do>

Comment:

No further comment is necessary.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree