

# Open Budget Survey 2019

Questionnaire

Macedonia (the former Yugoslav Republic of)

April 2020

# Country Questionnaire: Macedonia (the former Yugoslav 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:  
Ministry of finance web page: <https://finance.gov.mk/en>

Law on budgets: [https://finance.gov.mk/files/u6/\\_\\_\\_\\_\\_5.pdf](https://finance.gov.mk/files/u6/_____5.pdf)

Comment:  
Fiscal year in Macedonia is the calendar year

Peer Reviewer

Opinion: Agree

Comments: In addition to the researcher listed sources of verification that refer to the ENG version of the MF web side and the Law on budgets, I suggest to add the following link as a source : <https://www.finance.gov.mk/mk/node/575>. All budget documents published by the Ministry of Finance, including the PBS for 2019 can be found on this link.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's suggested addition is well-received.

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:

The PBS for Macedonia for 2019 (<https://finance.gov.mk/en/node/4112>) is available in English.

The Ministry of finance responded to our CEA email with an answer that the document was prepared in May 2018. but with Inspection feature of the document in Google Chrome we find out that the document was last-modified on July 25th 2018.

Comment:

Anyhow, this PBS for 2018 was acceptable to the public four month before the Executive's Budget Proposal is submitted to the legislature in Macedonia for consideration.

Macedonian version is available at: <https://finance.gov.mk/mk/node/4107> with a title: ФИСКАЛНА СТРАТЕГИЈА НА РЕПУБЛИКА МАКЕДОНИЈА ЗА 2019-2021

Peer Reviewer

Opinion: Agree

Comments: Following are some sources of data that can confirm the researcher answer: - Comments on the Fiscal Strategy of RM 2019 - 2021 published by Finance Think (the date when the PBS was published, May 28, 2018, is contained in the title of the document on page 1): [http://www.financethink.mk/wp-content/uploads/2018/05/FT-comment\\_22.pdf](http://www.financethink.mk/wp-content/uploads/2018/05/FT-comment_22.pdf) - Analysis on the Executive Budget Proposal for 2019 published by CEA (the period of adoption is contained in row 5, page 3 under the Introduction section): <https://cea.org.mk/wp-content/uploads/2018/11/Analiza-na-predlog-budhet-2019.pdf> - The minutes from the 69th session of the Government from May 22, 2018, where the PBS was discussed and approved (item 101 from the list): <https://vlada.mk/sednica/69> - The information sent by the Government to the President of the Parliament on May 28, 2018 (general information of the document download, checked with document Inspector): <https://www.sobranie.mk/materialdetails.nspx?materialId=08f6d471-e080-46b4-9e90-48bd5d1df517> Additionally its important to be mentioned that the PBS that was approved and published in May 2018 was revised 17 days before the end of the fiscal year (December 14, 2018) which is less than one month after the adoption of the EBS by the Government (November 16, 2018).

Government Reviewer

Opinion: Agree

Comments: Macedonian version of Fiscal strategy of the Republic of Macedonia 2019-2021 is publish on Ministry of finance web site on May 23th 2018.

Researcher Response

The document has been made available 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. Again we state that the information via email from the MinFin was that the PBS has been prepared May 2018. We checked via Google Chrome inspection that the document was last-modified on July 25th 2018.

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:  
23/5/2018

Source:  
Ministry of finance email correspondence and Google Chrome Inspect document feature.

Comment:  
We contacted the Ministry of finance via email and they responded that the Document PBS (i.e. Fiscal strategy in the Macedonian case) was available May 2018.

However, we checked via Google Chrome with the Inspect feature of the document and find out that the last modification was done on the 25th of July thus.

Peer Reviewer

Opinion: Disagree

Suggested Answer: 28/05/2018

Comments: The suggested date of publication is determined based on the following sources: - Finance Think published "Comments on the Fiscal Strategy of RM 2019 - 2021" in May, 2018 where in the title of the document on page 1 the date when the PBS was published, May 28, 2018, is contained (click inspect on the document in Google Chrome on the following link: [http://www.financethink.mk/wp-content/uploads/2018/05/FT-comment\\_22.pdf](http://www.financethink.mk/wp-content/uploads/2018/05/FT-comment_22.pdf)) - CEA published "Analysis on the Executive Budget Proposal for 2019" where they are stating that the Fiscal Strategy was adopted by the government in May, 2018 (the period of adoption is contained in row 5, page 3 under the Introduction section on the following link: <https://cea.org.mk/wp-content/uploads/2018/11/Analiza-na-predlog-budhet-2019.pdf>) - The minutes from the 69th session of the Government where the PBS was discussed and approved dated from May 22, 2018, (item 101 from the list: <https://vlada.mk/sednica/69>) - When you download the Fiscal Strategy document sent by the Government to the President of the Parliament (send pdf in the list from the following link <https://www.sobranie.mk/materialdetails.nspx?materialId=08f6d471-e080-46b4-9e90-48bd5d1df517>) and go in show inspector the date of the document creation is May 28, 2018.

Government Reviewer

Opinion: Disagree

Suggested Answer: 23/5/2018

Comments: Macedonian version of Fiscal strategy of the Republic of Macedonia 2019-2021 is published on Ministry of finance web site on May 23rd 2018.

Researcher Response

Our google chrome inspection demonstrates a last version published on 25th of July 2018. The peer reviewer presents arguments for 28th of May 2018 Government claims it is 23rd of May 2018 We agree with the arguments of the peer reviewer about the 28th of May date but on the other hand there is no reason not to believe the Government that it was actually 23rd of May. Thus, we want to change to 23rd of May 2018.

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 PBS for Macedonia for 2019 (<https://finance.gov.mk/en/node/4112>) is available in English.

The Ministry of finance responded to our CEA email with an answer that the document was prepared in May 2018. but with Inspection feature of the document in Google Chrome we find out that the document was last-modified on July 25th 2018.

Anyhow, this PBS for 2018 was acceptable to the public at least one month before the Executive's Budget Proposal is submitted to the legislature in Macedonia for consideration.

Source:

Email correspondence with the Ministry finance and Inspection feature of the document in Google Chrome.

Comment:

Macedonian version is available at: <https://finance.gov.mk/mk/node/4107> with a title: ФИСКАЛНА СТРАТЕГИЈА НА РЕПУБЛИКА МАКЕДОНИЈА ЗА 2019-2021

Peer Reviewer

Opinion: Disagree

Suggested Answer: The suggested date of publication is determined based on the following sources: - Finance Think published "Comments on the Fiscal Strategy of RM 2019 - 2021" in May, 2018 where in the title of the document on page 1 the date when the PBS was published, May 28, 2018, is contained (click inspect on the document in Google Chrome on the following link: [http://www.financethink.mk/wp-content/uploads/2018/05/FT-comment\\_22.pdf](http://www.financethink.mk/wp-content/uploads/2018/05/FT-comment_22.pdf)) - CEA published "Analysis on the Executive Budget Proposal for 2019" where they are stating that the Fiscal Strategy was adopted by the government in May, 2018 (the period of adoption is contained in row 5, page 3 under the Introduction section on the following link: <https://cea.org.mk/wp-content/uploads/2018/11/Analiza-na-predlog-budhet-2019.pdf>) - The minutes from the 69th session of the Government where the PBS was discussed and approved dated from May 22, 2018, (item 101 from the list: <https://vlada.mk/sednica/69>) - When you download the Fiscal Strategy document sent by the Government to the President of the Parliament (send pdf in the list from the following link <https://www.sobranie.mk/materialdetails.nsp?materialId=08f6d471-e080-46b4-9e90-48bd5d1df517>) and go in show inspector the date of the document creation is May 28, 2018.

Government Reviewer

Opinion:

Comments: This answer should be change and to be: The PBS for Macedonia for 2019 (<https://finance.gov.mk/en/node/4112>) is available in English. The Ministry of finance responded to our CEA email with an answer that the document was prepared in May 2018. but with Inspection feature of the document in Google Chrome we find out that the document was last-modified on July 25th 2018. Anyhow, this PBS for 2018 was acceptable to the public at least one month before the Executive's Budget Proposal is submitted to the legislature in Macedonia for consideration.

Researcher Response

Our google chrome inspection demonstrates a last version published on 25th of July 2018. The peer reviewer presents arguments for 28th of May 2018 Government claims it is 23rd of May 2018 We agree with the arguments of the peer reviewer about the 28th of May date but on the other hand there is no reason not to believe the Government that it was actually 23rd of May. Thus, we want to change to 23rd of May 2018.

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

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

Answer:

[https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)

Source:

The official web site of the Ministry of finance.

Document is available both in Eng: <https://finance.gov.mk/en/node/4112>

And in Macedonian (MK): <https://finance.gov.mk/mk/node/4107>

Comment:

Title of the document in MK: ФИСКАЛНА СТРАТЕГИЈА НА РЕПУБЛИКА МАКЕДОНИЈА ЗА 2019-2021

Peer Reviewer

Opinion: Agree

Comments: The MKD version of the documents refers to the Fiscal Strategy of RM for 2020 - 2022 or to be more precise refers to the preview display of the document, which can not be downloaded. The link to full display of the MKD version document that can be downloaded is available at: [https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf).

Government Reviewer

Opinion: Disagree

Suggested Answer: Macedonian : [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf) English: [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

Comments: This should be change, because in meanwhile Fiscal strategy of the Republic of North Macedonia 2020-2022 was adopted and english version on this document will be available on this site. That why, we suggest the answer should be: Macedonian :

[https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf) English: [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

IBP Comment

The government reviewer's comment is well-received. The response has been updated to incorporate the static/fix link to the Macedonian version of the 2019-2021 Fiscal Strategy; it has been changed from "ENG:<https://finance.gov.mk/en/node/4112>" to "[https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)".

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:

ENG: <https://finance.gov.mk/en/node/4112>

MK: <https://finance.gov.mk/mk/node/4107>

Comment:

Documents are in pdf

Peer Reviewer

Opinion: Agree

Comments: The MKD version of the documents refers to the Fiscal Strategy of RM for 2020 - 2022 or to be more precise refers to the preview display of the document, which can not be downloaded. The link to full display of the MKD version document that can be downloaded is available at: [https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf).

Government Reviewer

Opinion: Agree

Comments: Source: Macedonian : [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf) English: [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

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:

The PBS for Macedonia for 2019 (<https://finance.gov.mk/en/node/4112>) is available in English.

The Ministry of finance responded to our CEA email with an answer that the document was prepared in May 2018. but with Inspection feature of the document in Google Chrome we find out that the document was last-modified on July 25th 2018.

Comment:

Anyhow, this PBS for 2018 was acceptable to the public four month before the Executive's Budget Proposal is submitted to the legislature in Macedonia for consideration.

Macedonian version is available at: <https://finance.gov.mk/mk/node/4107> with a title: ФИСКАЛНА СТРАТЕГИЈА НА РЕПУБЛИКА МАКЕДОНИЈА ЗА 2019-2021

Peer Reviewer

Opinion: Agree

Comments: The MKD version of the documents refers to the Fiscal Strategy of RM for 2020 - 2022 or to be more precise refers to the preview display of the document, which can not be downloaded. The link to full display of the MKD version document that can be downloaded is available at: [https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf).

Government Reviewer

Opinion: Agree

Comments: Source: Macedonian : [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf) English: [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

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:

2019 - 2021 FISCAL STRATEGY OF THE REPUBLIC OF MACEDONIA

Source:

ENG: <https://finance.gov.mk/en/node/4112>

MK: <https://finance.gov.mk/mk/node/4107>

Comment:

Title in Macedonian: ФИСКАЛНА СТРАТЕГИЈА НА РЕПУБЛИКА МАКЕДОНИЈА ЗА 2019-2021

Peer Reviewer

Opinion: Agree

Comments: The MKD version of the documents refers to the Fiscal Strategy of RM for 2020 - 2022 or to be more precise refers to the preview display of the document, which can not be downloaded. The link to full display of the MKD version document that can be downloaded is available at: [https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf).

Government Reviewer

Opinion: Agree

Comments: Source: Macedonian : [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf) English: [https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

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

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

Answer:

b. No

Source:

Ministry of finance staff

Comment:

Macedonian officials (Ministry of finance) recently started with production of CB. The CB is related to the EBP.

Peer Reviewer

Opinion: Agree

Comments: The only CB publicly available is related to the EBP at <http://budget.finance.gov.mk>.

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:  
Ministry of finance web page: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:  
The EBP of Macedonia is available on the web page of the Ministry of finance on Macedonian language only.

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:  
16/11/2018

Source:  
Email correspondence with the Ministry of finance. The answer was 16th of November 2018.

<https://meta.mk/vladata-go-usvoi-predlog-budhetot-za-2019-i-ke-go-dostavi-do-sobranie/>

Comment:  
We also checked with the Inspect document feature of the Google Chrome and we verified that the last modified on the same date as presented by the Ministry of finance and that is 16th of November 2018.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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

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

*The OBS methodology requires that for an EBP to be considered publicly available, it must be made available to the public while the legislature is still considering it and before the legislature approves (enacts) it. If the EBP is not released to the public before the legislature approves it, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not*



produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EBP.

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

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

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

Answer:

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

Source:

Ministry of finance correspondence and media coverage:

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: The EBP is proposed to the Parliament on November 16, 2018 and was approved by the Parliament on December 21, 2018. It was published on December 24, 2018 on the MF web site and on December 25, 2018 in the Official Gazette. Following links confirm the dates stated above: - Link to the EBP (Google Chrome, right click, inspect): <https://www.finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>; - Link to the EB (Google Chrome, right click, inspect): [https://www.finance.gov.mk/files/u6/BUDZET\\_2019\\_%28SL.\\_VESNIK%29\\_ZA\\_OBJAVUVANJE\\_0.pdf](https://www.finance.gov.mk/files/u6/BUDZET_2019_%28SL._VESNIK%29_ZA_OBJAVUVANJE_0.pdf); - Link to the Parliament Decree for approval of the EBP (first PDF document from the list, download, the date is contained in the document): <https://sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>; - Link to the Official Gazette no. 238: <http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>.

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:

16/11/2018

Source:

Ministry of finance gave us the information via email.

Comment:

We also did a double check via Inspect document feature of the Google Chrome and verified the same date of publication of the document.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

Ministry of finance email correspondence.

We also did a double check via Inspect document feature of the Google Chrome and verified the same date of publication of the document.

Source:

Ministry of finance website: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

<https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Source:

Ministry of finance official website

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

c. No

Source:

Ministry of finance website:

<https://finance.gov.mk/mk/node/4105>

Comment:

Available in pdf only!

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:

Email correspondence with the Ministry of finance. The answer was 16th of November 2018.

<https://meta.mk/vladata-go-usvoi-predlog-budhetot-za-2019-i-ke-go-dostavi-do-sobranie/>

Comment:

We also checked with the Inspect document feature of the Google Chrome and we verified that the last modified on the same date as presented by the Ministry of finance and that is 16th of November 2018.

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:

Предлог Буџет на Република Македонија за 2019 година

Source:

Ministry of finance link: <https://finance.gov.mk/mk/node/4105>

Link to pdf: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

English translation: Proposed budget of the Republic of Macedonia for 2019

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: I agree with the answer, but not with the source. Source: Ministry of finance link: <https://finance.gov.mk/mk/node/4105> should be deleted, because on this link is adopted Budget of the Republic of Macedonia for 2019. Only the link to pdf is correct.

IBP Comment

The government reviewer's comment is well-received. The link "<https://finance.gov.mk/mk/node/4105>" is not applicable for this question.

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:

Ministry of finance web portal: <http://budget.finance.gov.mk/>

Comment:

Also, available in English and Albanian.

Peer Reviewer

Opinion: Agree

Comments: The CB version of the EBP is published on a separate dynamic CB platform created by the MF, available on the following link <http://budget.finance.gov.mk>. The CB version of the EBP for 2019 can be downloaded in PDF from the same platform (right top angle, click 2019 and click download). The CB version of the EBP was published on November 17, 2018 (when download the document click "show inspector" under "tools section").

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:

Official webpage of the Macedonian Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:

Available are also documents:

1. Reports from voting
2. Reports from Finance and budget committee
3. Reports from the Budget council of the Parliament

Peer Reviewer

Opinion: Agree

Comments: The EB is also available on the MF web site ([https://www.finance.gov.mk/files/u6/BUDZET\\_2019\\_%28SL\\_%20VESNIK%29\\_ZA\\_OBJAVUVANJE\\_0.pdf](https://www.finance.gov.mk/files/u6/BUDZET_2019_%28SL_%20VESNIK%29_ZA_OBJAVUVANJE_0.pdf)) and on the Official Gazette web site (<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>).

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:

21/12/2018

Source:  
Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:  
NA

Peer Reviewer

Opinion: Agree

Comments: Link to the Parliament Decree for approval of the EBP (first PDF document from the list, download, the date is contained in the document): <https://sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>.

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:

Administrative staff of the Parliament (Finance and budget committee) confirmed that the documents were published the same day on the web page of the Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:

Also, the EB is available from the web page of the Official Gazete of Macedonia:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

The OG No. 238 from the 25th of December 2018.

Checking via Google Chrome Inspect feature we can see that the OG was published online on the 26th of December thus, within one week after enactment in the Parliament.

Peer Reviewer

Opinion: Agree

Comments: The EB was published on the MF web site on December 24, 2018:

[https://www.finance.gov.mk/files/u6/BUDZET\\_2019\\_%28SL\\_%20VESNIK%29\\_ZA\\_OBJAVUVANJE\\_0.pdf](https://www.finance.gov.mk/files/u6/BUDZET_2019_%28SL_%20VESNIK%29_ZA_OBJAVUVANJE_0.pdf) (right click, inspect). The EB was published on the Parliament web site on January 4, 2019: <https://sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9> (first pdf document from the list, click, download, go in the "tool" section and click show inspector). The EB was published in the Official Gazette no. 238 from December 25, 2018 on December 26, 2018: <http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf> (download the document, go in the "tool" section and click show inspector).

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:  
21/12/2018

Source:  
web page of the Macedonian Parliament:  
<https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

It was confirmed by the administrative staff of the Finance and budget committee that the EB and the proper documents are available the very same day on the web page

Comment:  
Also: the EB for 2019 for Macedonia was made available on the 26th of December 2018 from the official web site of the Official Gazette of Macedonia:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

Peer Reviewer

Opinion: Disagree

Suggested Answer: 25/12/2018

Comments: The EB and the YER are the two financial documents that in accordance to the Law for publications of laws and acts should be published in the Official Gazette of RM in order to enter into force. Therefore the date of publication of the EB in the Official Gazette should be considered as an official. The EB was published in the Official Gazette no. 238 from December 25, 2018:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf> (download the document, go in the "tool" section and click show inspector).

Government Reviewer

Opinion: Agree

Researcher Response

We stay at our date of 21st of December 2018 because we do not assess the legality of the budget actions of the executive and/or the law maker but we assess the public availability of the key documents behind the budget process in this country. What matters is the fiscal transparency of the government operations throughout the budget process and the budget cycle and not the legal aspects of when something is published in the OG. It can also be the case that the budget is enacted and published in the OG but not presented to the public or even not accessible to the public in which case we consider it as not available.

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:  
Confirmed by the administrative staff of the Finance and budget committee via phone conversation that it is a practice at the Parliament that the EB and the proper documents be available the very same day on the web page.

The date was verified on the Official Gazette webpage using Google Chrome's inspect element function.

Source:  
Web site of the Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:  
This is a long tradition of the Macedonia Parliament for years for the documents to be published immediately the very same day.

Peer Reviewer

Opinion: Disagree

Suggested Answer: The EB and the YER are the two financial documents that in accordance to the Law for publications of laws and acts should be published in the Official Gazette of RM in order to enter into force. Therefore the date of publication of the EB in the Official Gazette should be considered as an official. The EB was published in the Official Gazette no. 238 from December 25, 2018:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf> (download the document, go in the "tool" section and click show inspector).

Government Reviewer

Opinion: Agree

Researcher Response

We stay behind and reiterate our answer because we do not assess the legality of the budget actions of the executive and/or the law maker but we assess the public availability of the key documents behind the budget process in this country. What matters is the fiscal transparency of the government operations throughout the budget process and the budget cycle and not the legal aspects of when something is published in the OG. It can also be the case that the budget is enacted and published in the OG but not presented to the public or even not accessible to the public in which case we consider it as not available for example.

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

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

Answer:

<https://www.sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Source:

Macedonian Parliament administrative staff from the Finance and Budget Committee

Macedonian media:

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: The EB and the YER are the two financial documents that in accordance to the Law for publications of laws and acts should be published in the Official Gazette of RM in order to enter into force. Therefore the date of publication of the EB in the Official Gazette should be considered as an official. The EB was published in the Official Gazette no. 238 from December 25, 2018:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf> (download the document, go in the "tool" section and click show inspector).

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well-received. The EB is also available via the Official Gazette at:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

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:

Macedonian Parliament: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:

The document is in pdf and Microsoft word

Click on the links titled: БУЏЕТ НА РЕПУБЛИКА МАКЕДОНИЈА ЗА 2019 ГОДИНА

Peer Reviewer

Opinion: Agree

Comments: The EB is only available in PDF and XML format on the MF web site: <https://www.finance.gov.mk/mk/node/575> (first and second document from the list).

Government Reviewer

Opinion: Disagree

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

Comments: Budget of the Republic of Macedonia for 2019 is publish in machine readable format on Ministry of finance web page: [https://finance.gov.mk/files/u6/Budzet\\_2019.xml](https://finance.gov.mk/files/u6/Budzet_2019.xml)

Researcher Response

The document is available on PDF and XML format. On the other hand, it is stated in the question explanation that: "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" Thus if IBP recognize the XML as machine readable format then it is "a" or "b"

IBP Comment

Per the Open Data Handbook link contained in the guidelines for EB-5 (<http://opendatahandbook.org/glossary/en/terms/machine-readable/>), XML files are considered machine readable. The researcher's response has been updated from "c" to "a".

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:

Administrative staff of the Parliament (Finance and budget committee) confirmed that the documents were published the same day on the web page of the Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:

Also, the EB is available from the web page of the Official Gazete of Macedonia:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

The OG No. 238 from the 25th of December 2018.

Checking via Google Chrome Inspect feature we can see that the OG was published online on the 26th of December thus, within one week after enactment in the Parliament.

Peer Reviewer

Opinion: Agree

Comments: The document is also available on the MF web site:

[https://www.finance.gov.mk/files/u6/BUDZET\\_2019\\_%28SL\\_%20VESNIK%29\\_ZA\\_OBJAVUVANJE\\_0.pdf](https://www.finance.gov.mk/files/u6/BUDZET_2019_%28SL_%20VESNIK%29_ZA_OBJAVUVANJE_0.pdf) .

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:

Буџет на Република Македонија за 2019 година ????? ?? ????????? ?????????? ?? 2019 ??????

Source:

Macedonian Parliament web page: <https://www.sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Comment:

English: Budget of the Republic of Macedonia 2019

Peer Reviewer

Opinion: Agree

Comments: The correct title is "Буџет на Република Македонија за 2019 година" without the first word of the research answer provided above.

Government Reviewer

Opinion: Agree

Comments: "на" should be deleted. "Буџет на Република Македонија за 2019 година" is full title of the EB.

IBP Comment

The comments from the external reviewers are well-received. The response has been updated from "на Буџет на Република Македонија за 2019 година" to "Буџет на Република Македонија за 2019 година".

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

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

Answer:

b. No

Source:

N/A

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes

Comments: Citizen budget is available on Ministry of finance web page: <http://budget.finance.gov.mk/>

IBP Comment

The link entered by the government reviewer is the citizens version of the EBP, which is evaluated in Section 3 of the survey. The current response of "b" is maintained.

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

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

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

Answer:

FY 2019

Source:

Ministry of finance web portal: <http://budget.finance.gov.mk/#>

Comment:

Available on English, Albanian and Macedonian.

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:

Ministry of finance portal on CB: <http://budget.finance.gov.mk/#>

Comment:

The CB assessed here is for the EBP.

Peer Reviewer

Opinion: Agree

Comments: The CB version of the EBP was published on November 17, 2018 on the online dynamic platform: <http://budget.finance.gov.mk> (right top angle, click 2019, click download, go in the section "tool" and select show inspector).

Government Reviewer

Opinion: Agree

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

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

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

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

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

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

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

*published or not produced, leave this question blank.*

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

Answer:  
17/11/2018 17/11/2018

Source:

Comment:  
NA

Peer Reviewer

Opinion: Disagree

Suggested Answer: 17/11/2018

Comments: The CB version of the EBP was published on November 17, 2018 on the online dynamic platform: <http://budget.finance.gov.mk> (right top angle, click 2019, click download, go in the section "tool" and select show inspector).

Government Reviewer

Opinion: Agree

Researcher Response

We agree with peer review and confirm November 17th 2018 CB was made available to the public

IBP Comment

Per the researcher's "Response to Review," the response has been updated from "23/11/2018" to "17/11/2018."

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:  
CEA communicated with the Ministry of finance on November 16 2018 in expectation of the OBS 2019 and they answered us via email on the same day that the CB portal will be made available next week. We checked on the 23rd of November and the CB portal also with the CB 2019 EBP was available on the portal. CEA communicated with the Ministry of finance on November 16 2018 in expectation of the OBS 2019 and they answered us via email on the same day that the CB portal will be made available next week. We checked on the 23rd of November and the CB portal also with the CB 2019 EBP was available on the portal.

Source:

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: The CB version of the EBP was published on November 17, 2018 on the online dynamic platform: <http://budget.finance.gov.mk> (right top angle, click 2019, click download, go in the section "tool" and select show inspector).

Government Reviewer

Opinion:

Researcher Response

We agree with peer review and confirm November 17th 2018 CB was made available to the public

IBP Comment

Per the researcher's "Response to Review," the response was updated to reflect the peer reviewer's suggestion.

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://budget.finance.gov.mk/#>

Source:

Ministry of finance web portal

Comment:

The CB for the EBP was published within one week when EBP was published on the we site of the Ministry of finance.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: <http://budget.finance.gov.mk/>

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:

Citizen budget 2019

Source:

Ministry of finance web portal: <http://budget.finance.gov.mk/#>

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: MKD: "Граѓански буџет на за 2019 година. Преглед на најважните елементи на приходите и расходите на буџетот на Република Македонија." ENG: "Citizens budget for 2019. Review of the most important elements of the revenues and expenditures of the budget of the Republic of Macedonia."

Government Reviewer

Opinion: Agree

Comments: Macedonian: Граѓански буџет за 2019 година English: Citizen budget 2019

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:

CB 2019 corresponds to the EBP 2019

Source:

Ministry of finance web portal: <http://budget.finance.gov.mk/#>

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: Link to the EBP: <https://www.finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>. Link to the Citizens version of the EBP: <http://budget.finance.gov.mk>.

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2018

Source:

Ministry of finance treasury monthly reports: <https://finance.gov.mk/mk/node/898>

Comment:

This is usual practice of the Ministry of finance to produce and to publish t-1 month monthly IYR.

Latest one available for December 2018

Peer Reviewer

Opinion: Agree

Comments: The last published IYR for 2018 contains cumulative and monthly data on different budget categories.

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:

Ministry of finance: <https://finance.gov.mk/mk/node/898>

<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>

Comment:

On the link above please, click on the excel file titled as link: Извршување на Буџет на РМ за 2018 година (Ноември) to be able to download the excel file

Peer Reviewer

Opinion: Disagree

Suggested Answer:

Comments: The date presented by the researcher can not be confirmed. According to the background information of the excel document available on <https://finance.gov.mk/mk/node/898> (click on "Извршување на Буџет на РСМ за 2018 година") the document was created on August 25, 2017 (Open the document go to File, click "Properties" and go in "Statistics)". There is no available data related to the publication of the IYRs.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well received. As the properties of the November 2018 IYR file also show that it was last modified/saved on 13 December 2018, the current response of "a" is maintained.

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:

1. 25 January 2019 for the December 2018

The practice is within 5 days of the end of the calendar month for the IYR to be published for the t-1 month.

Source:

Ministry of finance: on the link: <https://finance.gov.mk/mk/node/898> please, click on the excel file titled: Извршување на Буџет на РМ за 2018 година (Ноември)

<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>

Comment:

The excel file cumulates month by month the monthly IYR in Macedonia.

Peer Reviewer

Opinion: Disagree

Suggested Answer: The date presented by the researcher can not be confirmed. According to the background information of the excel document available on <https://finance.gov.mk/mk/node/898> (click on "Извршување на Буџет на РСМ за 2018 година") the document was created on August 25, 2017. There is no available data related to the publication of the IYRs.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well received. As the properties of the November 2018 IYR file also show that it was last modified/saved on 13 December 2018, the current response is maintained.



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:

Checking the web site of the Ministry of finance

CEA monitors the execution of the budget in Macedonia for years and this is a routine practice for us.

Source:

Ministry of finance: <https://finance.gov.mk/mk/node/898>

<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>

Comment:

N/A

Peer Reviewer

Opinion: Disagree

Suggested Answer: The researcher explanation can not be verify by other sources, since its based on their monitoring practice. According to the background information of the excel document available on <https://finance.gov.mk/mk/node/898> (click on "Извршување на Буџет на РСМ за 2018 година") the document was created on August 25, 2017. There is no available data on when IYRs was made public.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well received. As the properties of the November 2018 IYR file also show that it was last modified/saved on 13 December 2018, the current response is maintained.

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

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

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

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

Answer:

<https://finance.gov.mk/mk/node/898>

Source:

Ministry of finance web page: <https://finance.gov.mk/mk/node/898>

<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

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

Source:

Ministry of finance website: <https://finance.gov.mk/mk/node/898>

<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>

Comment:

Click on the excel file titled as: Извршување на Буџет на РМ за 2018 година (Ноември)

The file is xls

Peer Reviewer

Opinion: Agree

Comments: The IYRs are published on the MF web site in xls format only (<https://finance.gov.mk/mk/node/898>, click on "Извршување на Буџет на РСМ за 2018 година").

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:

N/A

Comment:

N/A

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:

In Macedonian: Извршување на Буџет на РСМ 2018 (Ноември)

In English: Budget realization of RM for 2018 (November) In Macedonian: ?????????? ?? ????? ?? ??? 2018 (???????)

In English: Budget realization of RM for 2018 (November)

Source:

<https://finance.gov.mk/mk/node/898>

<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>

Comment:

N/A

Peer Reviewer  
Opinion: Agree  
Comments: Извршување на Буџет на РСМ 2018 Budget realization for RNM for 2018

Government Reviewer  
Opinion: Agree

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

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

Answer:

b. No

Source:

NA

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2018

Source:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeta%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeta%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: With respect to macroeconomic indicators, in MYR there is a separate chapter related to the latest macroeconomic developments and expectations by the end of the year. As regards fiscal indicators, additional explanations for the major deviation related to expenditures are part of this report.

IBP Comment

The researcher's comment is confirmed; the current response is maintained.

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 "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Six weeks or less after the midpoint

Comments: MYR is published on the MoF website.

IBP Comment

The researcher's comment is confirmed; the current response is maintained.

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:

The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

IBP Comment

The researcher's comment is confirmed; the current response is maintained.

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:  
N/A N/A

Source:  
The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Ministry of finance web page:  
[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeta%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeta%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:  
N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion:

IBP Comment  
The researcher's comment is confirmed; the current response is maintained.

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

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

Answer:  
[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeta%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeta%20na%20Budzetot%20na%20RM_2018_0.pdf)

Source:  
The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Comment:  
N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion:  
Comments: With respect to macroeconomic indicators, in MYR there is a separate chapter related to the latest macroeconomic developments and expectations by the end of the year. As regards fiscal indicators, additional explanations for the major deviation related to expenditures are part of this report.

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:

The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Comment:

It is in pdf format

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

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

Comments: Fiscal data for the mid-year execution by budget users and funds is presented and published in excel format.

IBP Comment

The researcher's comment is confirmed; the response has been changed from "c" to "d" in accordance with the question guidelines.

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:

The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

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

Comments: [https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

IBP Comment

The researcher's comment is confirmed; the current response is maintained.

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:

The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Source:

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: n/a

Comments: [https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

IBP Comment

The researcher's comment is confirmed; the current response is maintained.

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:

N/A N/A

Source:

The "MYR" document published by the Government does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Comment:

Macedonian: ПОЛУГОДИШЕН ИЗВЕШТАЈ ЗА ИЗВРШУВАЊЕТО НА БУЏЕТОТ НА РЕПУБЛИКА МАКЕДОНИЈА - ЈАНУАРИ-ЈУНИ 2018 ГОДИНА -

English: Mid-year report of the budget execution - January-June 2018

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Macedonian: ПОЛУГОДИШЕН ИЗВЕШТАЈ ЗА ИЗВРШУВАЊЕТО НА БУЏЕТОТ НА РЕПУБЛИКА МАКЕДОНИЈА - ЈАНУАРИ-ЈУНИ 2018 ГОДИНА - English: Mid-year report of the budget execution - January-June 2018

IBP Comment

As the MYR is considered to be not produced, due to the fact that the "Mid-year report of budget execution January-June 2018" does not meet the necessary content requirements, the current response of "N/A" is maintained.



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:

NA

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2017

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Comment:

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Peer Reviewer

Opinion: Agree

Comments: The YER of the budget for 2017 can be found on the: - Parliament web site (<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>); - MF web site (<https://www.finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>) and - Official Gazette (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>).

Government Reviewer

Opinion: Agree

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

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

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

Answer:

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

Source:

Macedonian Parliament official website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Comment:

The document YER together with the AR was discussed and voted for in the Parliament on the Plenary session on the 23th of July 2018 when it was made available to the public via the website of the Parliament thus, nine months or less, but more than six months, after the end of the budget year

Peer Reviewer

Opinion: Agree

Comments: The Government of RM has debated and adopt the YER of the budget for 2017 on its 75th session (item 6 in the list presented on the following link: <https://vlada.mk/sednica/75>) held on June 19, 2018. The Parliament has received and published the proposed YER on June 21, 2018 (download the first document in the list <https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406> in the tool section click "show inspector") and adopted the proposal on July 23, 2018 on its 53th plenary session. The YER was officially published in the Gazette no. 141 on July 30, 2018 (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>). The YER for 2017 document is published on the MF site on June 19, 2018 (open the document in Chrome on the following link <https://www.finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>, then right click and inspect).

Government Reviewer

Opinion: Disagree

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

Comments: YER was publish on the Ministry of finance web site on 19.06.2018. Link: <https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>

Researcher Response

We agree with the government that the publication on the web page of the Ministry of finance was on 19th of June and we want to change the answer to "a".

IBP Comment

Per the researcher's "Response to Review," the response has been updated 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:

19/06/2018

Source:

Macedonian Parliament official website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

**Comment:**

Verified via phone conversation with the administrative staff from the Finance and budget Committee within the Parliament

**Peer Reviewer**

Opinion: Disagree

Suggested Answer: 30/07/2018

Comments: The Government of RM has debated and adopt the YER of the budget for 2017 on its 75th session (item 6 in the list presented on the following link: <https://vlada.mk/sednica/75>) hold on June 19, 2018. The Parliament has received and published the proposed YER on June 21, 2018 (download the first document in the list <https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406> in the tool section click "show inspector") and adopted the proposal on July 23, 2018 on its 53th plenary session. The YER was officially published in the Gazette no. 141 on July 30, 2018 (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>). The YER for 2017 document is published on the MF site on June 19, 2018 (open the document in Chrome on the following link <https://www.finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>, then right click and inspect).

**Government Reviewer**

Opinion: Disagree

Suggested Answer: 19/06/2018

Comments: YER was publish on the Ministry of finance web site on 19.06.2018. Link: <https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>

**Researcher Response**

We agree with the government and the publication date for the public consideration at the Ministry of finance web page is 19th of June 2018. (confirmed and checked with Google Chrome inspection).

**IBP Comment**

Per the researcher's "Response to Review," the response has been updated from "23/7/2018" to "19/06/2018."

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:**

We verified via phone conversation with the administrative staff from the Finance and budget Committee within the Parliament

**Source:**

Web site of the Parliament

**Comment:**

The practice in the Parliament for years is for the materials of the Plenary sessions to be made available on the web site and to the public immediately the same day or at latest the next working day.

**Peer Reviewer**

Opinion: Disagree

Suggested Answer: The YER report for 2017 is published in the Official Gazette on July 30, 2018.

Comments: Publication of the YER is one of the budget documents that is foreseen to be published in the Official gazette in accordance to the Law on Publication of the Laws and other Legal act in the Official Gazette (article 3). Therefore the date of publication of the YER in Official Gazette is the official. The YER was officially published in the Gazette no. 141 on July 30, 2018 (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>).

**Government Reviewer**

Opinion: Disagree

Suggested Answer: Ministry of finance staff provide us with correct data of publishing YER on Ministry of finance web site. Link: <https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>

**Researcher Response**

We agree with the government and the publication date for the public consideration at the Ministry of finance web page is 19th of June 2018. (confirmed and checked with Google Chrome inspection).

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

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

Answer:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

<https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>

Source:

Website of the Parliament

Comment:

To reach the document please, click on the pdf link below:

Основни документи

Целосен текст на материјалот

Peer Reviewer

Opinion: Disagree

Suggested Answer: The YER was officially published in the Gazette no. 141 on July 30, 2018

(<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>).

Government Reviewer

Opinion: Disagree

Suggested Answer: Link to Ministry of finance web site: <https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf> Link to Parliament web site: <https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

IBP Comment

The additional links suggested by the external reviewers are well received.

"<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>" and

"<https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>" were added to the researcher's response.

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

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

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

Answer:

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

Source:

Website of the Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Comment:

The doc is in pdf format

Peer Reviewer

Opinion: Agree

Comments: The YER for 2017 is available in PDF (MF, Parliament and Official Gazette) and XML format (MF). MF:

<https://www.finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf> Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406> Official Gazette:

<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

Government Reviewer

Opinion: Disagree

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

Comments: Link to machine readable format : <https://finance.gov.mk/files/u6/Zavrsna%20smetka%202017%20%28za%20na%20sajt%29.xml>

Researcher Response

In the question it is stated: "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". If IBP recognizes XML as a machine readable format then the answer can be "a" or "b".

IBP Comment

Per the Open Data Handbook link contained in the guidelines for YER-5 (<http://opendatahandbook.org/glossary/en/terms/machine-readable/>), XML files are considered machine readable. The researcher's response has been updated from "c" to "a".

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:

NA

Comment:

NA

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:

Завршна сметка на Буџетот на Република Македонија за 2017 година

Source:

On the web site of the Parliament:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the pdf link below:

Основни документи

Целосен текст на материјалот

Comment:

In Macedonian: Предлог завршна сметка на Буџетот на Република Македонија за 2017 година со Конечен извештај за извршена ревизија на усогласеност за 2017 година на Основен буџет на Република Македонија

In English: Draft final account of the Budget of the Republic of Macedonia for 2017 with a Final report of the audit compliance performed for 2017 on the basic budget of the Republic of Macedonia

Peer Reviewer

Opinion: Disagree

Suggested Answer: Завршна сметка на Буџетот на Република Македонија за 2017 година

Comments: YER is one of the budget documents that is foreseen to be published in the Official Gazette in accordance to the Law on Publication of the Laws and other Legal act in the Official Gazette (article 3). Therefore the date of publication of the YER in Official Gazette is the official. Official Gazette: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

Government Reviewer

Opinion: Disagree

Suggested Answer: In Macedonian: Завршна сметка на Буџетот на Република Македонија за 2017 година In English: Final account of the Budget of the Republic of Macedonia for 2017

Comments: Link: <https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>

IBP Comment

The comments from the external reviewers are well received. The response has been updated from "Предлог завршна сметка на Буџетот на Република Македонија за 2017 година со Конечен извештај за извршена ревизија на усогласеност за 2017 година на Основен буџет на Република Македонија" to "Завршна сметка на Буџетот на Република Македонија за 2017 година".

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

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

Answer:

b. No

Source:  
NA

Comment:  
CB in Macedonia only prepared for the EBP

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested Answer: a. Yes  
Comments: Link: <http://budget.finance.gov.mk/>

IBP Comment  
The link cited by the government is evaluated as the citizens version of the EBP; the current response of "b" is maintained.

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

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

Answer:  
FY 2017

Source:  
Official website of the SAO in Macedonia:  
[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:  
The AR was finalized on the 28th of May 2018 but made available to the public on the 13th of June 2018.

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:

Web site of the Macedonian SAO:

[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:

Document made available to the public on the SAO website on the 13th of June 2018

Peer Reviewer

Opinion: Agree

Comments: The AR was prepared on May 28, 2018 and sent to the Government for discussion on the 75th session hold on June 19, 2018 (item 6 in the list on the following link <https://vlada.mk/sednica/75>) together with the Proposed YER. The AR was sent to the Parliament and published on June 21, 2018. It was discussed and approved on 53th session that took place on July 23, 2018 (first pdf document in the list presented on the following link <https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>). The AR is not published in the Official Gazette and was made publicly available on the State Audit Office web page on June 13, 2018 or before it was reviewed by the Government and the Parliament (open the document in Chrome [http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf), the date is determined by right click and inspect).

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:

13/6/2018

Source:

Website of the SAO of Macedonia

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: The AR was made publicly available on the State Audit Office web page on June 13, 2018 (open the document in Chrome [http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf), the date is determined by right click and inspect).

Government Reviewer

Opinion:

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:

We used the Inspect feature of the Google Chrome to inspect the document

Source:

Website of the SAO:



[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:  
NA

Peer Reviewer

Opinion: Agree

Comments: The AR was made publicly available on the State Audit Office web page on June 13, 2018 (open the document in Chrome [http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf), the date is determined by right click and inspect).

Government Reviewer

Opinion:

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.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Source:

Official website of the SAO of Macedonia:

[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Also available on Ministry of finance website, together with Final account for 2017. Link : <https://finance.gov.mk/files/u6/ZAVRSNA%20SMETKA%202017%20-%20SPOENA.pdf>

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:

Web site of the SAO:

[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:

The doc is in pdf

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:

NA

Comment:

NA

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:

Конечен извештај за извршена ревизија на усогласеност на Основен буџет на Република Македонија за 2017 година

Source:

Website of the SAO of Macedonia:

[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:

In Macedonian:

Основен буџет на Република Македонија конечен извештај на овластениот ревизор

In English: Basic Budget of the Republic of Macedonia final report of the authorized auditor

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Macedonian: Конечен извештај за извршена ревизија на усогласеност на Основен буџет на Република Македонија за 2017 година

IBP Comment

The government reviewer's comment is well received. The response has been updated from "Основен буџет на Република Македонија конечен извештај на овластениот ревизор" to "Конечен извештај за извршена ревизија на усогласеност на Основен буџет на Република Македонија за 2017 година".

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

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

Answer:

b. No

Source:

NA

Comment:

In Macedonia CB has been prepared for the EBP only

Peer Reviewer

Opinion: Agree

Government Reviewer  
Opinion: Agree

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

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

Answer:

a. Yes

Source:

1. Web Portal-Open data: <https://www.otvorenipodatoci.gov.mk/en/>

2. Macedonia particiapte on the Open government partnership-OGP: <https://www.opengovpartnership.org/countries/former-yugoslav-republic-of-macedonia>

3. Accountability tool about the expenses of the government appointees:

<https://vlada.mk/otchetnost-troshoci>

Comment:

We portal of the Ministry of information society and administration and the Government of Macedonia

For example financial support of Agriculture:

<https://www.otvorenipodatoci.gov.mk/en/group/3emjodejictbo-wymapctbo-pn6apctbo-n-xpaha>

The problem is that the portal is badly organized and difficult to search.

At the OGP it is difficult to find data actually

On the accountability tool data are available in csv format as well

Peer Reviewer

Opinion: Agree

Comments: Following are the websites or web portals for disseminating government fiscal information developed by the Government: 1. Open Data Portal (<https://www.otvorenipodatoci.gov.mk/en/>). The main goal of the Open Data Portal is to create a dynamic ecosystem of open data in which data is produced, opened, enriched and reused by various stakeholders from the public, private, academic and civil sectors, as well as to facilitate the distribution of open data. However, the Portal do not contribute toward creating dynamic ecosystem. The Portal is not frequently updated and all data published on the Portal already exists in the same format on the government institutions web sites. Additionally, the portal contains data only for national level institutions and is not including the public enterprises, local self governments and the National Bank data. In summary, the only benefit gained from this portal is that all the information are available in one place. 2. Tool for publishing information on the costs made by each public official (<https://vlada.mk/otchetnost-troshoci>). The main goal of the tool is to review and compare the official expenses of the President of the Government of the Republic of North Macedonia, the Deputy Prime Ministers, the Ministers, the Ministers without Portfolio, the Deputy Ministers, the Secretary General of the Government and the State Secretaries of the Ministries. The tool also gives overview on the monthly gross salaries of the same governmental representatives, but do not provide possibility to see what is the actual amount of funds paid to a certain position/representative (funds for overtime work, funds for leaving separate from the family, etc.). The information presented on the portal are outdated (last available information are for 2018) and it doesn't include the public enterprises, local self governments and the National Bank data. 3. Citizens Budget Portal (<http://budget.finance.gov.mk>). The Civil Budget is a web application that allows access and overview of the budget, through an interactive interface created for the citizens. It provides information about the budget planning, distribution and income. The portal contains information from the EBP document and is regularly updated since 2017.

Government Reviewer

Opinion: Agree

Comments: Mof web site provide all relevant and necessary fiscal data <http://budget.finance.gov.mk/> <https://finance.gov.mk/mk/node/898>

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:

b. Yes, but only expenditure data can be downloaded as a consolidated file

Source:

Open data portal:

<https://www.otvorenipodatoci.gov.mk/en/group/3emjodejictbo-wympactbo-pn6apctbo-n-xpaha>

Comment:

Expenditures can be downloaded in csv format for some Programs for example the Program for the financial support of Agriculture

Peer Reviewer

Opinion: Agree

Comments: The Open Data Portal is the only portal, from the three portals listed in the answer of the previous question, where files with consolidated information can be found. However, the files published on the portal are outdated. For example, the Report on budget execution for 2018 is available only for the first three quarters of the year, the last quarter and the data for 2019 are not available at all.

(<https://www.otvorenipodatoci.gov.mk/mk/dataset/n3bpwybahbe-ha-6yuet-ha-onwta-bjiada/resource/a4935450-2ac0-4797-84ac-99ecf75ec337>).

Government Reviewer

Opinion: Disagree

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

Comments: From MoF web site all fiscal data for revenues and expenditures can be downloaded. <https://finance.gov.mk/mk/node/693>  
<https://finance.gov.mk/mk/node/898>

Researcher Response

We stay at our "b" answer but we want to make an emphasis to the peer reviewer about the data being outdated.

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:

b. Yes, but only expenditure data can be downloaded for multiple years in consistent formats

Source:

Accountability tool: <https://vlada.mk/otchetnost-troshoci>

Comment:

The accountability tool provides expenditure data by year, month, ministry and government official

Peer Reviewer

Opinion: Agree

Comments: The consolidated expenditure data can be downloaded for maximum two year period in consistent formats for some of the budget documents. (see the link: <https://www.otvorenipodatoci.gov.mk/mk/dataset/n3bpwybahbe-ha-6yuet-ha-onwta-bjiada/resource/a4935450-2ac0-4797-84ac-99ecf75ec337>)

Government Reviewer

Opinion: Disagree

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

Comments: both revenue and expenditure data can be downloaded for multiple years from Mof web site

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:

Accountability tool: <https://vlada.mk/otchetnost-troshoci>

Comment:

It provides graphical presentation of the expenditure by year and amount

Peer Reviewer

Opinion: Agree

Comments: In addition to the researcher's source of verification provided, in Macedonia there are few web sites/portals or tools that contribute to simplifying data access and analysis, such as: - The Open Data Portal has a function for visualization of the data but in some cases the function does not work (ex. <https://www.otvorenipodatoci.gov.mk/mk/dataset/n3bpwybahbe-ha-6yuet-ha-pm/resource/da075c5e-9c29-449f-902c-94dbf0c5765f>). - Tool for publishing information on the costs made by each public official (<https://vlada.mk/otchetnost-troshoci>) a - Citizens Budget Portal (<http://budget.finance.gov.mk/#>) contains simplified data access by visualization.

Government Reviewer

Opinion: Agree

Comments: <http://budget.finance.gov.mk/>

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.xql?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:

Ministry of finance Budget law:

[https://finance.gov.mk/files/u6/\\_\\_\\_\\_\\_5.pdf](https://finance.gov.mk/files/u6/_____5.pdf)

State audit law:

<https://www.finance.gov.mk/files/u11/Audit%20law.pdf>

Comment:

Fiscal transparency is regulated in the Budget law in the Section VII Articles 53 and 54 related to the MYR, IYR, EBP and YER

Participation is not regulated neither in the Budget law nor in the State audit law

Peer Reviewer

Opinion: Agree

Comments: 1. Law on Budgets - the transparency in the work of the public institutions is regulated within the following provisions: Article 3, line 2 and 7; Article 13, line 1; Article 37, line 2 and 3; Article 53, line 1, 2, 3, 4 and 5; Article 54, line 1 and 2; and Article 55. The Law and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://fiskalntransparentnost.org.mk/index.php/zakon-za-bugetite-fiskalna-transparentnost>. The Law do not contains specific provisions for citizens participation in the budget process. 2. Law on Public Debt - the transparency in the work of the public institutions is regulated within the following provisions: Article 11; Article 26, line 1; and Article 27, line 1. The Law and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://fiskalntransparentnost.org.mk/index.php/zakon-za-javen-dolg-fiskalna-transparentnost>. The Law do not contains specific provisions for citizens participation in the budget process. 3. Law on Accounting for the Budget and Budget users - the transparency in the work of the public institutions is regulated with following provisions: Article 2, line 1; Article 4, line 1; Article 7, line 2; and Article 11, line 3. The Law and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://fiskalntransparentnost.org.mk/index.php/zakon-za-smetkovodstvo-zabugetite-i-bugetskite-korisnici-fiskalna-transparentnost>. The Law do not contains specific provisions for citizens participation in the budget process. 4. Law on financing local self government units - the transparency in the work of the public institutions is regulated within the following provisions: Article 7, line 1 and 2; Article 27, line 4; Article 32, line 1, 2, 3 and 4; Article 33, line 1, 2, 3, 4 and 5; and Article 38. The Law and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://fiskalntransparentnost.org.mk/index.php/zakon-za-finansiranje-na-edinicite-na-lokalnata-samouprava-fiskalna-transparentnost>. The Law do not contains specific provisions for citizens participation in the budget process. 5. State Audit Law - the transparency in the work of the public institutions is regulated within the following provisions: Article 18; Article 19; Article 22, line 1; Article 23; Article 31, line 2; Article 33, line 1; and Article 34. The Law and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://fiskalntransparentnost.org.mk/index.php/zakon-za-drzhavnata-revizija-fiskalna-transparentnost>. The Law do not contains specific provisions for citizens participation in the budget process. 6. Citizens participation in the local self government, executive and legislator work is regulated with number of laws (<http://www.fiscaltransparency.org.mk/index.php/grafansko-uchestvo>) and legal regulation. However, the citizens participation in the budget work of the public institutions is not regulated with any Law.

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:

For example, Website of the State statistical office on Macedonia:

[http://www.stat.gov.mk/pdf/SlobodenPristapDoInformacii/zakon\\_za\\_informacii.pdf](http://www.stat.gov.mk/pdf/SlobodenPristapDoInformacii/zakon_za_informacii.pdf)

Or this portal provides first version of the law from 2006 and subsequent amendments thereon

Comment:

This is the Freedom of information act of Macedonia

Peer Reviewer

Opinion: Agree

Comments: 1. Constitution of RNM - the transparency in the work of the public institutions is regulated within the following provisions: Article 2, 8, 9 and 16. The Constitution and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://www.fiscaltransparency.org.mk/index.php/ustav-na-rm-fiskalna-transparentnost>. The Constitution do not contains specific provisions for citizens participation in the budget process. 2. Freedom of Information Act - the transparency in the work of the public institutions is regulated within Article 10. The Law and the explanation on the provisions which regulate the transparency in the work of the public institutions can be found on the following link: <http://fiskalntransparentnost.org.mk/index.php/zakon-za-sloboden-pristap-do-informacii-od-javen-karakter-pristap-do-informacii-od-javen-karakter>. 3. Citizens participation in the local self government, executive and legislator work is regulated with number of laws (<http://www.fiscaltransparency.org.mk/index.php/grafansko-uchestvo>) and legal regulation. However the citizens participation in the budget work of the public institutions is not regulated with any Law.

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:**

Central budget expenditures by budget users (Биланс на расходи на централен буџет по буџетски корисници). Pages 79, 80, 81 and 82.

**Link:** <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

**Comment:**

The total of 179.890.691 thousand denars at the top of the table on pg. 79 presents the "special part," that is for the central budget.

The 228.548.000 thousand denars figure on pg. 1 presents the total consolidated budget that includes the budgets of the funds as well.

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:**

Budget expenditures by function of Central budget (Буџетски расходи по функции на Централен буџет) Pages 83, 84 and 85.

**Link:** <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

**Comment:**



N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

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

*GUIDELINES:*

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

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

*COFOG can be viewed at [https://unstats.un.org/unsd/publication/SeriesM/SeriesM\\_84E.pdf](https://unstats.un.org/unsd/publication/SeriesM/SeriesM_84E.pdf) or at <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/ch6ann.pdf>.*

Answer:

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

Source:

Budget expenditures by function of Central budget (Буџетски расходи по функции на Централен буџет) Pages 83, 84 and 85.

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Starting from the main headings (general public services, defense, recreation culture and religion, economic affairs, etc...), the classification is compatible with international standards.

Peer Reviewer  
Opinion: Agree

Comments: The expenditures in the Central budget are presented by Functions and Functional items, not including detailed presentation of the sub items falling under the Functional items. For example the Function "701- General Public Services" and the Functional items such as "7011 - Executive and legislative organs, financial and fiscal affairs, external affairs" are presented in the budget, but the subitems such as "70111 - Executive and legislative organs (CS)" are not included in the description of the expenditures.

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:

Expenditures of the Budget of Republic of Macedonia by items (Биланс на расходи на Буџетот на Република Македонија по ставки), pages 77 and 78.

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: The State and the Central budget expenditures are presented by economic classification on page 72 and 73 for the State budget and on page 77 and 78 for the Central budget in the EBP for 2019 (<https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>).

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:

Expenditures of the Budget of Republic of Macedonia by items (Биланс на расходи на Буџетот на Република Македонија по ставки), pages 77 and 78.

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

The order is not exactly the same, but the headings correspond.

Peer Reviewer

Opinion: Agree

Comments: The State and the Central budget expenditures are presented by economic classification on page 72 and 73 for the State budget and on page 77 and 78 for the Central budget in the EBP for 2019 (<https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>). It is important to mention that the expenditures presented by economic classification are presented by expenditure category and item, not including the sub items falling under each expenditure item. For example on page 77 the first expenditure category presented is "40 - wages and salaries", under this category the lowest breakdown presented is "401 - net salaries including the personal tax" not including the sub items of this expenditure item such as "4011 - basic salaries, 4012 - additional payments to the basic salaries and 4013 - deductions on the salaries (personal tax on the salary and other payments). Please see the Rules for expenditure classification on the following link: [https://www.finance.gov.mk/files/u6/Pravilnik\\_za\\_klasifikacija\\_na\\_rashodite.pdf](https://www.finance.gov.mk/files/u6/Pravilnik_za_klasifikacija_na_rashodite.pdf)

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:**

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

**Comment:**

1. Government programs: pages: 86-87

2. Development 3-years subprograms by administrative units: pages: 88-95

3. Expenditures on a program level, i.e., expenditures are presented with a level of detail below administrative unit. From page 96 till page 371 you will see Program (Програма) and Subprogram (Подпрограма) as Items.

NOTE: In Macedonia we have line budgeting, but since in the explanation of the question it is stated: "...any programmatic grouping that is below the ministry..." our answer to this question is "a" because we have programmatic grouping with a level of detail below administrative unit.

**Peer Reviewer**

Opinion: Agree

Comments: The expenditures in the EBP for 2019, under each administrative unit within the Central budget are presented by budget programs (page 96 to 367). For example, the Ministry of Health budget (page 325 to 333) is divided in 9 budget programs (1 - Administration, 3 - Agency on medicine and medical devices, 5 - preventive health care, etc.) and all programs are divided into 34 subprograms (50 - prevention from cardiovascular diseases, 51 - program for regular medical checkups of pupils and students).

**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:

d. No, multi-year expenditure estimates are not presented by any expenditure classification.

Source:

Multi-year expenditure estimates by administrative classification (Преглед на развојни потпрограми) Pages from 88 till 95.

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Multi-year expenditure estimates are only by administrative classification and only for the development programs and not the entire budget allocations.

Peer Reviewer

Opinion: Agree

Comments: The Multi-year expenditure estimates in the EBP for 2019 are presented by administrative classification (page 380 to 430) only for the development programs of 29 out of 94 budget users and not for all budget expenditures planned (the only expenditures presented for the 29 budget users included are: capital expenditures, subsidies and transfers, interests, loan principal and salaries and wages). The estimates are presented for the period from 2019 to 2021.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Multi-year expenditure estimates are presented by administrative, economic and source of funds classification for the development programs.

Researcher Response

We stay at our "c" answer.

IBP Comment

Since the expenditures for the 2020 and 2021 development programs only account for approximately 10% of the overall expenditures of those fiscal years - less than 2/3 of overall expenditure - we cannot count this as a full administrative classification of expenditure estimates for a multi-year period. The answer has been revised down to "d".

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:

None of the above

Source:

Multi-year expenditure estimates by administrative classification (Преглед на развојни потпрограми) Pages from 88 till 95.

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Multi-year expenditure estimates are only by administrative classification and only for the development programs and not the entire budget allocations.

Peer Reviewer

Opinion: Agree

Comments: The Multi-year expenditure estimates in the EBP for 2019 are presented by administrative classification (page 380 to 430) only for the development programs of 29 out of 94 budget users and not for all budget expenditures planned (the only expenditures presented for the 29 budget users included are: capital expenditures, subsidies and transfers, interests, loan principal and salaries and wages). The estimates are presented for the period from 2019 to 2021.

Government Reviewer

Opinion: Disagree

Suggested Answer: administrative classification and economic classification

Researcher Response

We stay at our answer.

IBP Comment

Since the expenditures for the 2020 and 2021 development programs only account for approximately 10% of the overall expenditures of those fiscal years - less than 2/3 of overall expenditure - we cannot count this as a full administrative classification of expenditure estimates for a multi-year period. The answer has been revised down to "None of the above".

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:

c. Yes, multi-year estimates for programs accounting for less than two-thirds of expenditures are presented.

Source:

Multi-year expenditure estimates by administrative classification (Преглед на развојни потпрограми) Pages from 88 till 95.

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: The Multi-year expenditure estimates in the EBP for 2019 are presented by administrative classification (page 380 to 430) only for the development programs of 29 out of 94 budget users and not for all budget expenditures planned (the only expenditures presented for the 29 budget users included are: capital expenditures, subsidies and transfers, interests, loan principal and salaries and wages). The estimates are presented for the period from 2019 to 2021.

Government Reviewer

Opinion: Agree

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

**GUIDELINES:**

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

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

**Answer:**

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

**Source:**

Page 71 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

**Comment:**

Item 711 (Данок од доход, од добивка и од капитални добивки) lumps together at least three if not more individual taxes. Item 714 (Домашни даноци на стоки и услуги) lumps together at least 2 individual taxes.

This is why the selected answer is "B." These are not disaggregated into four digit items, but in the 2015 and 2017 OBS research it was agreed with IBP that "Revenues could be further disaggregated but when we compare the level of detail to other countries it merits a B answer (in coordination with IBP in 2015)." Thus "b" remains applicable this round, too.

**Peer Reviewer**

Opinion: Disagree

Suggested Answer:

c. Yes, individual sources of tax revenue accounting for less than two-thirds of all tax revenues are presented.

Comments: The budget revenues classification is prescribed in details in the existing "Rulebook for revenue classification" (on the following link: <https://www.finance.gov.mk/files/u12/Pravilnik%20za%20klasifikacija%20na%20prihodi%202018.pdf>). Based on the Rulebook the budget includes 30 tax revenue categories, 59 tax revenue subcategories and 546 individual tax revenue items. However, the EBP give presentation only on five tax revenue categories, while 18 tax revenue subcategories and 201 individual tax revenue items under the five tax categories are not shown in the EBP, which are less than 2/3.

**Government Reviewer**

Opinion: Agree

**Researcher Response**

We stay at our "b" answer as it is not the point to list ALL tax revenues but at the existing level of disaggregation the main tax revenues to be disaggregated at satisfactory level. Thus, at the existing level of disaggregation individual sources of tax revenue accounting for at least two-thirds of, but not all, tax revenues are presented in the Macedonian case. And more, this has already been discussed with IBP in the previous rounds of the OBI and it is a consistent answer throughout the years with which CEA agrees.

**IBP Comment**

The subcategory "711 Данок од доход, од добивка и од капитални добивки" under "71 ДАНОЧНИ ПРИХОДИ" on page 71 corresponds with a 3rd level tax classification in the IMF's Government Financial Statistics Manual 2014 (see pg. 88 of <https://www.imf.org/external/Pubs/FT/GFS/Manual/2014/gfsfinal.pdf>). The subcategory "714 Домашни даноци на стоки и услуги," on the other hand, could align with the 4th level classification "General taxes on goods and services." As subcategory 711 accounts for less than one third of overall 2019 tax income, the current response of "b" is maintained.

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:

c. Yes, individual sources of non-tax revenue accounting for less than two-thirds of all non-tax revenues are presented.

Source:

Page 71 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Items 722 and 723 for example "Глоби, судски и административни такси" and "Такси и надоместоци" among other non-tax revenue needs to be further disaggregated as these are not disaggregated into four digit items but, in the 2015 and 2017 OBS research it was agreed with IBP that: "Revenues could be further disaggregated but when we compare the level of detail to other countries it merits a B answer (in coordination with IBP in 2015)." Therefore, answer "b" is applicable this round, too.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, individual sources of non-tax revenue accounting for less than two-thirds of all non-tax revenues are presented.

Comments: The budget revenues classification is prescribed in details in the existing "Rulebook for revenue classification" (on the following link: <https://www.finance.gov.mk/files/u12/Pravilnik%20za%20klasifikacija%20na%20prihodi%202018.pdf>). Based on the Rulebook the budget includes 30 revenue categories, 59 revenue subcategories and 546 individual revenue items. However, the EBP give presentation only on five non-tax revenue categories, while 16 non-tax revenue subcategories and 126 individual non tax revenue items under the five non tax categories are not shown in the EBP, which are less than 2/3.

Government Reviewer

Opinion: Agree

Researcher Response

We stay at our "b" answer as it is not the point to list ALL non-tax revenues but at the existing level of disaggregation the non-tax revenues to be disaggregated at satisfactory level. Thus, at the existing level of disaggregation individual sources of non-tax revenue accounting for at least two-thirds of, but not all, non-tax revenues are presented in the Macedonian case. And more, this has already been discussed with IBP in the previous rounds of the OBI and it is a consistent answer throughout the years with which CEA agrees.

IBP Comment

The peer reviewer's comment is well-received. In light of the fact that "other" non-tax categories on page 71 such as 724, 725, and 769 account for more than a third of all 2019 non-tax revenues, the response is revised from "b" to "c."

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:

b. No, multi-year estimates of revenue are not presented by category.

Source:

Page 71 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

There are no multi-year estimates for revenues in the 2019 EBP. Revenues are shown on page 71 of the EBP for 2019, but with no multi-year estimates.

Peer Reviewer

Opinion: Agree

Comments: The budget revenues by category are presented on page 71 of the State and page 74 in Central budget. However, the revenue estimates

are not presented for multi-year period.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Together with Budget proposal, Government have submitted to the Parliament Revised Fiscal strategy

(<https://finance.gov.mk/files/u6/%D0%A0%D0%B5%D0%B2%D0%B8%D0%B4%D0%B8%D1%80%D0%B0%D0%BD%D0%B0%20%D0%A4%D0%B8%D1%81%D0%BA%D0%B0%D0%BB%D0%BD%D0%B0%20%D1%81%D1%82%D1%80%D0%B0%D1%82%D0%B5%D0%B3%D0%B8%D1%98%D0%B0%202019-2021%20.pdf>). In the Revised fiscal strategy as a supporting budget documentation multi-year estimates for revenues are presented by category.

Researcher Response

Well, "a" could be the answer as in the Revised Fiscal strategy on page 13 it is presented the estimated tax and non-tax revenues for 2019, 2020 and 2021 but the problem is that this revised Fiscal strategy even though submitted to the Parliament it was made available to the public on 8th of February 2019 (Google Chrome inspection). Thus, we stay at our "b" answer because the Revised Fiscal strategy was made available to the public beyond the cut-off date of this research.

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:

Page 71 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

There are no multi-year estimates for revenues in the 2019 EBP. Revenues are shown on page 71 of the EBP for 2019, but with no multi-year estimates.

Peer Reviewer

Opinion: Agree

Comments: The budget revenues are presented on page 71 of the State and page 74 in Central budget. However, the individual types of revenue estimates are not presented for multi-year period.

Government Reviewer

Opinion: Agree

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

**GUIDELINES:**

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

- *the amount of net new borrowing required during the budget year;*
- *the central government's total debt burden at the end of the budget year; and*



· the interest payments on the outstanding debt for the budget year.

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

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

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

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

Answer:

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

Source:

Page 71 and 72 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

On page 71 (Revenues of budget by items) of the EBP for 2019 are presented the amount of new domestic and foreign borrowing required during the budget year, under lines 75 and 76.

On page 72 (Expenditures of budget by items) of the EBP for 2019 are presented the interest payments on the outstanding debt for the budget year, under line 45.

The total debt outstanding at the end of the budget year is missing.

Peer Reviewer

Opinion: Agree

Comments: The amount of net new borrowing required during the budget year is presented for both the State budget (page 71, budget item 75 and 76) and the Central budget (page 74, budget item 75 and 76) page . While the interest payments on the outstanding debt for the budget year are presented on page 72, budget item 45 for the Central budget and on page 77, budget item 45 for the Central budget The information regarding the central government's total debt burden at the end of the budget year is not presented in the EBP for 2019. ·

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: On pg.12 there is data of the total debt until 30.09.2018 (last data available) having in consideration that the budget is proposed at the Parliament October/ November.

IBP Comment

Question 13 is seeking estimates of the total debt burden of the central government at the end of the fiscal year, rather than a specific point in BY-1. The current response is maintained.

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

Answer:

The amount of net new borrowing required during the budget year

The interest payments on outstanding debt for the budget year

Source:

Page 71 and 72 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

On page 71 (Revenues of budget by items) of the EBP for 2019 are presented the amount of new domestic and foreign borrowing required during the budget year, under lines 75 and 76.

On page 72 (Expenditures of budget by items) of the EBP for 2019 are presented the interest payments on the outstanding debt for the budget year, under line 45.

The total debt outstanding at the end of the budget year is missing.

Peer Reviewer

Opinion: Agree

Comments: The amount of net new borrowing required during the budget year is presented for both the State budget (page 71, budget item 75 and 76) and the Central budget (page 74, budget item 75 and 76) page. While the interest payments on the outstanding debt for the budget year are presented on page 72, budget item 45 for the Central budget and on page 77, budget item 45 for the Central budget. The information regarding the central government's total debt burden at the end of the budget year is not presented in the EBP for 2019.

Government Reviewer

Opinion: Disagree

Suggested 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 (latest data end of September because Budget proposal is sent in October/ November, but anyway data is presented in narrative part of the budget proposal). The interest payments on outstanding debt for the budget year.

IBP Comment

Question 13/13b is seeking estimates of the total debt burden of the central government at the end of the fiscal year, rather than a specific point in BY-1. The current response is maintained.

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

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

*GUIDELINES:*

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

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

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

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

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

Answer:

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

Source:

Page 71 and 72 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Information that is presented in the 2019 EBP are the separation of the debt as domestic and external (lines 75 and 76 on page 71), and the amount of interest that must be paid to creditors (line 45 on page 72).

Only external/internal debt is considered "core" information as per the guidelines.

Peer Reviewer

Opinion: Agree

Comments: The EBP for 2019 gives information about the total amount of funds expected to be collected through debt within the State (page 71) and the Central budget (page 74) during the fiscal year from domestic and external sources (see budget items 75 for domestic debt and 76 for external debt). Additionally, the EBP gives information about the total amount of funds that should be paid to domestic and external creditors as interest for ongoing loan arrangements (State budget on page 72 and Central budget on page 77, see budget items 45 both for domestic and external debt interest). Moreover, the EBP for 2019 includes information on: total domestic and external debt repayments expected for 2019 in comparison to 2018 (page 5, table 1, line "Одлив"); total domestic and external debt inflow, as well as inflow from deposits (page 5, table 1, line "Прилив"); net domestic and external debt (page 5, table 1, line "Меморандум"); and narrative explanation regarding the domestic debt (last paragraph on page 11, and whole page 12). However, information that gives indepth explanation on the above mentioned budget items (such as, interest rates, creditors, grace period, etc), as well as maturity profile of the debt and information beyond the core elements are not presented in the EBP.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: In the revised fiscal strategy as a supporting budget documentation presented in the Parliament there are all core elements and beyond them (debt risk management, currency of the debt)

Researcher Response

We stay at the "c" answer as the version of the Fiscal strategy within the cut-off date do not present all the core elements like the maturity for example. The Revised Fiscal strategy has been made available to the public beyond the cut-off date of this research.

IBP Comment

As the researcher notes in Q13 that figures on total debt outstanding for the end of FY 2019 are not provided in the 2019 EBP, the response is revised from "c" to "d" to ensure consistency across survey countries.

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 are presented in the Executive's Budget Proposal:

Answer:

None of the above

Source:

Page 71 and 72 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Information that is presented in the 2019 EBP are the separation of the debt as domestic and external (lines 75 and 76 on page 71), and the amount of interest that must be paid to creditors (line 45 on page 72).

Only external/internal debt is considered "core" information as per the guidelines.

Peer Reviewer

Opinion: Agree

Comments: The EBP for 2019 gives information about the total amount of funds expected to be collected through debt within the State (page 71) and the Central budget (page 74) during the fiscal year from domestic and external sources (see budget items 75 for domestic debt and 76 for external debt). Additionally, the EBP gives information about the total amount of funds that should be paid to domestic and external creditors as interest for ongoing loan arrangements (State budget on page 72 and Central budget on page 77, see budget items 45 both for domestic and external debt interest). Moreover, the EBP for 2019 includes information on: total domestic and external debt repayments expected for 2019 in comparison to 2018 (page 5, table 1, line "Одлив"); total domestic and external debt inflow, as well as inflow from deposits (page 5, table 1, line "Прилив"); net domestic and external debt (page 5, table 1, line "Меморандум"); and narrative explanation regarding the domestic debt (last paragraph on page 11, and whole page 12).

Government Reviewer

Opinion: Disagree

Suggested Answer: In the revised fiscal strategy, as a supporting document to the Budget, there is a breakdown of the structure of the outstanding debt of the previous year, such as: interest rate, currency and maturity structure of the debt, principal payment of external and domestic debt as well as stock of government, public and publicly guaranteed debt

Researcher Response

In the Fiscal strategy within the cut-off date important elements are missing thus, we stay to our answer. The revised Fiscal strategy is beyond the cut-off date of this research.

IBP Comment

Per the IBP comment on Q14, the option "Whether the debt is domestic or external" has been de-selected in favor of "None of the above."

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:

Page 2 and 3 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Core information on nominal GDP level and interest rates is missing in the Macroeconomic Projections (Макроекономски проекции), page 2 and page 3 of the EBP 2019

Peer Reviewer

Opinion: Agree

Comments: The only information that discuss the economic outlook for 2019 are estimates regarding the inflation rate (Стапката на инфлација во 2019 година се очекува да биде стабилна во износ од околу 2% - page 3) and real GDP growth (Во 2019 година се очекува забрзување на реалниот раст на БДП на 3,2% - page 2). Information about the interest rates and the nominal GDP level are not included.

Government Reviewer

Opinion: Agree

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

Answer:

Inflation rate

Real GDP growth

Information beyond the core elements (please specify)

Source:

Page 2 and 3 of the EBP

Link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Core information on interest rates is missing in the Macroeconomic Projections (Макроекономски проекции), page 2 and page 3 of the EBP 2019.

Beyond core elements it is also presented: trade (export and import) growth, employment growth forecast, unemployment forecast, BoP balance, budget deficit, gross investments, private and public consumption, EU's GDP and inflation forecast.

Peer Reviewer

Opinion: Agree

Comments: The EBP for 2019 presents some of the core information on the economic outlook, such as estimates of the inflation rate (Стапката на инфлација во 2019 година се очекува да биде стабилна во износ од околу 2% - page 3) and the real GDP growth (Во 2019 година се очекува забрзување на реалниот раст на БДП на 3,2% - page 2). Additionally, the EBP narrative includes some information beyond the core elements, such as: - rate of employment and unemployment is presented on page 3. The EBP only shows the estimated nominal increase in the number of employees for 2019 (2,1%) in comparison with 2018 and the estimated rate of unemployment in 2019 (20%). (See copy from the text in EBP that contains the information presented above in MKD: Оттука, проекцијата за раст на бројот на вработени во 2019 година изнесува 2,1%, што ќе придонесе просечната стапка на невработеност да се намали на околу 20%.) - some information on the current account are presented on page 3. The EBP present information on the estimated deficit on the current account for 2019 (1,2% from GDP); the real growth in the export (8,5%) and projected import (6,8%). The EBP do not present information on the current account in numbers/amounts. -some information on the composition of the GDP are presented briefly through the EBP narrative from page 2 to page 12. Following information can be found in the narrative: the private consumption is expected to grow continuously (page 2); the investments growth will remain on significant level (page 2); the net export is not presented as such, the document presents only the expected level of growth in the import and the export (page 3); and budget expenditures are presented from page 6 to page 11, with detailed presentation of the capital expenditures, transfers and subsidies and ongoing expenditures.

Government Reviewer

Opinion: Agree

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

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

*GUIDELINES:*

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

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

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

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

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

Answer:

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

Source:

Link BP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

There is no sensitivity analysis, so no information related to different macroeconomic assumptions is presented.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Fiscal Strategy (<https://finance.gov.mk/en/node/4112>, Fiscal Risks and Sensitivity Analysis), as a medium-term budget document, presents sensitivity analysis related to the impact of different assumptions for economic growth on the budget deficit and debt. Moreover, the sensitivity is also assessed applying different assumption related to tax collection, capital expenditure realization and materialization of guaranties.

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:

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

Source:

Link BP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

There is some information (not analysis) showing how new policy proposals will affect expenditures presented but these are too generic and do not represent and can not be substitute of a proper analyses.

More, that there is no proper Regulatory Impact Assessment (RIA) and/or estimates done on all new policy proposals.

Note also that it is difficult to follow and to distinguish the new from the on-going policies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Yes there is the information included in the budget about the fiscal effect of the new policies.

IBP Comment

Per follow-up communication with the government reviewer, expenditures on an air pollution reduction program were cited on pages 18 and 134 of the EBP file. However, it is unclear whether this program is a new proposal; the existing response of "d" is maintained.

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

**GUIDELINES:**

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

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

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

*Typically, when the budget proposal is submitted, the year prior to the budget year (BY-1), also known as the current year, has not ended, so the executive will provide estimates of the anticipated outcome for BY-1. The soundness of these estimates is directly related to the degree to which they have been updated to reflect actual expenditures to date, legislative changes that have occurred, and anticipated changes in macroeconomic, caseload, and other relevant factors for the remainder of the year.*

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

Answer:

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

Source:

Link EBP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

It is difficult to follow and to distinguish the new from the on-going policies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Yes, in the narrative part of the Budget and also in the revised fiscal strategy there are data of the fiscal impact of the new revenue policy measures

IBP Comment

Per follow-up communication with the government reviewer, page 6 of the EBP was cited in support of the suggested "c" response. Said page notes that the introduction of a progressive income tax in BY 2019 would result in a revenue increase of 1.5 billion denars. The response is therefore revised from "d" to "c."

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:

b. Yes, expenditure estimates for BY-1 are presented by two of the three expenditure classifications.

Source:

Link EBP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Pages:

77 and 78 for economic classification and

79 to 82 for administrative classification

Peer Reviewer

Opinion: Agree

Comments: The information on the expenditures for the year preceding the budget year are available for the economic classification of the State (page 72 and 73) and in Central budget (page 77 and 78), while the administrative classification of the Central Budget is presented from page 79 to 82.

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 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 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:

d. No, expenditures are not presented by program for BY-1.



Source:

Link EBP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

NOTE: you see carefully the BY-1 is only for the administrative unit and not for the program and/or subprogram at all.

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:

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

Source:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Compared to supplementing 2018 budget: <https://finance.gov.mk/files/u6/REBALANS%202018%20-%20Za%20objavuvanje%20%28sl.%20vesnik%29.pdf>

Comment:

Also, the supplementing budget data are different than the IYR actual data for 2018: <https://finance.gov.mk/mk/node/898>

In this IYR actual data for 2018 (click on Архива and then on Извршување на Буџет на РСМ за 2018 година) one can see in the Microsoft excel the:

1. EBP for 2018 (Буџет column) in the Microsoft excel
2. Supplementing EBP for 2018 (Ребаланс column) in the Microsoft excel
3. Actual revenues for 2018 (Вкупно column) in the Microsoft excel

The figures in the 2019 EBP do not exactly match the 2018 supplemental budget, the 2018 EBP, or the IYRs because there is a difference as the BY-1 in the 2019 EBP is ONLY the basic budget where as the 2018 supplemental budget, the 2018 EBP and the IYR are for the central budget and the extra-budgetary funds in total.

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:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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 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 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:

d. No, expenditures are not presented by program for BY-2 and prior years.

Source:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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:

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

Source:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The revised Fiscal Strategy which is a supporting Budget document, there is data for 2 years prior to budget year ([https://www.finance.gov.mk/files/u6/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_Revidirana\\_ENG\\_0.pdf](https://www.finance.gov.mk/files/u6/Fiskalna%20Strategija%20na%20RM%202019_2021_Revidirana_ENG_0.pdf))

Researcher Response

We stay at "d" answer. There are no actual data for ALL expenditures as per the presentation as it is presented in the EBP in the Fiscal strategy. The Revised Fiscal strategy the government is referring to has been made available to the public beyond the cut-off date for this research.

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:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Page 71 (state budget) and 74 (central budget)

Comment:

Note: the state budget is the consolidated budget that includes the central budget plus the extra-budgetary funds.

Peer Reviewer

Opinion: Agree

Comments: The EBP for 2019 presents data on the tax categories for the year preceding the budget year, both for the State (page 71) and the Central budget (page 74).

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:

b. Yes, individual sources of revenue accounting for at least two-thirds of, but not all, revenue for BY-1 are presented.

Source:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Page 71 and page 74

Comment:

Revenues could be further disaggregated, but when we compare the level of detail to that of other countries, this question merits a "b" answer (in coordination and agreement with IBP for the 2015 OBS round and 2017 as well).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, individual sources of revenue accounting for less than two-thirds of all revenues for BY-1 are presented.

Comments: The budget revenues classification is prescribed in details in the existing "Rulebook for revenue classification" (on the following link: <https://www.finance.gov.mk/files/u12/Pravilnik%20za%20klasifikacija%20na%20prihodi%202018.pdf>). Based on the Rulebook the budget includes 30 revenue categories, 59 revenue subcategories and 546 individual revenue items. However, the EBP give presentation only on the 23 revenue categories, while 59 revenue subcategories and 546 individual revenue items under the categories are not shown in the EBP, which are less than 2/3. (see column one "Приходи на Основен буџет и фондови за 2018 година" on page 71 for the State and 74 for the State budget).

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Both the EBP and the Fiscal Strategy have the revenue sources listed for BY-1. The Fiscal Strategy includes BY-2 as well.

[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

<https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf> In the EBP there is no data for BY-1 for the revenues showed by budgetary users. That table is only a supporting table for the previous one which showcases the revenues by type.

Researcher Response

We stay at our "b" answer. We cannot expect that ALL the revenues are presented as per the classification of the revenues in the EBP but are

expecting a consistency of presentation at time BY-1 as it is at the BY. Also, we cannot accept answer "a" as there are not BY-1 for budgetary users as it is for BY. Thus, we stay at "b"

IBP Comment

The subcategory "711 Данок од доход, од добивка и од капитални добивки" under "71 ДАНОЧНИ ПРИХОДИ" on pages 71 and 74 corresponds with only a 3rd level tax classification in the IMF's Government Financial Statistics Manual 2014 (see pg. 88 of <https://www.imf.org/external/Pubs/FT/GFS/Manual/2014/gfsfinal.pdf>). Together with the "other" categories such as 724, 725, and 769, these items account for slightly less than one third of all revenue for 2018 in the income statement on page 71. The response is maintained as "b."

27. In the Executive's Budget Proposal or any supporting budget documentation, have the original estimates of revenue for the year prior to the budget year (BY-1) been updated to reflect actual revenue collections?

*GUIDELINES:*

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

Answer:

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

Source:

Link to the EBP for 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Compared to supplementing 2018 budget: <https://finance.gov.mk/files/u6/REBALANS%202018%20-%20Za%20objavuvanje%20%28sl.%20vesnik%29.pdf>

Comment:

Also, the supplementing budget data are different than the IYR actual data for 2018: <https://finance.gov.mk/mk/node/898>

In this IYR actual data for 2018 (click on Архива and then on Извршување на Буџет на РСМ за 2018 година) one can see in the Microsoft excel the:

1. EBP for 2018 (Буџет column) in the Microsoft excel
2. Supplementing EBP for 2018 (Ребаланс column) in the Microsoft excel
3. Actual revenues for 2018 (Вкупно column) in the Microsoft excel

NOTE: There is a difference between the figures in the 2019 EBP and the 2018 supplemental budget, the 2018 EBP, and the IYRs because the BY-1 in the 2019 EBP is ONLY the basic budget where as the 2018 supplemental budget, the 2018 EBP and the IYR are for the central budget and the extra-budgetary funds in total.

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:

Link EBP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested Answer:

a. Yes, revenue estimates for BY-2 and prior years are presented by category.  
Comments: Table 4 and table 5 of the Fiscal Strategy showcase the revenue estimates for BY-2 (page 13 and page 17)  
[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

IBP Comment

As the Fiscal Strategy is evaluated as the Pre-Budget Statement, and is not part of the EBP package, it cannot be used to respond to question 28. The response of "b" is maintained.

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:

d. No, individual sources of revenue are not presented for BY-2 and prior years.

Source:

Link to EBP 2019 <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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: Data is available in Fiscal Strategy. [https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

IBP Comment

As the Fiscal Strategy is evaluated as the Pre-Budget Statement, and is not part of the EBP package, it cannot be used to respond to question 29. The response of "d" is maintained.

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:

Link to EBP 2019 <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:  
N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested Answer:  
a. Two years prior to the budget year (BY-2).  
Comments: Data for BY-2 is showcased in the Fiscal Strategy  
[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

IBP Comment  
As the Fiscal Strategy is evaluated as the Pre-Budget Statement, and is not part of the EBP package, it cannot be used to respond to question 30. The response of "d" is maintained.

31. "Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1)?"

(The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

**GUIDELINES:**

*Question 31 focuses on prior-year debt information, rather than on prior-year expenditures or revenues, asking whether "core" information is provided on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1).*

*The "core" information includes:*

- *total debt outstanding at the end of BY-1;*
- *amount of net new borrowing required during BY-1;*
- *interest payments on the debt;*
- *interest rates on the debt instruments;*
- *maturity profile of the debt; and*
- *whether it is domestic or external debt.*

*This core information for BY-1 is consistent with the budget year information for borrowing and debt, which is examined in Questions 13 and 14.*

*In addition, some governments provide information beyond the core elements, such as gross new borrowing required during BY-1; currency of the debt; whether the debt carries a fixed or variable interest rate; whether it is callable; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); where appropriate, what the debt is being used to finance.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to government borrowing and debt, including its composition, for BY-1 as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to government borrowing and debt, including its composition, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on government borrowing and debt for BY-1.*

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

Source:  
Link to EBP 2019 <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Page 71 and page 74

Pages 72-73 and 77-78

Comment:  
Pages 71 and 74: item 75 domestic borrowing; item 76 foreign borrowing

Pages 72-73 and 77-78: item 45 Interest payment; Item 49 Principle payment

Peer Reviewer

Opinion: Agree

Comments: Additionally, information on the amount of net new borrowing required during BY-1 is presented in table 1 on page 5. The information on the interest rates on the debt and maturity profile are not included in the EBP.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Fiscal Strategy contains overall information on debt structure, but all details are consisted in the Annual Public Debt Report which is a supporting document of the Fiscal Strategy. The Annual Reports consists all core information requested. <https://www.finance.gov.mk/en/node/862> (all annual report)

IBP Comment

As the Fiscal Strategy is evaluated as the Pre-Budget Statement, and is not part of the EBP package, it cannot be used to respond to question 31. The response of "c" is maintained.

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:

d. No actual data for government debt are presented in the budget or supporting budget documentation.

Source:

Link EBP 2019: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

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

Comments: Fiscal Strategy contains only BY-1 data for debt. However, all relevant data regarding debt is available on MoF web site (<https://www.finance.gov.mk/en/node/2678>). This report contains data from 2002 till today.

Researcher Response

In the EBP and in the PBS (the Fiscal strategy) as a supporting document of the EBP there is no data on the actual outcome for debt thus, we at CEA stay at the "d" answer.

33. "Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)"



**GUIDELINES:**

Question 33 focuses on extra-budgetary funds, asking whether “core” information related to these funds, which exist outside the budget, are presented. These core components include:

- a statement of purpose or policy rationale for the extra-budgetary fund (i.e., why was a particular fund set up? what is it used for?); and
- estimates of its income, expenditure, and financing. (These estimates should be presented on a gross basis so that it is possible to tell how much money flows through each extra-budgetary fund.)

In most countries, governments engage in certain budgetary activities that are not included in the central government’s budget. Known as extra-budgetary funds, they can range in size and scope. For example, countries frequently set up pension and social security programs as extra-budgetary funds, where the revenues collected and the benefits paid are recorded in a separate fund outside the budget. Another example of an extra-budgetary fund can be found in countries dependent on hydrocarbon/mineral resources, where revenues from producing and selling those resources are channeled through systems outside the annual budget.

In some cases, the separation engendered by an extra-budgetary fund serves a legitimate political purpose, and the finances and activities of these funds are well documented. In other cases, however, this structure is used for obfuscation, and little or nothing is known about a fund’s finances and activities.

The availability of information related to extra-budgetary funds is essential for a comprehensive understanding of the government’s true fiscal position. In addition to the core information, other information about extra-budgetary funds is also desirable. Such information includes a discussion of the risks associated with the extra-budgetary fund; expenditures classified by economic, functional, or administrative unit; and the rules and procedures that govern the operations and management of the extra-budgetary fund.

For more information about extra-budgetary funds, see the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 2.1.1 of the IMF’s Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer “a,” the Executive’s Budget Proposal or supporting documentation must present all of the core information related to extra-budgetary funds as well as some additional information beyond the core elements . A “b” answer applies if the Executive’s Budget Proposal or supporting documentation presents all of the core information. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to extra-budgetary funds is presented, but some of the core pieces of information are not included. Answer “d” applies if no information is presented on extra-budgetary funds.

Answer:

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

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Beyond the core elements are presented: priorities and goals of the extra-budgetary fund, number of employees and input/output indicators of the extra-budgetary funds (pages 66-67).

Pages 368-379 show economic classification of expenditures

Comment:

Health Insurance Fund (pages 66 and 368-371),

Pension and Disability Insurance Fund of Macedonia (pages 67, and 376-379) and

Employment Service Agency of the Republic of Macedonia (pages 66/67 and 372 - 375).

SM note: Macedonia do not have extra-budgetary fund for education.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

**GUIDELINES:**

Question 34 asks whether the Executive’s Budget Proposal or supporting documents present the finances of the central government on a consolidated basis,

showing both its budgetary and extra-budgetary activities. Virtually all of the questions in the OBS questionnaire focus on budgetary central government – the activities of the ministries, departments, or agencies of central government. In addition, Question 33 asks about extra-budgetary funds, such as social security funds that are not included in the budget.

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

The central government is only one component of the overall public sector. The public sector also includes other levels of government, such as state and local government, and public corporations. (See Box 2.1 under Principle 1.1.1 of the IMF's Fiscal Transparency Handbook (2018): <https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>). For the purpose of answering this question, please consider only the central government level.

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

Answer:

b. No, central government finances are not presented on a consolidated basis.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Executive's Budget Proposal presents data for both central government and social security funds. Plus there are reports in the budget proposals that show consolidated data for revenues and expenditures.

IBP Comment

Per follow-up communication with the government reviewer, pp. 71-73 of the EBP were cited in support of the suggested "a" response. As this table does not include revenue figures for the extra-budgetary health insurance or pension funds, the existing response of "b" is maintained.

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:

c. Yes, estimates of some but not all intergovernmental transfers are presented.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

The transfers from the central government to other levels of government are on page 72, line 44 and page 73 line 488.

More detailed this is shown on pages 68-69 "Earmarked and block grants for delegated powers in municipalities for 2019").

Comment:

Missing are for example transfers from the personal income tax which is a shared tax. Tax sharing is a common definition in intergovernmental fiscal relations and/or fiscal decentralization when a tax is collected at central government level (in our case) and then a uniform proportion is distributed to the local government on an origin based criteria.

SM note: Macedonian intergovernmental structure provides earmarked and block grants for education for Macedonian local governments. Macedonia have one tier local government system and education is transferred competency to the local governments (municipalities). On page 68 of the EBP (see link provided in the Source above) one can see the earmarked grants for the elementary school (наменски дотации за основно образование) and the block grants for elementary and secondary schools (блок дотации за образование основно образование и средно образование) transfers by local government (municipality). Earmarked grants for education are to be used for operation and maintenance and small repairs. Block grants are the same as the earmarked grants but includes also wages and salaries for teachers.

Peer Reviewer

Opinion: Agree

Comments: The transfers from the State Budget to local self governments are presented on page 72 (budget item 44) and 73 (budget item 488). While the transfers from the Central Budget to local self governments are presented on page 72 (budget item 77) and 78 (budget item 488).

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Estimates for all relevant intergovernmental transfers that are included in the EBP are listed and narrated in the Budget proposal. Transactions such as income tax that partially go to the local governments, are not considered transfers since they are directly executed through the Treasury and are not shown in the Budget. Only the portion that stays in the central Budget is listed. However, MoF publishes quarterly reports on these payments (<https://www.finance.gov.mk/mk/node/898> under Извршување на Буџети на ЕЛС). Also these data is included in the Final Statement of the Budget and local self government.

Researcher Response

We stay at our "c" answer because the central government supports the provision of a good or service by a lower level of government through an intergovernmental transfer of funds from the income tax but this transfer is not presented in the EBP nor are explained in a narrative. The point that it is executed through the treasury is just a technicality that does not address the essence of the question and that is a transparent presentation of ALL transfers and even with expecting a proper narrative.

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

**GUIDELINES:**

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

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

*The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of the importance of alternative displays of budget information and provides a number of examples. For instance,*

- *Bangladesh in its 2017-18 Budget included a detailed supplementary Gender Budgeting Report, which presents the spending dedicated to advancing women across various departments. (<https://mof.portal.gov.bd/site/page/3bb14732-b5b1-44df-9921-efedf1496295>).*
- *The UK's 2017 budget included a supplementary analysis that provided a distributional analysis of the budget by households in different income groups (see [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/661465/distributional\\_analysis\\_autumn\\_budget\\_2017.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661465/distributional_analysis_autumn_budget_2017.pdf))*
- *South Africa's 2017 Budget Review goes beyond the standard presentation of intergovernmental transfers, discussing the redistribution that results from national revenue flowing to the provinces and municipalities and presenting the allocations on a per capita basis (see chapter 6, <http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBR.pdf>).*

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

Answer:

d. No, alternative displays of expenditures are not presented to illustrate the financial impact of policies on different groups of citizens.

Source:

EBP for 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

36b. Based on the response to Question 36, select the box(es) below to identify which types of alternative displays are included in the Executive's Budget Proposal:

Answer:

None of the above

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Transfers to public corporations are presented on page 72 (line 461) and 77 (line 461) of the 2019 EBP.

SM Note: No public corporations in the education sector in Macedonia.

Peer Reviewer

Opinion: Agree

Comments: Transfers from the State Budget to public enterprises are presented on page 72 (budget item 461) and 73 (budget item 489). Transfers from the Central Budget to public enterprises are presented on page 77 (budget item 461) and 78 (budget item 489).

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: All transfers are presented in the EBP. Transfers to non public corporations in the education sector (only 3 institutions in total) in Macedonia are executed through the budget of the Ministry of Education and Science as regular payments. No other transfers to public corporations exist.

Researcher Response

We stay at answer "c" as we do not know for sure to be certain that ALL transfers are presented in the EBP. We only see a budget item titled: "Subsidies to public enterprises". Without a proper narrative and a narrative of who receives what and how much we cannot conclude if these are the only transfers as well as we cannot conclude if there are no other transfers from other budget items that the public enterprises in Macedonia are receiving from funds from the central government. For example, the subsidies can go to: railway, bankruptcy, other institutions, financial, non-financial etc. Thus, we do not know transparently what exactly is in this budget item line.

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:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

*GUIDELINES:*

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

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

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

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

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

Answer:

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

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Limited information is presented on page 73 (line 485) of the EBP for 2019. It includes only estimate of the total value of investments and investments in non-financial assets and no listing of the stock of assets.

Peer Reviewer

Opinion: Agree

Comments: A list of the financial assets and an estimate of their value is not included in the EBP for 2019. The Government do not have registry on fiscal assets and their value.

Government Reviewer

Opinion: Agree

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

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

**GUIDELINES:**

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

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

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

**Answer:**

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

**Source:**

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

**Comment:**

Limited information on revenues from non-financial assets is presented, on page 71 (line 721) of the 2019 EBP.

NOTE: Our choice of "c" relies on the fact that some revenues are presented from NFA but no NFA is presented at all. On the other hand we believe that "d" will be too restrictive because at the margin there are information related to NFA such as the predicted revenues from them. That is why we choose "c".

**Peer Reviewer**

Opinion: Disagree

Suggested Answer:

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

Comments: The information presented by the researcher relates to the amount of Entrepreneurial income and property income planned to be collected through 2019 (line 721, on page 71 for the State budget and 74 for the Central budget). The EBP do not include list of the non-financial assets by category and value. Moreover, the Government do not have registry on the non-financial assets in possession of the public institutions.

**Government Reviewer**

Opinion: Agree

**IBP Comment**

IBP is in agreement with the peer reviewer's comment; the response is revised from "c" to "d."

41. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure arrears for at least the budget year?

**GUIDELINES:**

*Question 41 asks about estimates of expenditure arrears, which arise when government has entered into a commitment to spend funds but has not made the payment when it is due. (For more information see sections 3.49-3.50 of the IMF's GFS Manual 2001, <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf> (page 29)). Though equivalent to borrowing, this liability is often not recorded in the budget, making it difficult to assess fully a government's financial position. Moreover, the obligation to repay this debt affects the government's ability to pay for other activities.*

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

it also includes a narrative discussion). Answer "d" applies if no estimates of expenditure arrears are presented.

If expenditure arrears do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question. Public expenditure management laws and regulations often will allow for reasonable delays, perhaps 30 or 60 days, in the routine payment of invoices due. Expenditure arrears impacting a small percentage of expenditure that are due to contractual disputes should not be considered a significant problem for the purpose of answering this question.

Answer:

d. No, estimates of expenditure arrears are not presented.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Medium term fiscal strategy as a document that is correlated with Budget proposal has separate part that present expenditures arrears. [https://www.finance.gov.mk/files/u6/Fiskalna%20Strategija%20na%20RSM%202020-2022\\_FINAL\\_c1\\_2.pdf](https://www.finance.gov.mk/files/u6/Fiskalna%20Strategija%20na%20RSM%202020-2022_FINAL_c1_2.pdf) pg.27 and 28 Also according the Law on Recording and reporting the liabilities, Mof every quarter published data for arrears. <https://finance.gov.mk/mk/node/7317>

Researcher Response

We at CEA stay at the "d" answer in order to stay at the cut-off-date principle of this research. Namely, the Fiscal strategy the government is presenting in a link is of a newer date that is beyond the cut-off date of this research.

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:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Fiscal Strategy in the Public Debt chapter covers relevant information concerning guaranties and contingent liabilities (estimates, targets, limits, projections and most recent stock). The Annual Report contains data by creditor and debtor.

[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

[https://www.finance.gov.mk/files/u1361/annual\\_report\\_on\\_public\\_debt\\_management\\_2017\\_en\\_0.pdf](https://www.finance.gov.mk/files/u1361/annual_report_on_public_debt_management_2017_en_0.pdf)

IBP Comment

As neither the Fiscal Strategy nor the Annual Report on Public Debt Management are part of the EBP package, they cannot be used to respond to question 42. The current response of "d" is maintained.

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:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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:

c. Yes, estimates of some but not all sources of donor assistance are presented.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Pages 71 and 74; Items 742 Foreign donations, 743, Capital donations and 744 Current donations

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The estimates regarding the donor assistance are presented in totals in budget items 742, 743 and 744 on page 71 in the State budget and page 74 in the Central budget. We are assuming that the Government in the EBP includes all expected donor assistance for the next budget year in MKD presented in column five in the EBP "Приходи од донации". However, in the EBP narrative there is no elaboration on the sources of donor assistance, amount, beneficiary, purpose, etc.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well-received. As the line items are not disaggregated into individual sources of donor assistance, the current response of "c" is maintained.

45. Does the Executive's Budget Proposal or any supporting budget documentation present information on tax expenditures for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.)

**GUIDELINES:**

Question 45 focuses on tax expenditures, asking whether "core" information related to these tax preferences is presented. These core components must include for both new and existing tax expenditures:

- a statement of purpose or policy rationale;
- a listing of the intended beneficiaries; and
- an estimate of the revenue foregone.

Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. Tax expenditures often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, encouraging a company to engage in more research through a special tax break can have the same effect as subsidizing it directly through the expenditure side of the budget, as it still constitutes a cost in terms of foregone revenues. However, expenditure items that require annual authorization are likely to receive more scrutiny than tax breaks that are a permanent feature of the tax code.

Beyond the core information, some governments may also provide other information about tax expenditures, including for example: the intended beneficiaries by sector and income class (distributional impact); a statement of the estimating assumptions, including the definition of the benchmark against which the foregone revenue is measured; and a discussion of tax expenditures as part of a general discussion of expenditures for those program areas that receive both types of government support (in order to better inform policy choices). For more details on tax expenditures, see *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 1.1.4 of the IMF's *Fiscal Transparency Handbook* (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

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

Answer:

d. No, information related to tax expenditures is not presented.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

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:

d. No, estimates of earmarked revenues are not presented.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

**GUIDELINES:**

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

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

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

Answer:

d. No, information on the link between the budget and the government's stated policy goals for the budget year is not presented.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Some output indicators and basic discussions are presented but do not give any linkage between the budget (revenues and expenditures) and the government policy goals.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested 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.

Comments: The Explanation chapter contains all links to the strategic priorities and plans of the government which are part of the Strategic priorities of the Government and Government's program (<https://vlada.mk/node/18029?ln=en-gb>)

Researcher Response

We at CEA stay at "d" because the link the government reviewer is giving is a list of strategic priorities and a resource center of strategic plans and annual work plans. These are generic and holistic and can apply to any budget on principle basis and there is no clear description on how these

strategic goals and the assumptions behind these documents are translated in the EBP. In other words, there is no "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." Thus, we stay categorically at "d" answer.

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:**

d. No, information on the link between the budget and the government's stated policy goals for a multi-year period is not presented.

**Source:**

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

**Comment:**

Some output indicators and basic discussions are presented but do not give any linkage between the budget (revenues and expenditures) and the government policy goals.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested 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.

Comments: The Explanation chapter contains all links to the strategic priorities and plans of the government which are part of the Strategic priorities of the Government and Government's program (<https://vlada.mk/node/18029?ln=en-gb>)

**Researcher Response**

We at CEA stay at "d" because the link the government reviewer is giving is a list of strategic priorities and a resource center of strategic plans and annual work plans. These are generic and holistic and can apply to any budget on principle basis and there is no clear description on how these strategic goals and the assumptions behind these documents are translated in the EBP that we review in this research. In other words, there is no "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." Thus, we stay categorically at "d" answer.

49. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on inputs to be acquired for at least the budget year?

**GUIDELINES:**

*Question 49 asks about the availability of nonfinancial data on inputs for the budget year. (Nonfinancial data on outputs and outcomes are addressed in Question 50.)*

The budget should disclose not only the amount of money that is being allocated on a program but also any information needed to analyze that expenditure. Nonfinancial data and performance targets associated with budget proposals are used to assess the success of a given policy. For example, even when allocated funds are spent according to plan, there remains the question of whether the policy delivered the results that it aimed to achieve.

Nonfinancial data can include information on:

**Inputs** - These are the resources assigned to achieve results. For example, in regards to education, nonfinancial data on inputs could include the number of books to be provided to each school or the materials to be used to build or refurbish a school.

**Outputs** - These are products and services delivered as a result of inputs. For example, the number of pupils taught every year; the number of children that received vaccines; or the number of beneficiaries of a social security program.

**Outcomes** - These are the intended impact or policy goals achieved. For example, an increase in literacy rates among children under 10, or a reduction in rates of maternal mortality.

In addition, governments that set performance targets must use nonfinancial data for outputs and outcomes to determine if these targets have been met.

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on inputs for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on inputs for each individual program is organized by functions. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on inputs for all administrative units or all functions, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on inputs are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on inputs is presented.

Answer:

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

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Some output indicators and basic discussions are presented from page 19 to page 67 of the 2019 EBP.

NOTE: Индикатор (Indicator) is the output information and they are supposed to illustrate efficiency and/or effectiveness benchmark.

SM Notes:

On page 52 and 53 there is an indicator for the Ministry of education and science in Macedonia = Indicator: number of employees 6,315 and operational costs per employee (in thousand denars): 1,134 (In Macedonian in the EBP with the link in the Source above: Индикатор: број на вработени 6,315 оперативни расходи по вработен во илјади денари 1,134)

On page 53 and 54 there is an indicator for the Bureau for development of the education in Macedonia = Indicator: number of employees 198 and operational costs per employee (in thousand denars): 836 (In Macedonian in the EBP with the link in the Source above: Индикатор: број на вработени 198 оперативни расходи по вработен во илјади денари 836)

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, nonfinancial data on inputs are not presented.

Comments: In the EBP for 2019 there is no information on the inputs, outputs and outcomes. In the budget narrative there is a section "Budget programs for 2019" (page 19 to 67) where data for so called indicators and output indicators are presented for each administrative unit. However this data can not be considered as non-financial data as it is required with this question. The only presented parameter that can be considered as input is the number of the employees and operational costs per employee for each of the administrative units . Data related to other input indicators such as, material, technical and financial resources are not presented.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well received. To maintain consistency across survey countries, the current response of "c" is maintained.

50. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on results (in terms of outputs or outcomes) for at least the budget year?

**GUIDELINES:**

Question 50 asks about the availability of nonfinancial data on results for the budget year. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 49).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on results for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on results for each individual program is organized by functional classification. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on results for all administrative units or all functional classifications, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on results are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on results is presented.

Answer:

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

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Some output indicators and basic discussions are presented from page 19 to page 67 of the 2019 EBP.

NOTE: Индикатор (Indicator) is the output information and they are supposed to illustrate efficiency and/or effectiveness benchmark.

SM Notes:

On page 52 and 53 there is an output indicator for the Ministry of education and science in Macedonia = Indicator: number enrolled students 18,000 and number of financed R&D projects: 150 (In Macedonian in the EBP with the link in the Source above: Аутпут индикатор: број на запишани студенти 18,000 број на финансирани научноистражувачки проекти 150)

On page 53 and 54 there is an indicator for the Bureau for development of the education in Macedonia = Indicator: prepared curricula for elementary and secondary schools=35 and printed pedagogy and pupil records for elementary and secondary schools: 250,000 (In Macedonian in the EBP with the link in the Source above: Аутпут индикатор: Изработени наставни програми за основно образование и општообразовни програми за средно стручно и гимназиско образование: 35 Испечатена педагошка документација и евиденција за учениците од основните и средните училишта во Република Македонија: 250.000)

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, nonfinancial data on results are not presented.

Comments: In the EBP for 2019 there is no information on the inputs, outputs and outcomes. In the budget narrative there is a section "Budget programs for 2019" (page 19 to 67) where data for so called indicators and output indicators are presented for each administrative unit. Its worth to note that the section "output indicators" is present only for some of the administrative units. As for the output indicators used to confirm that the planned activities are implemented, we can note that they are partial and not in compliance with the mandate and the authority of the administrative units.

Government Reviewer

Opinion: Agree

Researcher Response

We at CEA we stay at our "c" answer as there are output indicators presented.

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:

d. No, performance targets are not assigned to nonfinancial data on results, or the budget does not present nonfinancial data on results.

Source:

EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:  
N/A

SM Notes:  
Only the output indicators:

On page 52 and 53 there is an output indicator for the Ministry of education and science in Macedonia = Indicator: number enrolled students 18,000 and number of financed R&D projects: 150 (In Macedonian in the EBP with the link in the Source above: Аутпут индикатор: број на запишани студенти 18,000 број на финансирани научноистражувачки проекти 150)  
On page 53 and 54 there is an indicator for the Bureau for development of the education in Macedonia = Indicator: prepared curricula for elementary and secondary schools=35 and printed pedagogy and pupil records for elementary and secondary schools: 250,000 (In Macedonian in the EBP with the link in the Source above: Аутпут индикатор: Изработени наставни програми за основно образование и општообразовни програми за средно стручно и гимназиско образование: 35 Испечатена педагошка документација и евиденција за учениците од основните и средните училишта во Република Македонија: 250.000)

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested Answer:  
c. Yes, performance targets are assigned to some nonfinancial data on results.  
Comments: There are performance targets on page 23, 24, 25 ... of the EBP <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Researcher Response  
We stay at our "d" answer because there are no performance targets assigned but rather output indicators only.

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 for the Department of Social Welfare) would not be considered acceptable. In general, this question is asking whether the EBP includes a special presentation that pulls together estimates of all the relevant policies in one place. However, if the country uses "program budgeting," where programs are presented as expenditure categories with specific and identified objectives, and it identifies anti-poverty programs within each administrative unit, then that is also acceptable for this question.*

*The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of countries that have provided information on how its policies affect the poor.*

*For instance, Pakistan provides a detailed breakdown of pro-poor expenditure as part of its 2017-18 budget proposal. In one document, the government sets out policy priorities, expected outputs, and estimates of past and future spending for several programs aimed at poverty alleviation. Another supporting document provides a comprehensive overview of ongoing policies, including a chapter on social safety nets, covering both financial and performance information of poverty alleviation schemes over a period of eight years. ([http://www.finance.gov.pk/budget/mtbf\\_2018\\_21.pdf](http://www.finance.gov.pk/budget/mtbf_2018_21.pdf) and [http://www.finance.gov.pk/survey\\_1718.html](http://www.finance.gov.pk/survey_1718.html)).*

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

Answer:  
c. Yes, estimates of some but not all policies that are intended to benefit directly the country's most impoverished populations are presented.

Source:  
EBP 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:  
Some elements for example: on page 8 on socially vulnerable (10.3 billion denars), page 92 on homes of elderly (23.8 million denars), Program 4,



sub program 43 under the Ministry of Labor and Social Affairs budget, page 270, is aimed for supporting the implementation of the Roma Decade (9.3 million denars).

Peer Reviewer

Opinion: Agree

Comments: The following policies estimates that are intended to benefit directly the country's most impoverished populations are presented in the EBP for 2019: - program 50, Ministry of Labour and Social Policy budget, page 270, social protection for low income families - program B4, MLSP budget, page 270, measures for poverty reduction - subsidies for minimal wage - program 66, Ministry of Health budget, page 325, Program for health insurance for all citizens without health insurance - program 68, MoH budget, page 326, Program for providing health services to retired citizens and other social categories without payment - program 80, MoH budget, page 326, support for implementation of Roma Decade in the area of Health - etc.

Government Reviewer

Opinion: Agree

53. Does the executive release to the public its timetable for formulating the Executive's Budget Proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation)?

**GUIDELINES:**

*Question 53 asks about the budget timetable. An internal timetable is particularly important for the executive's management of the budget preparation process, in order to ensure that the executive accounts for the views of the different departments and agencies in the proposed budget. The timetable would, for instance, set deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. So that civil society is aware of the various steps in the budget formulation process, and when opportunities may exist to engage the executive, it is essential that this timetable be made available to the public.*

*To answer "a," the executive must prepare a detailed budget timetable and release it to the public. A "b" answer applies if the timetable is made public, but some details are not included. A "c" response applies if the timetable is made public, but many important details are excluded, reducing its value for those outside government. Answer "d" applies if no timetable is made available to the public. As long as a timetable for formulating the Executive's Budget Proposal is released, answer "a," "b," or "c" may be selected, even if the Executive's Budget Proposal is not made publicly available.*

Answer:

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

Source:

The timetable is released on the official web site of the Ministry of Finance of Republic of Macedonia on the following link:  
<http://finance.gov.mk/node/949>

The link contains Guidelines for filling the budget circular:

<https://finance.gov.mk/files/u6/%D0%A3%D0%BF%D0%B0%D1%82%D1%81%D1%82%D0%B2%D0%BE%20%D0%B7%D0%B0%20%D0%B1%D1%83%D1%9F%D0%B5%D1%82%D1%81%D0%BA%D0%B8%20%D0%BA%D0%BE%D1%80%D0%B8%D1%81%D0%BD%D0%B8%D0%BA.pdf>

Also, it contains Microsoft Excel Tables for filling the budget circular and Entrance in the application for filling the Budget Circular.

The Budget Circular is actually instruction for submission of application from the government entities for the preparation of the Budget Proposal. Also, the timetables with deadlines for submissions from other government entities to Ministry of Finance are listed in the Budget Law of Republic of Macedonia (Articles: 19-28)

Further. In the Budget Law presented on the official website of the Ministry of finance:

[http://finance.gov.mk/files/u6/\\_\\_\\_\\_\\_5.pdf](http://finance.gov.mk/files/u6/_____5.pdf) the timetable is presented starting Article 15 until Article 32.

Note however, there is no formal regulation ensuring CSO engagement and that is why we choose answer "b".

Comment:

NOTE: There is no extract like a timetable from the Budget Law presenting the budget calendar but the important dates for the budget process and the budget cycle are explicitly presented in the Budget law which law is published at the official web site of the Ministry of finance

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, a timetable is not issued to the public.

Comments: The Ministry of Finance or any other public institution responsible for coordination of the budget process, do not publish timeline for the executive's management of the budget preparation process. The only timeline available online is the "calendar for publishing data" (<https://finance.gov.mk/mk/node/1781>) do not include information on deadlines for conducting and finishing each of the budget phases.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, a detailed timetable is released to the public.

Comments: detailed time table for the whole budget process in the Budget law. For additional needed data from MDA's, Mof publish on the web site all circular letters.

Researcher Response

We stay at our "b" answer as the timetable is released on the official web site of the Ministry of Finance of Republic of Macedonia as we already explained in our comments to our answer. Some important parts are missing like regulating properly and formally the budget participation and ensuring CSO engagement in the process which makes us to select "b" rather than of "a".

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:

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

Source:

Link to the Pre-budget statement in Macedonia:

<https://finance.gov.mk/mk/node/575> (scroll down to "Ревидирана Фискална стратегија на Република Македонија 2019-2021")

Real GDP growth and inflation rate - see Table 1 on pg. 8

The interest rate payments are discussed in more than places in the PBS. For example, on page 36 the Eurobonds interest rates are discussed (2.75% and 4.875%), on page 37 Table 10 the ATP of the interest rates is presented and discussed in the text.

Comment:

Also data and information are presented about: revenues and expenditures growth, budget deficit, EU GDP growth rate, industrial production index, GDP disaggregated from the expenditure side, employment and unemployment figures, average net wage, local governments fiscal data etc.

Table 2 - pg. 9

Information on the nominal GDP is not presented, but information beyond the core elements is, therefore response "b" has been chosen.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The document used by the researcher defers from the one elaborated in the questions related to PBS. I suggest to be consistent in the answers and use the following link: [https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf).

However, the PBS provides elaboration on the following core elements: - inflation rate, table 1 on page 8 - real GDP growth, table 1 on page 8

Information on the nominal GDP level and the interest rates are not available in the PBS (only available for the eurobond issued in 2018 and Central

Bank bills).

Government Reviewer  
Opinion: Agree

Researcher Response

This one can easily be "c" but as well "b". the point is that if we are strict then we can say it should be "c" simply because the nominal GDP is missing. On the other hand, information on the nominal GDP is not presented, but information beyond the core elements is presented, as already listed in our CEA comments thus, the response "b" has been chosen by CEA rather than "c".

IBP Comment

The comment of the peer reviewer is well-noted. Though there is no information on nominal GDP, given that there are elements beyond the core in this document, and because the information on interest rates here includes that of multi-year eurobonds issued in 2018, previous years' data and the average time to interest rate changes in 2019, 2020 and 2021 - the answer is maintained at "b".

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:

Link to the Pre-budget statement in Macedonia: <https://finance.gov.mk/mk/node/4107>

Comment:

Some elements are presented for the upcoming budget in the section 2.1.2 Mid term framework but important core elements are not presented for the upcoming 2019 budget. it is only discussed as part of the mid-term framework.

Peer Reviewer

Opinion: Agree

Comments: The PBS present information on the estimates of the total expenditures (page 13 to 17), without any discussions on the expenditures priorities and policies. For consistency in the answers provided I suggest that the following link for PBS is used:  
[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Despite core elements in the Medium-term Fiscal framework- estimates of total expenditures and expenditure policies and priorities, there are also data for expenditures (budget ceilings) by administrative classification and also by economic classification.

Researcher Response

We stay at answer "c" because there are no discussions on the expenditures priorities and policies which is the essence of this question to merit "a" or "b" answer.

IBP Comment

The peer reviewer's comment is well-received. The link to the correct PBS is:  
[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)

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:

Link to the Pre-budget statement in Macedonia: <https://finance.gov.mk/mk/node/4107>

Comment:

Some elements are presented for the upcoming budget in the section 2.1.2 Mid term framework but important core elements are not presented for the upcoming 2019 budget. It is only discussed as part of the mid-term framework.

Peer Reviewer

Opinion: Agree

Comments: The PBS present information on the estimates of the total revenues (page 11 to 13), without any discussions on the revenue priorities and policies. For consistency in the answers provided I suggest that the following link for PBS is used:

[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Despite core elements in the Medium-term Fiscal framework- estimates of total revenues and revenue policies and priorities, there are also data for revenue categories (tax and non tax), capital revenues, social contributions.

Researcher Response

We stay at "c" as discussions on the revenue priorities and policies are missing.

IBP Comment

The peer reviewer's comment is well-received. The link to the correct PBS is:  
[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)

57. Does Pre-Budget Statement present three estimates related to government borrowing and debt: the amount of net new borrowing required during the

budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

**GUIDELINES:**

*Question 57 asks whether the Pre-Budget Statement includes three key estimates related to borrowing and debt:*

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

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

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

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

*To answer "a," the Pre-Budget Statement must present all three estimates of borrowing and debt for at least the upcoming budget year. For a "b" answer, the Pre-Budget Statement must present two of those three estimates. For a "c" answer, the PBS must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the PBS.*

Answer:

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

Source:

Link to the Pre-budget statement in Macedonia: <https://finance.gov.mk/mk/node/4107>

Comment:

The three estimates are presented in the section 5. Public debt starting at page 30.

Net new borrowing: see Table 6 on pg. 18, line "Финансирање на дефицит"

Central government's total debt burden: see Graph 12 on pg. 32

Interest payments: see Table 5 on pg. 13, line "Камат ни плаќања"

Peer Reviewer

Opinion: Agree

Comments: Central government's total debt burden: see Graph 12 on pg. 31.

Government Reviewer

Opinion: Agree

58. Does the Pre-Budget Statement present estimates of total expenditures for a multi-year period (at least two-years beyond the budget year)?

**GUIDELINES:**

*Question 58 asks about multi-year expenditure estimates in the Pre-Budget Statement.*

*To answer "a," expenditure estimates for at least two years beyond the upcoming budget year must be presented. The estimates must be for at least total expenditures, but could include more detail than just the aggregate total.*

Answer:

a. Yes, multi-year expenditure estimates are presented.

Source:

Link to the Pre-budget statement in Macedonia: <https://finance.gov.mk/mk/node/4107>

Comment:

Section 2.1.2 Mid term framework and table 5 on page 13 for the 3-years period: 2019-2021 also actual data for 2017 and budget plan for 2018.

Peer Reviewer

Opinion: Agree

Comments: The PBS gives overview on total budget expenditures for two consecutive years after the budget year (2020 and 2021). The estimates are presented under section 2.1.1. "Mid term budget framework" from page 11 to page 17. The section includes presentation on the total expenditures estimates in numbers (table 4 on page 13) and narrative elaboration of the expenditures from page 11 to page 17. For consistency in the answers provided I suggest that the following link for PBS is used:

[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_MKD\\_0.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_MKD_0.pdf)

Government Reviewer

Opinion: Agree

59. Does the Enacted Budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

**GUIDELINES:**

*Question 59 asks if expenditure estimates in the Enacted Budget are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.*

*To answer "a," the Enacted Budget must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of the three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications. Answer "d" applies if expenditure estimates are not presented by any of the three classifications.*

Answer:

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

Source:

EB link: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Click on the pdf link below: Дополнет Предлог - буџет на Република Македонија за 2019 година

Comment:

Economic pages: 72-73, 77-78

Administrative pages: 79-82

Functional pages: 83-85

Peer Reviewer

Opinion: Agree

Comments: The economic classification of the EB can be found on page 72-73 in the State budget and 77 - 78 in the Central budget. The administrative classification of the EB can be found on page 79 - 82 in the Central budget. The functional classification of the EB can be found on page 83 - 85 in the State budget. The EB is published in the Official Gazette number 238 and is available on the following link:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

Government Reviewer

Opinion: Agree

59b. Based on the response to Question 59, check the box(es) to identify which expenditure classifications are included in the Enacted Budget:

Answer:

Administrative classification  
Economic classification  
Functional classification

Source:

EB link: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Click on the pdf link below: Дополнет Предлог - буџет на Република Македонија за 2019 година

Comment:

Economic pages: 72-73, 77-78

Administrative pages: 79-82

Functional pages: 83-85

Peer Reviewer

Opinion: Agree

Comments: The economic classification of the EB can be found on page 72-73 in the State budget and 77 - 78 in the Central budget. The administrative classification of the EB can be found on page 79 - 82 in the Central budget. The functional classification of the EB can be found on page 83 - 85 in the State budget. The EB is published in the Official Gazette number 238 and is available on the following link: <http://www.slvesnik.com.mk/issues/09eef847853f447ebf75a550154a8cf4.pdf>.

Government Reviewer

Opinion: Agree

60. Does the Enacted Budget present expenditure estimates for individual programs?

*GUIDELINES:*

*Question 60 asks if expenditure estimates in the Enacted Budget are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable 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 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:

EB link: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Click on the pdf link below: Дополнет Предлог - буџет на Република Македонија за 2019 година

Comment:

Government programs pages 86-87

Development programs pages: 88-95

Programs per all administrative units pages: 96-367

The total for all expenditures is presented above the administrative units table on page 96.

Peer Reviewer

Opinion: Agree

Comments: The expenditures in the EB for 2019, under each administrative unit in the Central budget are presented by program (page 96 to 367). For example, the Ministry of Health budget (page 325 - 333) is divided in 9 budget programs (1 - Administration, 3 - Agency on medicine and medical devices, 5 - Preventive health care, etc.) and all programs are divided into 34 sub programs (50 - prevention from cardiovascular diseases, 51 - program for regular medical checkups of pupils and students, etc) The EB is published in the Official Gazette number 238 and is available on the following link: <http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

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:**

EB link: <https://www.sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Click on the pdf link below: Дополнет Предлог - буџет на Република Македонија за 2019 година

**Comment:**

Page 71 budget items 71 and 72

**Peer Reviewer**

Opinion: Agree

Comments: The revenue estimates by category are presented on page 71 in the State budget and page 74 in the Central budget. The EB is published in the Official Gazette number 238 and is available on the following link:

<http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

**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:**

b. Yes, the Enacted Budget presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.

**Source:**

EB link: <https://www.sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Click on the pdf link below: Дополнет Предлог - буџет на Република Македонија за 2019 година

**Comment:**

On Page 71: Данок од доход, од добивка и од капитални добивки is at least three if not more individual taxes. Домашни даноци на стоки и услуги is at least 2 individual taxes. Глоби, судски и административни такси,



Такси и надоместоци among other non-tax revenue needs to be further disaggregated. This is why B is the answer.

Revenues could be further disaggregated but when we compare the level of detail to other countries it merits a B answer (in coordination with IBP in the 2015 and 2017 rounds of the OBS).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Enacted Budget presents individual sources of revenue accounting for less than two-thirds of all revenues.

Comments: The budget revenues classification is prescribed in details in the existing "Rulebook for revenue classification" (on the following link: <https://www.finance.gov.mk/files/u12/Pravilnik%20za%20klasifikacija%20na%20prihodi%202018.pdf>). Based on the Rulebook the budget includes 30 revenue categories, 59 revenue subcategories and 546 individual revenue items. However, the EB give presentation only on 23 revenue categories, while 59 revenue subcategories and 546 individual revenue items under the revenue categories are not shown in the EBP, which are less than 2/3. The sources of revenues are presented in aggregated categories in the State (page 71) and in the Central budget (page 74). The aggregated categories do not show the projected amount of revenues for each individual source, rather gives overview on the projected amount cumulatively for set of different types of individual revenues. For example, the document gives information on the total amount of projected revenues from taxes (item 71) and for a group of taxes (item 711 - income tax, profit tax and tax on capital gains). The budget item 711 do not show information on its sub items such as: 7111 - income tax (this subitem includes 37 types of revenues) and 7112 - profit tax and tax on capital gains (this sub item includes 21 type of revenues). The EB is published in the Official Gazette number 238 and is available on the following link: <http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>

Government Reviewer

Opinion: Agree

Researcher Response

We stay at "b" answer as the point is not to present ALL as per the revenues classification but at the level of aggregation to be presented individually the sources of revenues.

IBP Comment

The subcategory "711 Данок од доход, од добивка и од капитални добивки" under "71 ДАНОЧНИ ПРИХОДИ" on page 71 corresponds with only a 3rd level tax classification in the IMF's Government Financial Statistics Manual 2014 (see pg. 88 of <https://www.imf.org/external/Pubs/FT/GFS/Manual/2014/gfsfinal.pdf>). Together with the "other" categories such as 724, 725, and 769, these items account for less than one third of all revenue for 2019. The response is therefore maintained as "b."

63. Does the Enacted Budget present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

*GUIDELINES:*

*Question 63 asks about three key estimates related to borrowing and debt:*

- *the amount of net new borrowing required during the budget year;*
- *the total debt outstanding at the end of the budget year;*
- *the interest payments on the outstanding debt for the budget year.*

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

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

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

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

Answer:

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

Source:

EB link: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>

Click on the pdf link below: Дополнет Предлог - буџет на Република Македонија за 2019 година

Comment:

The net new borrowing required during the budget year is shown on page 71 lines 75, 76, 77 and 78.

The interest payments on the outstanding debt for the budget year is shown on page 72 line 45 (interest payment) and on page 73 line 49 (principle payment)

Peer Reviewer

Opinion: Agree

Comments: The amount of net new borrowing required during the budget year is presented for both i.e. for State budget (page 71, budget item 75 and 76) and for the Central budget (page 74, budget item 75 and 76). The interest payments on the outstanding debt for the budget year are presented on page 72, budget item 45 in the Central budget and on page 77, budget item 45 in the Central budget. The information regarding the central government's total debt burden at the end of the budget year is not presented in the EB for 2019.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: All three estimates are listed in table 3 and graph 16 from the Fiscal Strategy

[https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019\\_2021\\_FINAL\\_EN.pdf](https://www.finance.gov.mk/files/Fiskalna%20Strategija%20na%20RM%202019_2021_FINAL_EN.pdf)

IBP Comment

As the Fiscal Strategy is evaluated as the Pre-Budget Statement, and is not part of the EB package, it cannot be used to respond to question 63. The response of "b" is maintained.

64. What information is provided in the Citizens Budget?

(The core information must include expenditure and revenue totals, the main policy initiatives in the budget, the macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens.)

*GUIDELINES:*

*Question 64 focuses on the content of the Citizens Budget, asking whether "core" information is presented. These core components include:*

- *expenditure and revenue totals;*
- *the main policy initiatives in the budget;*
- *the macroeconomic forecast upon which the budget is based; and*
- *contact information for follow-up by citizens.*

*To answer "a," the Citizens Budget or supporting documentation must present all of the above core information as well as some additional information beyond the core elements. To answer "b," the Citizens Budget must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if the Citizens Budget includes some of the core components above, but other core pieces of information are not included. Answer "d" applies if a Citizens Budget is not published.*

Answer:

c. The Citizens Budget provides information, but it excludes some core elements.

Source:

Link to the 2019 CB: <http://budget.finance.gov.mk/#>

Comment:

It provides information on revenue and expenditure totals and macro-forecasts (<http://budget.finance.gov.mk/#>) but no info on main policy initiatives and no contact information for follow-up.

Peer Reviewer

Opinion: Agree

Comments: The CB provides information on two out of four core elements: - expenditure and revenue totals, page 1 and 2 - the macroeconomic

forecast upon which the budget is based, page 2. The CB do not present the main policy initiatives in the budget and contact information for follow-up by citizens. The CB can be found on the following link <http://budget.finance.gov.mk/#>, select the year (2019) and download the document.

Government Reviewer  
Opinion: Agree

65. How is the Citizens Budget disseminated to the public?

**GUIDELINES:**

Question 65 asks how the Citizens Budget is disseminated to the public. Citizens Budgets should be made available to a variety of audiences. Therefore paper versions and an Internet posting of a document might not be sufficient.

To answer "a," the executive must use three or more different types of creative media tools to reach the largest possible share of the population, including those who otherwise would not normally have access to budget documents or information. Dissemination would also be pursued at the very local level, so that the coverage is targeted both by geographic area and population group (e.g., women, elderly, low income, urban, rural, etc.). Option "b" applies if significant dissemination efforts are made through a combination of two means of communications, for instance, both posting the Citizens Budget on the executive's official website and distributing printed copies of it. Option "c" applies if the Citizens Budget is disseminated through only posting on the executive's official website. Option "d" applies when the executive does not publish a Citizens Budget.

**Answer:**

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:**

Link to the 2019 CB: <http://budget.finance.gov.mk/#>

**Comment:**

Internet through the website of the Ministry of Finance

**Peer Reviewer**

Opinion: Disagree

**Suggested 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.).

Comments: The CB is disseminated through the following tools: - interactive web site software published on the Government and the MF web sites (links: <https://vlada.mk/node/15830> and <http://budget.finance.gov.mk/#>. - presented by the Prime Minister and the Minister of Finance on press conference broadcasted on YouTube <https://www.youtube.com/watch?v=3MzyilzrO5Y&list=PLSqqC5VulYWycruKJnu-96zYwJhJn-Jh0> - presented by the Vice-president on press conference broadcasted on Facebook <https://www.facebook.com/VladaMK/videos/351832375376473/> - the web site application is also published in the media (for ex. <https://grid.mk/c/BJG2NmcBKbq5uwD7ybiD/2018-11-20/vebaplikacija-za-grafanskiot-budzet-2019>)

**Government Reviewer**

Opinion: Disagree

**Suggested 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.).

Comments: The Citizen Budget is disseminated through the website of the Ministry of Finance and all Social media channels. Besides the web app that presents the core elements of the CB, users can download a two page CB with all relevant information. Also the CB was presented in multiple presentations by line Ministers, right after the Budget was enacted by the Parliament (<https://www.youtube.com/playlist?list=PLSqqC5VulYWycruKJnu-96zYwJhJn-Jh0>). Media, stakeholders and citizens have a chance to ask questions and comment on the Budget. These presentations happened for the first time for the Budget of 2018. Finally, The Ministry of Finance welcomes groups of students and citizens during the whole year. During the visits, the citizens are presented with the CB, the budget process and they are given a paper brochures that bring public finances closer to the people.

**IBP Comment**

The additional sources provided by the external reviewers are well received. The response has been changed from "c" to "a".

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:

Link to the 2019 CB: <http://budget.finance.gov.mk/#>

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The Ministry of Finance, during the past two Budget processes, organized public presentation of the Budget, almost a week prior to sending it to the Government. Representatives of the Chambers of Commerce, Civil Society, Academia, Trade Unions, Media and other relevant experts were invited to this presentation. Each participant received a short version of the Budget and had a chance to express its opinion for the proposed Budget. (<https://www.finance.gov.mk/en/node/7628>; <https://www.finance.gov.mk/mk/node/7609>; <https://www.finance.gov.mk/mk/node/7608>)

IBP Comment

The government reviewer's comment is well received. The linked presentations do not describe how or what inputs were provided by civil society regarding information to be included in the citizen's budget. The current response of "d" is maintained.

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:

c. A citizens version of budget documents is published for at least one stage of the budget process.

Source:

Link to the 2019 CB: <http://budget.finance.gov.mk/#>

Comment:

For the EBP

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested 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).

IBP Comment

Per follow-up communication with the government reviewer, the link "http://budget.finance.gov.mk/#" was provided in support of the suggested "a" response. As the researcher notes, this portal serves as a citizens version of the EBP; the existing response of "c" is maintained.

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:

c. Yes, the In-Year Reports present actual expenditures by only one of the three expenditure classifications.

Source:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

Monthly reports of the General Government Budget Execution (Including extra Funds) are based on the IMF methodology for government statistics (Government Finance Statistic 1986) and are presented in the economic classification.

Peer Reviewer  
Opinion: Agree

Comments: The In-Year Reports present actual expenditures only by economic classification. However, the information presented in the In-Year reports do not correspond with the budget items presented by the economic classification in any other budget document. The information presented in the In-Year reports are presented only for the cumulative expenditures categories (expenditure category 40, 41, 42, 44, 45, 46, 47 and 48), while in the EBP and the EB each expenditure category includes additional information (for example: category 40 - salaries and wages includes three subcategories, such as 401 - basic salaries, 402 - fringe benefits and 404 - other salary contributions). See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls). See the Rulebook on classification of public expenditures on the following link: [https://www.finance.gov.mk/files/u6/Pravilnik\\_zaklasifikacija\\_na\\_rashodite.pdf](https://www.finance.gov.mk/files/u6/Pravilnik_zaklasifikacija_na_rashodite.pdf).

Government Reviewer  
Opinion: Disagree  
Suggested Answer:

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

Comments: MoF publish monthly reports based on administrative and economic classification. EN link <https://www.finance.gov.mk/en/node/885>  
MK link <https://www.finance.gov.mk/mk/node/693>

Researcher Response

We stay at our answer as this is the IYR that we assess. The IYR should provide a timely (as much as possible real time) snapshot of the budget's implementation during the budget year. In-Year Reports are relatively brief, periodic (usually monthly) reports that list – but do not really attempt to

assess – the major components of the budget. These features distinguish In-Year Reports from the Mid-Year Review for example. The link we provide is a link from the treasury execution and are brief, timely and t-1 available (<https://finance.gov.mk/mk/node/898>). For example at that link one can see availability for August 2019 at the moment. The government is referring to a monthly reports that are not really up timely and are t-2 months. For example, the October 2018 report from the link <https://finance.gov.mk/en/node/885> has been last modified 31st of December 2018 (Google Chrome inspect). At the moment at the link provided by the Government the latest available report is for June 2019. The public needs and deserves a timely data of the in-year execution of the budget.

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:

Economic classification

Source:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: The In-Year Reports present actual expenditures only by economic classification. However the information presented in the In-Year reports do not correspond with the budget items presented by the economic classification in any other budget document. The information presented in the In-Year reports are presented only for the cumulative expenditures categories (expenditure category 40, 41, 42, 44, 45, 46, 47 and 48), while in the EB and the EB each expenditure category includes additional information (for example: category 40 - salaries and wages includes three subcategories, such as 401 - basic salaries, 402 - fringe benefits and 404 - other salary contributions). See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls). See the Rulebook on classification of public expenditures on the following link: [https://www.finance.gov.mk/files/u6/Pravilnik\\_za\\_klasifikacija\\_na\\_rashodite.pdf](https://www.finance.gov.mk/files/u6/Pravilnik_za_klasifikacija_na_rashodite.pdf).

Government Reviewer

Opinion: Disagree

Suggested Answer: Administrative classification Economic classification

Comments: MoF publish monthly reports based on administrative and economic classification. EN link <https://www.finance.gov.mk/en/node/885> MK link <https://www.finance.gov.mk/mk/node/693>

Researcher Response

We stay at our answer as this is the IYR that we assess. The IYR should provide a timely (as much as possible real time) snapshot of the budget's implementation during the budget year. In-Year Reports are relatively brief, periodic (usually monthly) reports that list – but do not really attempt to assess – the major components of the budget. These features distinguish In-Year Reports from the Mid-Year Review for example. The link we provide is a link from the treasury execution and are brief, timely and t-1 available (<https://finance.gov.mk/mk/node/898>). For example at that link one can see availability for August 2019 at the moment. The government is referring to a monthly reports that are not really up timely and are t-2 months. For example, the October 2018 report from the link <https://finance.gov.mk/en/node/885> has been last modified 31st of December 2018 (Google Chrome inspect). At the moment at the link provided by the Government the latest available report is for June 2019. The public needs and deserves a timely data of the in-year execution of the budget.

69. Do the In-Year Reports present actual expenditures for individual programs?

**GUIDELINES:**

*Question 69 asks if expenditure estimates in In-Year Reports are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.*

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

*To answer "a," In-Year Reports must present actual expenditures for all individual programs, accounting for all expenditures. To answer "b," In-Year Reports*

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

Answer:

d. No, the In-Year Reports do not present actual expenditures by program.

Source:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

Only economic classification.

Peer Reviewer

Opinion: Agree

Comments: See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls).

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:

b. No, comparisons are not made for expenditures presented in the In-Year Reports.

Source:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

Monthly reports of the General Government Budget Execution (Including extra Funds) are based on the IMF methodology for government statistics (Government Finance Statistic 1986) and compare only the total year expenditures from the Enacted Budget with the actual year-to-date expenditures, month by month.

Peer Reviewer

Opinion: Agree

Comments: The In-Year report gives comparison between the actual expenditures in the reporting period (reporting month and all previous months of the year covered with earlier reports individually and cumulatively) and the estimates from the EB and the supplementary budget. However, the In - Year report do not give presentation of the estimated and actual expenditures for the particular reporting period. See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls).

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, comparisons are made for expenditures presented in the In-Year Reports.

Comments: In the file Central Government Budget execution 2018 in the Archive section for Central Government Budget <https://www.finance.gov.mk/en/node/699> there are separated columns for original Budget for 2018 and Revised Budget for 2018. In 2019 there is not a Revised Budget yet.

IBP Comment

As the "budget 2018" and "supplemental/revised budget 2018" columns in the IYRs present figures for the entire fiscal year, rather than the same period to which the report refers, the current response of "b" is maintained.

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:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

Monthly reports of the General Government Budget Execution (Including extra Fund) are based on the IMF methodology for government statistics (Government Finance Statistic 1986) and the revenues are shown by category: Tax sources ( Даночни приходи и придонеси) and non-tax sources (Неданочни приходи).

Peer Reviewer

Opinion: Agree

Comments: The In-Year Reports present actual revenues only by economic classification. However, the information presented in the In-Year reports do not correspond with the budget items presented by the economic classification in any other budget document. See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls).

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:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.



Comment:

Monthly reports of the General Government Budget Execution (Including extra Funds) are based on the IMF methodology for government statistics (Government Finance Statistic 1986) and the revenues are shown by category: Tax sources ( Даночни приходи и придонеси) and non-tax sources (Неданочни приходи).

While there are revenue line items that are clearly aggregated. Административни такси и Глоби among other non-tax revenue needs to be further disaggregated. This is why B is the answer.

Note: Tax revenues are around 85% of the total revenues and the level of disaggregation is satisfactory enough to answer "b" not to mention that non-tax revenues are also disaggregated and they together with the tax revenues are accounting around 98% of total revenues.

Peer Reviewer

Opinion: Agree

Comments: In comparison with the other budget documents (EBP and EB) the In-Year report provides more detailed presentation on the actual revenues. Or provides information on the actual revenues on the level of revenues category, item and sub items, such as 71 - Tax revenues, 711 - Income tax, profit tax and tax on capital gains, 7111 Income tax or Personal income tax, 7112 - profit tax, etc. See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls).

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:

b. No, comparisons are not made for revenues presented in the In-Year Reports.

Source:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls) .

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, comparisons are made for revenues presented in the In-Year Reports.

Comments: In the file Central Government Budget execution 2018 in the Archive section for Central Government Budget <https://www.finance.gov.mk/en/node/699> there are separated columns for original Budget for 2018 and Revised Budget for 2018. In 2019 there is not a Revised Budget yet.

IBP Comment

As the "budget 2018" and "supplemental/revised budget 2018" columns in the IYRs present figures for the entire fiscal year, rather than the same period to which the report refers, the current response of "b" is maintained.

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:**

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

**Comment:**

The IYR contains information for interest payment (row 42, 43 and 44 from the table presented in the link above) and net new borrowings (row 52,54, 55, 56 and 57 from the table presented in the link above).

**Peer Reviewer**

Opinion: Agree

Comments: See the In - Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls).

**Government Reviewer**

Opinion: Agree

75. Do In-Year Reports present information related to the composition of the total actual debt outstanding?

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

**GUIDELINES:**

Question 75 focuses on the composition of government debt, asking whether "core" information related to its composition is presented. These core components include:

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

The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 74, domestic debt is held by a country's citizens and banks and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.

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

To answer "a," In-Year Reports must present all of the core information related to the composition of government debt to-date as well as some additional information beyond the core elements. To answer "b," In-Year Reports must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding in In-Year Reports.

Answer:

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

Source:

Link to IYR: <https://finance.gov.mk/mk/node/898>

Please, do click on the Microsoft excel link: Извршување на Буџет на РСМ за 2019 година (јануари)

This link (<https://finance.gov.mk/files/u12/CG%2011.2018%20web%20MK.xls>) gives access to the Excel file for November 2018.

Comment:

It does not present maturity profile of the debt or interest rates.

Peer Reviewer

Opinion: Agree

Comments: The In-Year report presents the debt as domestic (row 51, 53, 55, 56 and 61) and external (row 52 and row 60). See the In-Year report for 2018 on the following link: [https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK\\_f.xls](https://www.finance.gov.mk/files/u12/CG%2012.2018%20web%20MK_f.xls).

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanajeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanajeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and

expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer  
Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the estimates for the macroeconomic forecast have been updated, and an explanation of all of the differences between the original and updated forecasts is presented.

Comments: MYR presents expectations of key macroeconomic indicators by the end of the budget year underway as well and when forecast revisions are made they are presented in the MYR (e.g. MYR 2017).

IBP Comment

In light of the researcher's findings, the MYR is determined to be not produced. Per the survey guidelines, answer "d" applies for question 76; the current response is maintained.

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanjet%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanjet%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer  
Opinion: Agree

Government Reviewer

Opinion: Agree

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report present the expenditures estimates for the budget year underway only by economic classification on page 10, table 2.

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the Mid-Year Review presents expenditure estimates by two of the three expenditure classifications.

Comments: Mid-Year Review presents expenditure forecast for the budget year underway by economic classifications, as well as by budget user (administrative classification) in excel format.

IBP Comment

Because the MYR is determined to be not produced in Section 1, per the survey guidelines answer "d" applies for question 78. The current response is maintained.

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report present the expenditures estimates for the budget year underway only by economic classification

on page 10, table 2.

Government Reviewer

Opinion: Disagree

Suggested Answer: economic classifications administrative classification

Comments: Mid-Year Review presents expenditure forecast for the budget year underway by economic classifications, as well as by budget user (administrative classification) in excel format.

IBP Comment

Because the MYR is determined to be not produced in Section 1, per the survey guidelines answer "None of the above" applies for question 78b. The current response is maintained.

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanjet%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanjet%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanjet%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsvanjet%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report do not present the expenditures estimates for the budget year underway by individual programs.

Government Reviewer

Opinion: Agree

80. Does the Mid-Year Review of the budget include updated revenue estimates for the budget year underway?

**GUIDELINES:**

*Question 80 asks whether the Mid-Year Review includes updated estimates of revenue for the budget year, and provides an explanation of the update.*

*To answer "a," the Mid-Year Review must include updated revenue estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the revenue estimates must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the*

differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated revenue estimates, but no explanation for the revisions is provided. A "d" response applies if the revenue estimates have not been updated.

Answer:

d. No, revenue estimates have not been updated.

Source:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report do not include updated revenue estimated for the budget year underway.

Government Reviewer

Opinion: Agree

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report present the revenue estimates for the budget year underway by category on page 10, table 2.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents revenue estimates by category.

Comments: Mid-Year Review presents revenue forecast for the budget year underway by category and by taxes

IBP Comment

Because the MYR is determined to be not produced in Section 1, per the survey guidelines answer "b" applies for question 81. The current response is maintained.

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjet%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjet%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjet%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjet%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report present the revenue estimates for the budget year underway by individual sources on page 10, table 2.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents individual sources of revenue accounting for all revenue.

Comments: Mid-Year Review of the budget present individual sources of revenue for the budget year underway, i.e. tax revenues by type

<https://finance.gov.mk/en/node/885>

IBP Comment

The updated revenue estimates in the Table 2 cited by the peer reviewer are for January-June 2018; the full-year 2018 figures are taken unchanged from the 2018 Enacted Budget. Because the MYR is determined to be not produced in Section 1, per the survey guidelines answer "d" applies for question 82. The current response is maintained.

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:

Ministry of finance

[https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)

Comment:

The Ministry of finance named this document MYR but it does not qualify as such.

This document does not include information on macroeconomic indicators update nor update on projected revenues, commitments, and expenditures for the remainder of the budget year thus, it can not be considered as MYR.

Peer Reviewer

Opinion: Agree

Comments: The report published on the MF webs site

([https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM\\_2018\\_0.pdf](https://www.finance.gov.mk/files/u1269/Polugodisen%20izvestaj%20za%20izvrsuvanjeto%20na%20Budzetot%20na%20RM_2018_0.pdf)) as Mid Year report does not comply with the international standards and can not be considered as Mid Year Review. This is why I have agreed with the researchers choice. However, the Mid Year report do not present updated estimates of government borrowing and the debt, including its composition, for the budget year underway.

Government Reviewer

Opinion: Agree

84. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

**GUIDELINES:**

Question 84 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual expenditures for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion. Answer "b" if estimates of the differences for all expenditures are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all expenditures, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report

Answer:

b. Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, but a narrative discussion is not included.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.aspx?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:  
Основни документи  
Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Table 2 on page 4 gives actual and enacted but a narrative discussion explaining reasons for the difference is not included

Peer Reviewer

Opinion: Agree

Comments: See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

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:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Economic pages: 2-3 (pages 12-13 of the pdf)

Administrative pages: 10-12 (pages 20-22 of the pdf)

Functional pages: 13-15 (pages 23-25 of the pdf)

Peer Reviewer

Opinion: Agree

Comments: The expenditure estimates are presented by all three expenditure classifications (by administrative, economic, or functional classification). The expenditures are presented by Administrative classification on page 10 - 12 in the Central budget. The expenditures are presented by Economic classification on page 2 and 3 in the State budget and page 8 and 9 in the Central budget. The expenditures are presented by Functional classification on page 13 - 15 in the State budget . See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

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:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Please, take the numeration as per if scrolling the pdf document and not the numeration in inserted documents:

Economic pages: 12-13

Administrative pages: 20-22

Functional pages: 23-25

Peer Reviewer

Opinion: Agree

Comments: The expenditure estimates are presented by all three expenditure classifications (by administrative, economic, or functional classification). The expenditures are presented by Administrative classification on page 10 - 12 in the Central budget. The expenditures are presented by Economic classification on page 2 and 3 in the State budget and page 8 and 9 in the Central budget. The expenditures are presented by Functional classification on page 13 - 15 in the State budget . See the YER on the following link:

<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

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:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Government programs pages: 16-18

Development programs pages: 19-27

Programs by each administrative unit pages: 28-267

Peer Reviewer

Opinion: Agree

Comments: The expenditure estimates in the YER for 2017, under each administrative unit in the Central budget are presented by budget programs (page 28 to 267). For example, the Ministry of Health budget (page 229 - 238) is divided in 9 programs (1 - Administration, 3 Agency on medicine and medical devices, 5 - preventive health care, etc.) and all programs are divided into 34 sub programs (50 - prevention from cardiovascular diseases, 51 - program for regulated medical checkups of pupils and students, etc.). See the YER on the following link:

<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

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:

b. Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, but a narrative discussion is not included.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Table 2 on page 4 but a narrative discussion on the reasons behind the differences is missing.

Peer Reviewer

Opinion: Agree

Comments: See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

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:**

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

**Comment:**

Page 1 (page 11 of the pdf) - see table "Биланс на приходи на Буџетот на Република Македонија по ставки"

**Peer Reviewer**

Opinion: Agree

Comments: The revenue estimates by category are presented on page 1 in the State budget and page 4 in the Central Budget. See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

**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:**

b. Yes, the Year-End Report presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.

**Source:**

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Page 1 (page 11 of the pdf) - see table "Биланс на приходи на Буџетот на Република Македонија по ставки"

Comment:

Данок од доход, од добивка и од капитални добивки is at least three if not more aggregated individual taxes.

Домашни даноци на стоки и услуги is at least 2 aggregated individual taxes.

Глоби, судски и административни такси, Такси и надоместоци among other non-tax revenue needs to be further disaggregated.

This is why B is the answer

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Year-End Report presents individual sources of revenue accounting for less than two-thirds of all revenues.

Comments: The budget revenues classification is prescribed in details in the existing "Rulebook for revenue classification" (on the following link: <https://www.finance.gov.mk/files/u12/Pravilnik%20za%20klasifikacija%20na%20prihodi%202018.pdf>). Based on the Rulebook the budget includes 30 revenue categories, 59 revenue subcategories and 546 individual revenue items. However, the YER give presentation only on 25 revenue categories, while 59 revenue subcategories and 546 individual revenue items under all revenue categories are not shown in the EBP, which are less than 2/3. The sources of revenues are presented in aggregated categories in the State (page 1) and in the Central budget (page 4). See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

Government Reviewer

Opinion: Agree

Researcher Response

We stay at "b" answer. The point of the YER is not to present ALL subcategories of ALL revenues but revenues at the level of analytics to be presented consistently. Otherwise the document would be thousands of pages. It is not the point for the YER to become an accounting document but rather an informative document about the revenues. And as we explained, at the level of revenues the government presents at individual level at least 2/3 of them.

IBP Comment

The subcategory "711 Данок од доход, од добивка и од капитални добивки" under "71 ДАНОЧНИ ПРИХОДИ" on page 1 corresponds with only a 3rd level tax classification in the IMF's Government Financial Statistics Manual 2014 (see pg. 88 of <https://www.imf.org/external/Pubs/FT/GFS/Manual/2014/gfsfinal.pdf>). Together with the "other" categories such as 724, 725, and 769, these items account for less than one third of all revenue for 2017. The response is maintained as "b."

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:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Estimates are shown only for new borrowing and whether it is domestic or external (page 1 lines 75, 76, 77 and 78); and interest payments of the outstanding debt (page 2 line 45)

Peer Reviewer

Opinion: Agree

Comments: Estimates are shown only for the new borrowing during the budget year divided by domestic or external sources (page 1 for the State budget and page 4 for the Central budget, budget item 75, 76, 77 and 78). Additionally, the YER present information on the amount of interest payments on the outstanding debt (page 2 in the State and page 8 in the Central budget, budget item 45 and net new borrowings in table 2). See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Agree

90b. Based on the response to Question 90, check the box(es) to identify which estimates of government borrowing and debt, including its composition, have the differences between the original forecast and the actual outcome for the year presented in the Year-End Report:

Answer:

The amount of net new borrowing required during the budget year

The interest payments on outstanding debt for the budget year

Whether the debt is domestic or external

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Estimates are shown only for new borrowing and whether it is domestic or external (page 1 lines 75, 76, 77 and 78); and interest payments of the outstanding debt (page 2 line 45)

Peer Reviewer

Opinion: Agree

Comments: Estimates are shown only for the new borrowing during the budget year divided by domestic or external sources (page 1 for the State budget and page 4 for the Central budget, budget item 75, 76, 77 and 78). Additionally, the YER present information on the amount of interest payments on the outstanding debt (page 2 in the State and page 8 in the Central budget, budget item 45 and net new borrowings in table 2). See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Agree

91. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

**GUIDELINES:**

Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.

To answer "a," the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cddf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Table 1 at page 2 (page 5 of the pdf). Interest rates and nominal GDP are missing.

Peer Reviewer

Opinion: Agree

Comments: The following core components are presented in Table 1: - real GDP growth (projected 2,2%, achieved 0%); and - inflation rate (projected 1%, achieved 1,4%). The rest of the components are not included. See the YER on the following link:

<http://www.slvesnik.com.mk/issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Agree

91b. Based on the response to Question 91, check the box(es) to identify which elements of the macroeconomic forecast have the differences between the original forecast and the outcome for the year presented in the Year-End Report:

Answer:

Inflation rate

Real GDP growth

Information beyond the core elements

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cddf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот



the pdf file to reach the YER

Comment:

Beyond core elements: gross wage, employment and unemployment rates, trade deficit and current account deficit.

Peer Reviewer

Opinion: Agree

Comments: The following core components are presented in Table 1: - real GDP growth (projected 2,2%, achieved 0%) and - inflation rate (projected 1%, achieved 1,4%) Additionally, the YER narrative includes some information beyond the core elements, such as: - the difference between the estimated and the actual rate of employment and unemployment which are presented in Table 1. The YER shows the estimated and the actual rate of employment (43,9% estimated vs actual 44,1%) and estimated and the actual rate of unemployment (22,5% estimated vs actual 22,4%) and - some information on the current account are presented on page 3. The EBP presents information on the estimated and the actual deficit on the current account for 2019 (2,3% from GDP, estimated vs 1,3% from GDP, actual). See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>

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:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

N/A

SM Note: No estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year nor narrative discussion.

Peer Reviewer

Opinion: Agree

Comments: In the YER for 2019 there is no non-financial information on estimated and the actual inputs. In the YER, such type of information could not be presented for several basic reasons: first, because there are no established indicators for measuring the achieved outcomes throughout the budget implementation; and second, because in the country there is no practice for measuring the impact of the budget expenditures on the whole society. However, I would like to mention again that in the EBP and the EB narrative there is a section "Budget programs for 2019" (page 19 to 67) where data for so called indicators and output indicators is presented for each administrative unit, however these data can not be considered as non-financial data as it is required with this question. We can not take "number of employees in the public institution" and "operational cost per employee of the public institution", as well as "number of countries visited by the state president" as relevant non-financial data. See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented.

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:

d. No, estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome are not presented.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

N/A

SM Note: No estimates of the differences between the original estimates of nonfinancial data on results, outputs, outcomes and the actual outcome for the year nor narrative discussion.

Peer Reviewer

Opinion: Agree

Comments: In the YER for 2019 there is no non-financial information on estimated and the actual inputs. In the YER, such type of information could not be presented for several basic reasons: first, because there are no established indicators for measuring the achieved outcomes throughout the budget implementation; and second, because in the country there is no practice for measuring the impact of the budget expenditures on the whole society. However, I would like to mention again that in the EBP and the EB narrative there is a section "Budget programs for 2019" (page 19 to 67) where data for so called indicators and output indicators is presented for each administrative unit, however these data can not be considered as non-financial data as it is required with this question. We can not take "number of employees in the public institution" and "operational cost per employee of the public institution", as well as "number of countries visited by the state president" as relevant non-financial data. See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf> In the YER for 2019.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented.

94. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

**GUIDELINES:**

Question 94 asks whether the Year-End Report includes estimates of the differences between the enacted level of funds for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 52 for assistance to the most impoverished populations in the Executive's Budget Proposal.

To answer "a," the Year-End Report must present estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit the country's most impoverished populations and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

**Answer:**

c. Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented.

**Source:**

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

**Comment:**

N/A

**Peer Reviewer**

Opinion: Agree

Comments: See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

c. Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented.

Comments: In the special part of the Year - end Report the budget is presented by programs and subprograms under ministries or agencies. There are separate programs for Roma people, separate programs for social care, asylum seek people etc, where planned and realized expenditures are presented.

**IBP Comment**

Per follow-up communication with the government reviewer, several figures in the YER were cited in support of a "c" response: - page 149 (item 11), page 182 (item 43), page 192 (item 11), page 194 (item 32) - policies targeting the Roma population - page 183 (item 50) - social protection compensation - page 184 (item 54) - fees for protection of refugees and asylum seekers The response is revised from "d" to "c."

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:

b. Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, but a narrative discussion is not included.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Health insurance fund pages: 268-269 (pdf pp. 278-279)

Employment agency pages: 270-271 (pdf pp. 280-281)

Pension fund pages: 272-273 (pdf pp. 282-283)

SM Note: No extra-budgetary funds in the education sector in Macedonia.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

96. Is a financial statement included as part of the Year-End Report or released as a separate report?

**GUIDELINES:**

*Question 96 asks whether a financial statement is included as part of the Year-End Report, or whether it is released as a separate report. The financial statement can include some or all of the following elements: a cash flow statement, an operating statement, a balance sheet, and notes on accounting. For purposes of responding to this question, the financial statement in question does not need to be audited. For an example of a financial statement, see the document "Financial Statements of the Government of New Zealand 2013" (<https://treasury.govt.nz/sites/default/files/2013-10/fsgnz-year-jun13.pdf>)*

*To answer "a," a financial statement must either be included in the Year-End Report or must be released as a separate report. Answer "a" applies if a financial statement is released as a separate report, even if the Year-End Report is not publicly available. Answer "b" applies if no financial statement is released either as part of the Year-End Report or as a separate report.*

Answer:

b. No, a financial statement is neither part of the Year-End Report nor released as a separate report.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, a financial statement is part of the Year-End Report or is released as a separate report.

Comments: Aldo, financial statement is not part of the Year-End Report it is published on MoF website. According to Government directive budget users are obliged to publish their financial statement on their website. Example for MoF <https://www.finance.gov.mk/mk/node/6869>

Researcher Response

We stay at answer "b" because the government and the Ministry of finance do not publish: a cash flow statement, an operating statement, a balance sheet, nor a notes on accounting.

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:

Link: <http://www.dzr.mk/en/>

If it doesn't work, try the Macedonian link: <http://www.dzr.mk>

On the left hand side "Audit reports" click on the link. There one can find all three types of audit

Comment:

NOTE: Financial and compliance audit are made available to the public in one link.

Peer Reviewer

Opinion: Agree

Comments: The SA compliance and financial reports on the conducted audits are available on the following link: <http://dzr.mk/DesktopDefault.aspx?tabindex=0&tabid=1090>. While the SA performance reports are available on the following link: <http://dzr.mk/DesktopDefault.aspx?tabindex=0&tabid=1091>.

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:

c. Expenditures representing less than two-thirds of expenditures within the SAI's mandate have been audited.

Source:

Link to the SAI report:

[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Annual SAI report for 2017 link:

[http://www.dzr.mk/Uploads/DZR\\_Godisen%20izvestaj\\_2017\\_MKD\\_REDUCE.pdf](http://www.dzr.mk/Uploads/DZR_Godisen%20izvestaj_2017_MKD_REDUCE.pdf)

Comment:

On page 26 of the annual report one can see that SAI within their mandate audited in 2015 40% expenditures and in 2016 39% expenditures.

In 2017 SAI audited 41% of the expenditures within their mandate. This can be calculated as percentage from the total 2017 (258.840 billion denars) on page 24 and the audited 106.671 billion denars on page 25

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:

Annual 2017 report of the SAI:

[http://www.dzr.mk/Uploads/DZR\\_Godisen%20izvestaj\\_2017\\_MKD\\_REDUCE.pdf](http://www.dzr.mk/Uploads/DZR_Godisen%20izvestaj_2017_MKD_REDUCE.pdf)

Comment:

On page 26 one can see that SAI within their mandate audited in 2015 100% expenditures and in 2016 100% expenditures of the extra-budgetary

funds.

In 2017 SAI audited 100% of the expenditures within their mandate. This can be calculated as percentage from the total 2017 (89.260 billion denars) on page 24 and the audited 89.260 billion denars on page 25

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

100. Does the annual Audit Report(s) prepared by the Supreme Audit Institution (SAI) include an executive summary?

**GUIDELINES:**

*Question 100 asks whether the annual Audit Report includes an executive summary. Only the Audit Report identified in Section 1 should be used to answer this question. The Audit Report can be a fairly technical document, and an executive summary of the report's findings can help make it more accessible to the media and the public.*

*To answer "a," the Audit Report must include at least one executive summary summarizing the report's content. Answer "b" applies if the Audit Report does not include an executive summary, or the Audit Report is not made publicly available.*

Answer:

a. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.

Source:

Link to the SAI report:

[http://www.dzr.mk/Uploads/1\\_FR\\_Osnoven\\_budzet\\_Republika\\_Makedonija\\_KOMPLET\\_2018\\_REDUCE.pdf](http://www.dzr.mk/Uploads/1_FR_Osnoven_budzet_Republika_Makedonija_KOMPLET_2018_REDUCE.pdf)

Comment:

Please see pages 1-3 of the pdf.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

101. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

**GUIDELINES:**

*Question 101 asks whether the executive reports to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution (SAI). The ultimate purpose of audits is to verify that the budget was executed in a manner consistent with existing law, and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the SAI's audit reports.*

*To answer "a," the executive must report publicly on the steps it has taken to address all audit findings. A "b" response applies if the executive reports publicly on the steps it has taken to address most, but not all, audit findings. A "c" response applies if the executive reports publicly on the steps it has taken to address only some audit findings. As long as the executive reports publicly on the steps it has taken to address audit finding, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if the executive does not report at all on its steps to address audit findings.*

Answer:

d. No, the executive does not report on steps it has taken to address audit findings.

Source:  
N/A

Comment:  
N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree

Suggested Answer: c. Yes, the executive reports publicly on some audit findings.

Comments: [https://www.finance.gov.mk/files/u6/Zavrsna\\_smetka\\_2018.pdf](https://www.finance.gov.mk/files/u6/Zavrsna_smetka_2018.pdf) Within the final account (pg.605-612) SAO has report on what executive has done with audit finding from previous year. SAO and Mof published this report every year together with final account and final audit report.

Researcher Response

We stay at our "d" answer because the EXECUTIVE never reports its own report to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution in Macedonia.

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:

d. No, neither the SAI nor legislature reports on steps the executive has taken to address audit recommendations.

Source:

Link to the Annual SAI report for 2017:

[http://www.dzr.mk/Uploads/DZR\\_Godisen%20izvestaj\\_2017\\_MKD\\_REDUCE.pdf](http://www.dzr.mk/Uploads/DZR_Godisen%20izvestaj_2017_MKD_REDUCE.pdf)

Comment:

On pages 32-34, the SAI reports on what steps the executive has taken to address all audit recommendations.

The SAI gives statistical information about audit recommendations that are implemented, not implemented, cannot be implemented due to changed conditions, no information due to non responsiveness of the audited body and number of those for which the 90 days period for response have lapsed.

Peer Reviewer  
Opinion: Disagree  
Suggested Answer:

d. No, neither the SAI nor legislature reports on steps the executive has taken to address audit recommendations.

Comments: The statistical information presented in the SA annual report are only quantitative information without any connection with the recommendation given and without providing detailed and qualitative data on the status of the given recommendation.

Government Reviewer  
Opinion: Agree

Researcher Response

We agree with the peer reviewer and want to move to change to answer "d". The Guideline says that the public needs to be informed about the status of those actions, and steps the executive has taken to address audit recommendations. Well, the status of the actions are presented but not the steps the executive has taken to address audit recommendation. That is why we agree with the peer review.



IBP Comment

Per the researcher's "Response to Review," the response has been revised from "a" to "d."

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:

d. No, there is no IFI.

Source:

There is neither PBO type nor fiscal council in Macedonia.

Comment:

In the Program for the reform of the public finance management in Macedonia 2018-2021:

[https://www.finance.gov.mk/files/u3/PFM%20Reform%20%20Programme\\_\\_MK%20DEC%202017\\_final%20VLADA.pdf](https://www.finance.gov.mk/files/u3/PFM%20Reform%20%20Programme__MK%20DEC%202017_final%20VLADA.pdf)

it is stated on page 13 that a fiscal council is planned to be established in Macedonia.

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:

d. No, there is no IFI; or the IFI neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts produced by the executive.

Source:

No IFI in Macedonia

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

105. Does the Independent Fiscal Institution (IFI) publish its own costings of new policy proposals, to assess their impact on the budget?

**GUIDELINES:**

Question 105 assesses whether an Independent Fiscal Institution (IFI) has a costing function that involves assessing the budgetary implications of new policy proposals for both revenues and expenditures, and if so, what kind of role it has. Many IFIs have a costing role, but with substantial diversity in the nature and extent of this work (von Trapp et al 2016, pp. 17-18 and Table 2). Some assess virtually all new policy proposals, while others cost only a selection of new policy proposals. Others only publish opinions on, or scrutinize the costings of, budget measures produced by the executive.

To answer "a," the IFI must publish its own costings of all (or virtually all) new policy proposals. Answer "b" applies if the IFI publishes its own costings, but only for major new policy proposals – for instance, only those proposals that cost or save above a certain amount. Answer "c" applies if the IFI publishes its own costings, but only on a limited number of proposals. This could occur, for instance, if the IFI lacked the capacity to assess proposals dealing with certain sectors. Instead of producing a cost estimate, it can also publish an assessment of the estimates produced by the executive. Answer "d" applies if there is no IFI; or if the IFI does not publish its own costings of new policy proposals or provide an assessment of the official costings of new policy proposals.

Answer:

d. No, there is no IFI; or the IFI does not publish its own costings of new policy proposals.

Source:

No IFI in Macedonia

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

106. In the past 12 months, how frequently did the head or a senior staff member of the Independent Fiscal Institution (IFI) take part and testify in hearings of a committee of the legislature?

**GUIDELINES:**

*Question 106 concerns the interaction between two important oversight actors and assesses how frequently the Independent Fiscal Institution (IFI) made high-level inputs to the work of legislative committees. Almost all IFIs interact with the legislature in some form (von Trapp et al 2016, p. 18), but the intensity of the interaction varies. This question assesses this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the IFI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the IFI staff member in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). As evidence to support your answer, you can refer to official records of legislative committees, websites and annual reports of the IFI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; and "c" for once or twice. Answer "d" should be selected if the head or a senior staff member of the IFI never took part and testified in hearings of a committee of the legislature, or if there is no IFI.*

Answer:

d. Never, or there is no IFI.

Source:

No IFI in Macedonia

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

107. Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal?

**GUIDELINES:**

*Question 107 asks whether the legislature debates budget policies prior to the tabling of the Executive's Budget Proposal. In general, prior to discussing the Executive's Budget Proposal for the coming year, the legislature should have an opportunity to review the government's broad budget priorities and fiscal parameters. Often times this information is laid out in a Pre-Budget Statement, which the executive presents to the legislature for debate. (See Questions 54-58.)*

*A number of countries conduct a pre-budget debate in the legislature around six months before the start of the budget year. In some cases, they adopt laws that guide the upcoming budget, for example the Budget Guidelines Law in Brazil and the Spring Fiscal Policy Bill in Sweden. A pre-budget debate can serve two main purposes: 1) to allow the executive to inform the legislature of its fiscal policy intentions by presenting updated reports on its annual and medium-term budget strategy and policy priorities; and 2) to establish "hard" multi-year fiscal targets or spending ceilings, which the government must adhere to when preparing its detailed spending estimates for the upcoming budget year.*

*To answer "a," the full legislature must debate budget policy prior to the tabling of the Executive's Budget Proposal and approve recommendations for the upcoming budget.*

*Answer "b" applies if a legislative committee (but not the full legislature) debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the budget. Option "b" also applies if, in addition to the action by the committee, the full legislature also debates budget policy in advance of the budget, but does not approve recommendations.*

*Answer "c" applies if the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but does not approve recommendations for the budget. Answer "d" applies if neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.*

*In your comment, please indicate the dates of the budget debate, and if both the full legislature and a legislative committee held a debate. Note that a debate does not need to be open to the public, but a public record of the meeting or a public notice that the meeting occurred is required. In addition, please indicate whether the budget debate was focused on a Pre-Budget Statement published by the Executive. If the Executive did not publish a Pre-Budget Statement, then please indicate what served as the focus of the legislature's debate (for instance, a report released by an IFI or some other institution).*

Answer:

d. No, neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

Source:

In Macedonia neither the Parliament nor the Finance and budget committee discusses/debates the PBS.

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Government always sent Medium term Fiscal strategy to Parliament for information. This June (2019) Parliament announce committee meeting for Fiscal strategy discussion, but it was canceled.

108. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

*GUIDELINES:*

*Question 108 examines how far in advance of the start of the budget year the legislature receives the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be submitted to the legislature far enough in advance to allow the legislature time to review it properly, or at least three months prior to the start of the fiscal year. (See, for instance, Principle 2.2.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>)).*

*For the purposes of responding to this question, if – and only if – the most recent budget submission occurred later than usual as a result of a particular event, such as an election, please use a more normal year as the basis for the response. If, however, delays have been observed for more than one budget year, and the legislature has not received the Executive's Budget Proposal in a timely manner on more than one occasion in the last three years, then "d" will be the appropriate answer.*

*To answer "a," the legislature must receive the Executive's Budget Proposal at least three months in advance of the start of the budget year. Answer "b" applies if the legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year. Answer "c" applies if the legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year. Answer "d" applies if the legislature does not receive the Executive's Budget Proposal at least one month prior to the start of the budget year, or does not receive it at all.*

Answer:

c. The legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year.

Source:

16th of November 2018 for the EBP 2019

Comment:

N/A

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:

21st of December 2018 was adopted the 2019 EB by the Parliament

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: Link to the Parliament Decree for approval of the EB (first PDF document from the list, download, the date is contained in the document): <https://sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>.

Government Reviewer

Opinion: Agree

110. Does the legislature have the authority in law to amend the Executive's Budget Proposal?

*GUIDELINES:*

*Question 110 examines the legislature's power to amend—as opposed to simply accept or reject—the budget proposal presented by the executive. This question is about legal authority rather than actions the legislature takes in practice. The legislature's powers to amend the budget can vary substantially across countries.*

*The "a" response is appropriate only if there are no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus. The "b" response would be appropriate if, for instance, the legislature is restricted from changing the deficit or surplus, but it still has the power to increase or decrease funding and revenue levels. The more limited "c" response would apply if, for instance, the legislature can only re-allocate spending within the totals set in the Executive's Budget Proposal or can only decrease funding levels or increase revenues. Finally, response "d" would apply if the legislature may not make any changes (or only small technical changes), or if amendments must first be approved by the executive. In these cases, the legislature is essentially only able to approve or reject the budget as a whole. If the answer is "b" or "c", please indicate the nature of the amendment powers available to the Parliament and how they are limited.*

Answer:

a. Yes, the legislature has unlimited authority in law to amend the Executive's Budget Proposal.

Source:

Article 180 from the "Rules of Procedure of the Parliament of Republic of Macedonia" (<https://www.sobranie.mk/delovnik-na-sobranieto-na-republika-makedonija-precisten-tekst-sluzben-vesnik-na-republika-makedonija-broj-130-2010.nspX>)

Articles 29 and 30 from the Law on Budgets. (Official Gazette of the Republic of Macedonia 4/2005; 4/2008;103/2008;156/2009, 95/2010 and 180/2011)

Comment:

In Article 180 of these Rules of Procedure of the Parliament of Republic of Macedonia it is stipulated that the MPs are engaged in scrutinizing the EB (prepared by the Government) and that the Government later prepares a new version of the EB where the amendments (that the Government agreed upon) from the Parliament are integrated in this new version. This new version together with explanation is submitted by the Government to the Parliament again.

Article 29 of the Law on Budgets regulates details about the budget presentation and classification to be submitted from the Ministry of finance to the Government. Article 30 of the Law on Budgets regulates the date when the budget should be submitted to the Parliament (15 of November) and when the Parliament should adopt the budget (31st of December).

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:

On the link: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9> click on the link: Извештај од седница бр.35 на Комисија за финансирање и буџет одржана на 28.11.2018. This is the report from the finance and budget committee. There it is stated that the committee did not discuss upon 222 amendments because the deadline of maximum 10 days for the session of the committee elapsed and there was no time to discuss upon these 222 amendments.

The legislator used its authority and 6 amendments out of 242 were adopted.

Comment:

When it reads: "го усвои амандманот" it means that amendment is adopted.

When it reads: "не го усвои амандманот" it means that amendment is not adopted.

Thus, adopted amendments are explained on pages: 35, 41, 43, 48, 59 and 61.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

112. During the last budget approval process, did a specialized budget or finance committee in the legislature examine the Executive's Budget Proposal?

**GUIDELINES:**

*Question 112 assesses the role of a specialized budget or finance committee during the budget approval stage. Effective committee involvement is an essential condition for legislative influence in the budget process. Specialized committees provide opportunities for individual legislators to gain relevant expertise, and to examine budgets and policy in depth. Yet, the involvement of committees differs across legislatures. Some legislatures have separate committees to examine spending and tax proposals, while others have a single finance committee. Not all legislatures have a specialized budget or finance committee to examine the budget. In addition, there can be differences in the time available for the committee's analysis of the budget.*

*A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, therefore it must be published before the legislature has adopted the budget.*

*Response "a" requires that, in the last budget approval process, a specialized budget or finance committee had one month or more to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted. Response "b" applies where such a committee examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if a committee examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where a*

specialized budget or finance committee did not examine the Executive's Budget Proposal.

Please specify in your comment the name of the committee and the number of days it had available to examine the budget and to publish a report. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a copy of the report. Please note also if a report is published, but only after the budget has been adopted.

Answer:

b. Yes, a specialized budget or finance committee had less than one month to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted.

Source:

On the Macedonian Parliament official website: <https://www.sobranie.mk/materialdetails.nspx?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9> please, click on the pdf or doc link of the Извештај од седница бр.35 на Комисија за финансирање и буџет одржана на 28.11.2018.

This is the report from the finance and budget committee's 35 session from 28 and 30th of November 2018 also, 4, 5, 6, 7, 10, 11, 12 and 13th of December 2018 they were examining the EBP 2019.

Comment:

NA

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:

d. No, sector committees did not examine the Executive's Budget Proposal.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: The EBP was discussed only in the Financial and Budget Committee and Legislative Committee. Other sectoral committees within the Parliament did not discuss on the EBP for 2019.

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:

d. No, a committee did not examine in-year implementation.

Source:

NA

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

115. Does the executive seek approval from the legislature prior to shifting funds between administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

**GUIDELINES:**

*Question 115 examines whether the executive seeks approval from the legislature prior to shifting funds between administrative units, and whether it is legally required to do so.*

*In some countries, the executive has the power in law to adjust funding levels for specific appropriations during the execution of the budget. This question examines rules around shifting funds between administrative units (ministries, departments, or agencies) or whatever funding unit (or "vote") is specified in the Enacted Budget.*

*The conditions under which the executive may exercise its discretion to shift funds should be clearly defined in publicly available regulations or law. In*



addition, the amount of funds that the executive is allowed to transfer between administrative units should not be so excessive as to undermine the accountability of the executive to the legislature.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before shifting funds between administrative units, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before shifting funds between administrative units, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before shifting funds, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to shift funds between administrative units and the executive does not obtain legislative approval in practice. Answer "d" also applies if the executive is authorized to shift an amount considered so excessive as to undermine accountability (roughly equal to 3 percent of total budgeted expenditures). A "d" response applies if the legislature only approves the shifting of funds after it has already occurred.

In the comments, please indicate any law or regulation that provides the executive with standing authority to shift funds between administrative units and, if so, describe that authority. Similarly, legislative approval for shifting funds between administrative units typically occurs with the adoption of legislation such as a supplemental budget. But if other formal procedures for gaining approval from the legislature exist, then please provide information about that approval process.

Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, and it does so in practice.

Source:

In accordance with the Budget law (Article 33): [https://www.finance.gov.mk/files/u249/Budget\\_law\\_cleared\\_version\\_20042010\\_0.pdf](https://www.finance.gov.mk/files/u249/Budget_law_cleared_version_20042010_0.pdf)

Comment:

According to the Budget Law Article 33 however, each ministry can reallocate funds among its own budget programs up to 5 million denars.

The reallocation over 5 mil. must be approved by the Government. For reallocation among administrative users, approval from the legislators is mandatory.

Peer Reviewer

Opinion: Agree

Comments: The executive must request approval from legislator for shifting funds among budget users. This run is regulated with the Law on Budget, chapter 4 "Budget flexibility", Article 33, item 2 - 7. According to Article 33: 2) The budget users can make reallocations within the approved budgets in the current fiscal year. The Ministry of Finance shall approve the reallocation for the central government budget users and the Funds, and the Municipal Council shall approve the reallocation for the municipalities. (3) The Ministry of Finance, ex-officio, shall make reallocations during the fiscal year within the budget user in order to provide the needed funds for the implementation of execution orders on the base of enforced collection. (4) The reallocations that refer to the Government programs and sub-programs within the approved budgets are approved by the Ministry of Finance up to the amount of 5 million denars, and over that amount they are approved by The Government of the Republic of Macedonia. (5) The appropriations on item level within sub-program and budget cannot be reduced more than 20% with reallocations in the current fiscal year with the exception of the reallocations of paragraph (3) of this article. (6) The appropriations for salaries within budget cannot be increased with reallocations more than 10%. (7) The Parliament of the Republic of Macedonia shall make the decision on the reallocations among the central government budget users and the Funds.

Government Reviewer

Opinion: Agree

116. Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

**GUIDELINES:**

Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.

Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to spending excess revenues, and in practice the executive spends these funds before obtaining approval from the legislature.

Source:

Budget law: [https://www.finance.gov.mk/files/u249/Budget\\_law\\_cleared\\_version\\_20042010\\_0.pdf](https://www.finance.gov.mk/files/u249/Budget_law_cleared_version_20042010_0.pdf)

Article 36 from the Law on Budgets regulates that in the case when revenues are significantly higher than the projected a supplementary budget must be submitted for approval by the Assembly of the Republic of Macedonia .

Comment:

In practice however, the executive spends these funds before obtaining approval from the legislature: Namely, according to the Budget Law (Article 36, paragraph 2) the Minister of finance and the Mayor may use the excess revenues for paying additional payments of the current debts and their interest payments. Note though that this spending is earmarked by law to paying debt and interest. Thus, the reason why we selected "d" is that, no matter what the law prescribes, the executive uses the excess revenue however it wants (so without passing through a legislator approval).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

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

Comments: Budget users can not spent more that they have allocated with the budget (except principle and interest payments). So if additionally revenues are collected budget users need to have spending rights for execution of the budget. In this case Mof need to prepare Supplementary budget (which should be approved by the legislature) if Government wants to use higher revenues for higher spending.

Researcher Response

We stay at our "d" answer. Again: in practice however, the executive spends these funds before obtaining approval from the legislature: Namely, according to the Budget Law (Article 36, paragraph 2) the Minister of finance and the Mayor may use the excess revenues for paying additional payments of the current debts and their interest payments. Note though that this spending is earmarked by law to paying debt and interest. Thus, the reason why we selected "d" is that, no matter what the law prescribes, the executive uses the excess revenue however it wants (so without passing through a legislator approval).

117. Does the executive seek approval from the legislature prior to reducing spending below the levels in the Enacted Budget in response to revenue shortfalls (that is, revenues lower than originally anticipated) or other reasons during the budget execution period, and is it legally required to do so?

**GUIDELINES:**

*Question 117 examines whether the executive receives approval from the legislature prior to cutting spending below the levels in the Enacted Budget in response to revenue shortfalls or for any other reason, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if less revenue is collected unexpectedly during the year, the legislature should approve or reject any proposed reductions in expenditures that are implemented as a result. If such requirements are not in place, the executive might substantially change the composition of the budget at the executive's discretion, with no legislative control.*

*Typically, legislative approval of proposals to reduce spending below the levels reflected in the Enacted Budget would occur as part of the supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.*

*To answer "a," the executive is required by law or regulation to obtain prior legislative approval before implementing spending cuts in response to revenue shortfalls or for other reasons, and it does so in practice. Answer "b" applies if the executive received legislative approval before implementing such cuts, but is not legally required to do so. Answer "c" applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to implement such cuts and the executive does not obtain such approval in practice. A "d" response applies if the legislature only approves the spending cuts after they have already occurred.*

Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.

Source:

Budget law: [https://www.finance.gov.mk/files/u249/Budget\\_law\\_cleared\\_version\\_20042010\\_0.pdf](https://www.finance.gov.mk/files/u249/Budget_law_cleared_version_20042010_0.pdf)

As per Article 36 of the Budget Law paragraph 3.

Comment:

Article 36 paragraph 3 stipulates:

"If, during the execution of the budget, the Ministry of Finance, i.e. the Mayor of the municipality estimates that more significant reallocation of

appropriations are necessary or that the realization of the revenues and other inflows deviates from the plan considerably, it proposes amendments and modifications to the budget to the Government of the Republic of Macedonia i.e. the Council of the municipality.

Thus, explicitly it is not stipulated in any law or regulation for the executive to obtain approval from the legislature in case of revenue shortfalls.

Peer Reviewer

Opinion: Disagree

Suggested 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.

Comments: Based on the Law on budget Article 36: (3) If, during the execution of the budget, the Ministry of Finance, i.e. the Mayor of the municipality estimates that more significant reallocations of appropriations are necessary or that the realization of the revenues and other inflows deviates from the plan considerably, it proposes amendments and modifications to the budget to the Government of the Republic of Macedonia i.e. the Council of the municipality. (4) The Parliament of the Republic of Macedonia, i.e. the Council of the municipality shall adopt the amendments and modifications to the budget on the proposal by the Government of the Republic of Macedonia i.e. the Mayor not later than November 15 in the current year. (5) During the procedure for adoption of the modifications and amendments to the budget, the Ministry of Finance shall timely stop the execution of different appropriations of the Budget of the Republic of Macedonia that are subject to proposed modifications and amendments referred to in paragraph (3) of this article. In practice if the Ministry of Finance or the Mayor estimate lower level of revenue collection, mostly due to collection capacities, they may propose cuts on the expenditure side which should be approved by the Government and the legislators as supplementary budget.

Government Reviewer

Opinion: Disagree

Suggested 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.

Comments: Supplementary budget is kind of approval by the Parliament. Budget / Supplementary budget need to be approved by the Parliament to be in force.

Researcher Response

We agree with the peer review and the government and would like to select answer "a"

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:

d. No, a committee did not examine the Audit Report on the annual budget.

Source:

A committee did not examine the Audit report

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: The Annual budget audit report should be sent by the Government to the Parliament together with the Proposed YER. This is prescribed with Article 52 of the Law on budgets. "(1) The Ministry of Finance shall submit the annual report of the Budget of the Republic of Macedonia to the Government of the Republic of Macedonia not later than May 31. A report from an authorized state auditor of the base budget shall be submitted with the annual report together with the comments from the Ministry of Finance as well as the annual reports of the municipal budgets. (2) After the approval of the final account by the Government it shall be submitted to the Parliament of the Republic of Macedonia for discussion and adoption until June 30th at the latest." The obligation is followed by the Government or the government together with the Proposed YER submit the Annual budget audit report (see page 458 - 459 in the first pdf material on the list <https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>). However the parliamentary committees of the legislators do not discuss on the report findings and recommendations.

Government Reviewer

Opinion: I choose not to review this question

119. Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

**GUIDELINES:**

*Question 119 concerns the appointment process of the current head of the Supreme Audit Institution (SAI). Appointment procedures vary greatly across countries, as well as across different types of SAIs. Moreover, conventions and informal practices can greatly affect the de facto independence of the head of the SAI. While these factors make it difficult to devise a single metric against which all SAIs can be assessed with regard to this particular aspect, this question focuses on whether the legislature or judiciary must appoint or approve the appointment of the head of the SAI as a way to ensure the SAI's independence from the executive. However, if the appointment is carried out in another way that nonetheless ensures the independence of the SAI head, then that approach could be also considered.*

*To answer "a," the legislature or judiciary must appoint (or re-appoint) the head of the SAI, or approve the recommendation of the executive, as a way that ensure his or her independence from the executive. (As noted above, alternative approaches may also be acceptable.) Choose "b" if the appointment process does not ensure the independence of the head of the SAI, e.g. the executive may appoint the head of the SAI without the final consent of the legislature or judiciary.*

*Irrespective of which answer you selected, provide a description of how the head of the SAI is appointed.*

**Answer:**

a. Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.

**Source:**

Law on state audit: [http://www.dzr.mk/Uploads/NOV\\_Zakon\\_dzavna\\_revizija.pdf](http://www.dzr.mk/Uploads/NOV_Zakon_dzavna_revizija.pdf)

**Comment:**

Article 4 states that the mandate of the Comptroller is 9 years and it is appointed by the Parliament.

Peer Reviewer

Opinion: Agree

Comments: In practice the head of the SAI, even though he/she is appointed by the Parliament is close to the executives and its decision are influenced by them.

Government Reviewer

Opinion: Agree

120. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

**GUIDELINES:**

*Question 120 covers the manner in which the head or senior members of the SAI may be removed from office. This question draws on best practices identified in the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>), including measures intended to guarantee the office's independence from the executive.*

*To answer "a," the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before the head of the SAI is removed. For example, the legislature or judiciary may give final consent following a certain external process, such as a criminal proceeding. So while the executive may initiate a criminal proceeding, the final consent of a member of the judiciary – or a judge – is necessary to render a verdict of wrongdoing that may lead to the removal from office of the head of the SAI. Answer "b" applies if the executive may remove the head of the SAI without the final consent of the judiciary or legislature.*

Answer:

a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.

Source:

Law on state audit: [http://www.dzr.mk/Uploads/NOV\\_Zakon\\_dzavna\\_revizija.pdf](http://www.dzr.mk/Uploads/NOV_Zakon_dzavna_revizija.pdf)

Comment:

Articles 4, 5 and 6 regulates the appointment, qualifications and mandate of the general comptroller.

Peer Reviewer

Opinion: Agree

Comments: If any of the prescribed cases for termination of the mandate of the head of the SAI with Article 6 of the Law on State Audit occur, the Parliament should discussed and approved the termination.

Government Reviewer

Opinion: Agree

121. Who determines the budget of the Supreme Audit Institution (SAI)?

*GUIDELINES:*

*Question 121 asks who determines the budget of the Supreme Audit Institution (SAI). To ensure objective audits of government budgets, another important component of the SAI's independence from the executive is the extent to which the SAI's budget is determined by a body other than the executive, and whether the SAI has adequate resources to fulfill its mandate.*

*Answer "a" applies if the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate, AND either the SAI determines its own budget and then submits it to the executive (which accepts it with little or no change) or directly to the legislature, or the budget of the SAI is determined directly by the legislature or judiciary (or some independent body). Answer "b" applies if the SAI's budget is determined by the executive (absent a recommendation from the SAI), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. Answer "c" applies if the legislature or judiciary (or some independent body) determines the SAI's budget, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Answer "d" applies if the executive determines the SAI's budget, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Please provide evidence in support of the assessment that the funding level is or is not broadly consistent with the resources the SAI needs to fulfill its mandate.*

Answer:

a. The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

Source:

Law on state audit: [http://www.dzr.mk/Uploads/NOV\\_Zakon\\_dzavna\\_revizija.pdf](http://www.dzr.mk/Uploads/NOV_Zakon_dzavna_revizija.pdf)

Comment:

Article 12 of the Law on State Audit states that the funds for the operation of the SAI are determined by the Assembly of Republic of Macedonia on the previous proposal of the SAI; the budget of the SAI is prepared within established annual limits determined in accordance with the fiscal strategy and it is an integral part of the Budget of Republic of Macedonia.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

122. Does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

**GUIDELINES:**

Question 122 explores the scope of the investigative powers of the Supreme Audit Institution (SAI) as prescribed in law.

Question 97 asks which of the three types of audits – financial, compliance, and performance – the SAI conducts. This question asks if the SAI is constrained by law (rather than by a lack of capacity or an inadequate budget) from undertaking any form of audit or investigating irregularities in any program or activity.

There are numerous examples of limitations. For instance, some SAIs are not permitted by their legal mandate to audit joint ventures or other public-private arrangements. Others are only allowed to undertake financial audits, precluded from conducting performance or value-for-money audits. The SAIs in some countries do not have the legal mandate to review arrangements involving oil or stabilization funds, or other types of special or extra-budgetary funds. The SAI may also not have the ability to audit commercial projects involving the public and private sector.

To answer "a," the SAI must have full discretion in law to decide which audits to undertake. Answer "b" applies if some limitations exist, but the SAI enjoys significant discretion to undertake those audits it wishes to. Answer "c" applies if the SAI has some discretion, but significant legal limitations exist. Answer "d" applies if the SAI has no power at all to choose which audits to undertake

Consulting the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>) may be useful in answering this question as its provisions serve to define the appropriate scope of a SAI's legal mandate and jurisdiction.

**Answer:**

a. The SAI has full discretion to decide which audits it wishes to undertake.

**Source:**

Law on state audit: [http://www.dzr.mk/Uploads/NOV\\_Zakon\\_dzavna\\_revizija.pdf](http://www.dzr.mk/Uploads/NOV_Zakon_dzavna_revizija.pdf)

**Comment:**

Article 9 and 22 of the Law on state audit

**Peer Reviewer**

Opinion: Agree

Comments: This is prescribed only with Article 9. Namely, line 3 prescribes that "SAI determines the criteria for the scope, subjects and subject of the state audit". Article 22 regulates which institutions can be subject of state audit.

**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:**

d. No, the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.

**Source:**

Discussion with state audit office auditors. They have internal procedures for reviewing their audit processes.

**Comment:**

N/A

**Peer Reviewer**

Opinion: Agree

Comments: The procedure for preparation, adoption and publishing the final audit report is prescribed with Article 12, 13, 14, 15, 16, 17, 18 and 19

from the Rulebook for state audit (<http://dzt.mk/Uploads/Pravilnik%20za%20naciot%20na%20vršenje%20na%20drzavnata%20revizija.pdf>). Each audit is conducted by team of appointed state auditors (Article 12 from the Rulebook), while the audit report is approved and signed by the SAI Head. Based on the systematization in the SAI and other publicly available information, there is no existing internal unit for reviewing the audit process, but there is an internal body consisted of president and members that review the draft audit reports (Article 14).

Government Reviewer

Opinion: I choose not to review this question

Researcher Response

We stay at our "c" answer. Information gathered from a discussion with state audit office auditors. They have internal procedures for reviewing their audit processes.

IBP Comment

What is described by the peer reviewer most likely happens in most Supreme Audit Institutions, and is not about additional checks on the quality of the SAI's audit processes. The answer is revised down from "c" to "d."

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:

d. Never.

Source:

Discussion with the finance and budget committee president.

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: There are no information from parliamentary committee sessions or information from other sources (such as media) for participation or testifying by the head or a senior staff member of the Supreme Audit Institution (SAI) in hearings of a committee of the legislature.

Government Reviewer

Opinion: I choose not to review this question

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

**GUIDELINES:**

*This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.*

*The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:*

[https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations\\_course/IAP2\\_P2\\_Spectrum\\_FINAL.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf).

*Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and*

revenue levels, and macro-fiscal planning .

To answer "a," the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

There are no formal requirements and also no practices of sustainable mechanisms for exchanging views on the preparation of the budget with the government officials in Macedonia. Public is only informed about the final EBP product.

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: There is no established practice for public involvement in formulation of the budget. Additionally, there are no established mechanisms for public participation in the budget process.

Government Reviewer

Opinion: Disagree

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

Comments: before sending the Budget to Government, MoF organize public hearing while presenting the draft version and main budget policies. On this presentation, NGO, academia, chambers, IFIs and other relevant groups are invited to participate with their comments.

<https://finance.gov.mk/mk/node/7608>

Researcher Response

We stay at our answer "d" because the government refers to an informative meeting where the minister of finance informs the public about main characteristics of the 2019 EBP. This event is not a proper deliberative mechanism that involves the public in the FORMULATION of the annual budget but an informative meeting only after the EBP has been prepared by the Ministry. Further, there are no formal requirements and also no practices of sustainable mechanisms for exchanging views on the PREPARATION of the budget with the government officials in Macedonia. Public is only informed about the final EBP product. To merit "a" answer 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. Having informative meeting where the Minister gives main variables of the EBP as a final products is not a public participation but rather an informative briefing for the public.



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:

NA

Comment:

NA

Peer Reviewer

Opinion: Agree

Comments: In practice there are some examples of CSOs participation in creation of some of the budget programs, usually after the annual institution limits are determined and approved from the Government and the Parliament, but there is no established mechanisms and practice for involving CSOs or individuals in the formulation phase of the budget.

Government Reviewer

Opinion: Agree

127. During the budget formulation stage, which of the following key topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the formulation of the annual budget.*

*Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget formulation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.*

*Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.*

*Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.*

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No such mechanisms in Macedonia

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: In practice there are some examples of CSOs participation in creation of some of the budget programs, usually after the annual institution limits are determined and approved from the Government and the Parliament, but there is no established mechanisms and practice for involving CSOs or individuals in the formulation phase of the budget.

Government Reviewer

Opinion: Agree

128. Does the executive use participation mechanisms through which the public can provide input in monitoring the implementation of the annual budget?

*GUIDELINES:*

*This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.*

*The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:*

[https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations\\_course/IAP2\\_P2\\_Spectrum\\_FINAL.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf).

*Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in monitoring the implementation of the annual budget. If the executive has designated a central coordinating agency to implement participation mechanisms throughout the national budget process, researchers may consider these mechanisms. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the implementation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenue administration, public service delivery, public investment project implementation, including procurement, and the administration of social transfer schemes.*

*To answer "a," the executive must use open participation mechanisms that involve the public in the implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings, online, deliberative exchanges, procurement complaint mechanisms, and social monitoring and dialogue.*

*Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input on the implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include public hearings, surveys, focus groups, report cards, and online platforms that government officials actively manage to solicit inputs.*

*Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to provide input on budget implementation, but:*

*1) The mechanisms are not structured, happen only on ad-hoc basis, or not regularly.*

*and/or*

*2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.*

*In cases where there is discretion in who is allowed to participate, to select answer choice "c", the researcher must have evidence that the government is holding participation mechanisms that have some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and members of the public can have knowledge of the meeting, who participated, and what was discussed.*

Examples include hotlines, Facebook announcements, one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the executive uses participation mechanisms during the budget implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Comments: During the year both the Ministry of Finance and the Prime minister organize regular meetings and presentations with Chambers of Commerce, Trade Unions and other interest groups representatives. The meetings with the Chambers of Commerce happen at least twice a year.

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:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

Comments: Measures are taken not only by the MF, but also by the line ministries, especially the Ministry of Labor and social affairs. However, those measures are still ad-hoc. With the new Budget legislation these engagements will be considered as mandatory during the Budget process.

130. During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels
6. Implementation of public investment projects

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the implementation of the annual budget.*

*Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget implementation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be ONLY the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.*

*Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.*

*Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.*

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. The executive's engagement with citizens covers at least three (but less than six) of the above-mentioned topics.

Comments: All Government session conclusions are publicly available. Taking into consideration that the execution of the Budget, revenue collection and capital investment execution are some of the regular Government meeting items, there is constant engagement with the public regarding these topics. Also, having in mind that MF publishes reports and data regarding at least three listed topics, we consider that the engagement with the citizens has been substantially improved during the past two years.

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 there any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.*

*Intended outcomes refers to what the executive hopes to achieve as a result of the engagement. Examples of intended outcomes could be revising a policy to better reflect citizen or service-user views or to improve the way in which a particular program is administered.*

*Process refers to the methods by which the public engagement will take place and the discrete steps in the process. For example, the process may simply be a one-off Internet-based consultation, with a summary published of public inputs and the official response. The process may involve simultaneous or overlapping steps, and may be conducted in one round or in two or more rounds of engagement.*

*Timeline refers to the specific dates on which the discrete steps in the process will take place, or during which they will be completed, and clear start and end dates for the overall engagement.*

*Answer "d" applies if the executive does not use public participation mechanisms during the budget implementation or formulation stage.*

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Comprehensive information is provided in a timely manner prior to citizens engagement only prior to one of the two phases (formulation OR implementation).

Comments: All meetings and presentations are pre-planned and all participants are well informed for the purpose, scope and timeline.

132. With regard to the mechanism identified in question 125, does the executive provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget?

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received, which ones are used in the formulation of the annual budget, and how/why.*

*By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.*

*Answer "a" applies when the executive provides a written document with:*

- *The inputs (e.g., a written transcript) received from the public and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)*

*Answer "b" applies when the executive provides a written document that includes:*

- *The inputs (e.g., a written transcript) received from the public and*
- *A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea*

on how those inputs were used or not used.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the executive provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

Comments: After the public presentations of each line minister on the CB, a written document is shared not only with the participants at the venue, but also with the wider public (through the Government's website).

133. With regard to the mechanism identified in question 128, does the executive provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget?

*GUIDELINES:*

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received during the implementation of the annual budget, which ones are taken into account to improve budget monitoring, and how/why.*

*By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.*

Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs received (e.g., a written transcript) from the public and
- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were or were not taken into account by the executive during budget monitoring.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

NA

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

Comments: There is no mechanism established, but the intensified communication between the Government and the civil society (through the Council for improving the collaboration between the Government and the civil society) has provided a platform for constant communication on these topics.

134. Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

*GUIDELINES:*

*This question reflects the GIFT principles on "Sustainability," "Timeliness" and "Complementarity" and addresses whether the executive is able to link participation mechanisms to the administrative processes that are used to create the annual budget.*

*Please note that "timetable" refers to a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. This document is sometimes referred to as the budget calendar and is the same document referenced in Question 53.*

*Answer "a" applies if the national executive establishes a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget. For answer choice "a", the timetable must be available to the public prior to the budget preparation process beginning.*

*Answer "b" applies if the executive does not establish a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget or if the executive does not use public participation mechanisms during the budget formulation or implementation stage.*

Answer:

b. The requirements for an "a" response are not met.

Source:

NA

Comment:

NA

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: They are not yet formulated in the current legislation, but they are part of the new draft Budget legislation which is in final phase of preparation.

135. Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

#### GUIDELINES

While questions 125 – 135 focus only on participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency currently use to allow the public to participate in the national budget process, this question asks about participation mechanisms used by line ministries to allow the public to participate in national budget processes. Thus, participation mechanisms used by the Ministry of Finance, lead budget agency, or central coordinating agency should not be used to answer this question. If there is more than one mechanism used by a line ministry or if multiple line ministries use participation mechanisms, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation and/or implementation of the annual budget.

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

[https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations\\_course/IAP2\\_P2\\_Spectrum\\_FINAL.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf)

To answer "a," a line ministry must use open participation mechanisms that involve the public in the formulation or implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation or implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which a line ministry seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if a line ministry has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) A line ministry consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the line ministry determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

The researcher must present evidence to support selection of a "c" response.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Comments: In practice there are some examples of CSOs participation in creation of some of the budget programs in the Ministry of Labour and Social Policy and the Ministry of Health, usually after the annual institution limits are determinated and approved from the Government and the Parliament, but there is no established mechanisms and practice for involving CSOs or individuals in the formulation phase of the budget.

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, at least one line ministry uses open participation mechanisms through which members of the public provide their inputs on the budget.

Comments: During the past two years the inclusion of stakeholders by line ministers during the process of Budget preparation has significantly improved. The Ministry of Labor and Social Affairs for instance has been establishing dialogue with the train and labor unions, socially vulnerable groups and other stakeholders on an ad-hoc bases. Also, The Ministry of Health has increased the Budget on rear diseases based on the dialog which



was established between the Ministry and the civil society representing this vulnerable group.

136. Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?

**GUIDELINES:**

*This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.*

*Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) has put in place and is using to allow the public to participate in their deliberations on the annual budget. This includes deliberations during the pre-budget phase (i.e., when the executive is still in the process of formulating the draft budget) and the budget discussions after the budget has been tabled to parliament and before it is approved. In the comment box, please specify during which stage of the budget cycle the legislature has put in place a public participation mechanism.*

*Mechanisms through which members of the public reach out to individual Members of Parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.*

*If there is more than one mechanism, please select a mechanism that best shows/reflects the legislature's efforts to incorporate citizens into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenues, policy selection, and macro-fiscal planning (please note that the issue of coverage is covered in a subsequent question).*

*To answer "a," the legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).*

*Answer "b" should be selected if the following applies:*

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs; but*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

*Answer "c" should be selected if the following applies:*

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs;*
- *No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, but*
- *The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)*

*Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget*

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, public hearings are held. No testimony from the public is provided during the public hearings, but contributions from the public are received through other means.

Comments: The Committee of Financing and Budget has public sessions on the Budget proposal. MPs are supposed to communicate and consult with their constituencies when they argument their amendments.

IBP Comment

Per follow-up communication with the government reviewer, the following link was provided in support of the suggested "b" response: <https://www.sobranie.mk/sessiondetailsrabortni.nsp?sessionDetailsId=9499873d-74e6-46ce-b137-a2d474a79c1a>. This page for the 28 November 2018 Finance and Budget committee session just contains a link to the main EBP page, previously cited by the researcher in Section 1 of the survey (questions EBP-1a to EBP-8). The existing response of "d" is therefore maintained.

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:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

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.

IBP Comment

Per follow-up communication with the government reviewer, the following link was provided in support of the suggested "c" response: <https://www.sobranie.mk/materialdetails.nsp?materialId=468ee9b5-997f-4039-96bc-5aa7f400e9b9>. As this is a link to the main EBP page previously cited by the researcher in Section 1 of the survey (questions EBP-1a to EBP-8), and in order to maintain consistency with the "d" response for Q136, the existing response of "d" for this question is maintained.

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the*

pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- The inputs received from the public (e.g., a written transcript) and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).

Answer "b" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).

Answer "c" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:  
d. The requirements for a "c" response or above are not met.

Source:  
N/A

Comment:  
N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

139. Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?

**GUIDELINES:**

*This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.*

*A key constitutional role of the legislature in almost all countries is to oversee the government's management of public resources. While the Supreme Audit Institution is responsible for checking the government's accounts and publishing the outcome of their audits, for accountability purposes it is essential that the legislature reviews and scrutinizes those reports, and checks on whether the executive is taking the appropriate corrective actions based on the Supreme Audit Institution's recommendations.*

*Holding public hearings to review audit findings allows the public to learn more about how the government has managed its resources for the budget years that have ended, and demand accountability in case of mismanagement and irregularities. Reviewing and discussing those reports in public is therefore a key responsibility of a legislature.*

*Please note that by "Audit Report" we refer to the same audit report assessed in the transparency section of this Survey, i.e., one of the eight key budget documents that all governments (in this case, the Supreme Audit Institution) must produce, according to best practice.*

*Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) have put in place and using to allow the public to participate in their deliberations on the Audit Report.*

*Mechanisms through which members of the public reach out to individual members of parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.*

To answer "a," the national legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- No testimony is allowed from the public; BUT
- There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.

Answer "c" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- No testimony is allowed from the public;
- No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, BUT
- The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the Audit Report.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

140. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

**GUIDELINES:**

*This question assesses whether the Supreme Audit Institution (SAI) has established mechanisms through which the public can provide suggestions on issues/topics to be included in its audit program. When deciding its audit agenda, the SAI may undertake audits for a sample of agencies, projects, and programs in the country; and such a selection could be based on complaints and suggestions made by members of the public. To receive such suggestions, the SAI may create formal mechanisms, like setting up a website, hotline, or office (or assigning staff to liaise with the public).*

Answer:

b. The requirements for an "a" response are not met.

Source:

There are informal mechanisms via requests for audit and the SAI takes them into consideration. But there are no formal mechanisms in place.

Comment:

Center for economic analyses conducts a work to improve the outcomes of the audit reports in Macedonia and together with Westminster foundation for democracy and PricewaterhouseCoopers prepared a white book where this was stated.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

141. Does the Supreme Audit Institution (SAI) provide the public with feedback on how citizens' inputs have been used to determine its audit program?

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the Supreme Audit Institution provides information to citizens on which public inputs were received, which ones are used to determine the Supreme Audit Institution's audit program. By "written record" in this question, we mean a document that is produced and released by the Supreme Audit Institution.*

*Answer "a" applies when the Supreme Audit Institution provides a written document with:*

- *The inputs received from the public and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).*

*Answer "b" applies when the SAI provides a written document that includes:*

- *The inputs received from the public and*
- *A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used to determine the SAI's annual audit program.*

*Answer "c" applies when the SAI provides a written document that includes:*

- *The received from the public or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

*Answer "d" applies if requirements for a "c" response or above are not met or if maintain formal mechanisms through which the public can suggests issues/topics to include in the SAI's audit program.*

Answer:

d. The requirements for a "c" response or above are not met.

Source:

N/A

Comment:

N/A

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

142. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.)?

**GUIDELINES:**

*This question mirrors question 140, but instead of covering public assistance in formulating the SAI's audit program, it focuses on whether the Supreme Audit Institution has established mechanisms through which the public can participate in audit investigations. In addition to seeking public input to determine its audit agenda, the SAI may wish to provide formal opportunities for the public and civil society organizations to participate in the actual audit investigations, as witnesses or respondents.*

Answer:

b. The requirements for an "a" response are not met.

Source:  
N/A

Comment:  
N/A

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: I choose not to review this question

S0. Are you participating in the Sector Budget Transparency Module pilot?

*Please select "Yes" to this question if you have confirmed your participation in the Sector Budget Transparency Module pilot, and S1-S20 related to sector budget transparency will become available for you to complete.*

*For all others, please select "No," and you will be directed to the last page of the Open Budget Survey questionnaire.*

Answer:

a. Yes

Source:

Email confirmation from IBP

Comment:

NA

Peer Reviewer  
Opinion: I choose not to review this question

Government Reviewer  
Opinion: I choose not to review this question

S1. Does the Executive's Budget Proposal present revenue earmarked for the sector and/or the sector's expenditure associated with this earmarked revenue?

Answer:

d. No, the Executive's Budget Proposal does not present total revenues earmarked for the sector or the total sector's expenditure associated with earmarked revenue.

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

Comment:

No, estimates of earmarked revenues are not presented.

Macedonia has no earmarked revenues to the education sector that is to be evaluated in this module

Peer Reviewer  
Opinion: Agree

Comments: Macedonia has earmarked revenues for improvement of the health status of the citizens. Article 16, paragraph 4 of the Law on Health Protection - "The funds for exercising the guaranteed rights and the identified needs and interests of the state referred to in paragraph (1) of this Article shall be provided in the Budget of the Republic of Macedonia from a part of the excise tax on beer in the amount of 1 denar per liter / alcohol

level and part of the excise duty on ethyl alcohol in the amount of 40 denars liter of pure alcohol, as well as part of the excise tax on cigarettes in the amount of 0.053 denars per piece (cigarettes) intended for procurement of medicines for rare diseases. " However, estimates for this revenues and expenditures associated to them are not presented in EBP.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Executive's Budget Proposal presents *at least the total* amount of revenues earmarked for the sector or the total sector's expenditure associated with the earmarked revenue.

Comments: Executive's Budget Proposal presents all earmarked revenues (revenues on the SRA) by administrative unit and present expenditures related to them. Example- Ministry of health has an earmarked revenues from excises of tobacco and alcohol, they are presented on the self revenue account of the MoH as a revenues and are earmarked for realization of the health programs in the budget (on the expenditures site).

Researcher Response

We stay to our "d" answer because estimates of earmarked revenues are not presented as Macedonia has no earmarked revenues to the education sector that is to be evaluated in this module

S2. Does the Year-End Report (or the final In-Year Report) present revenue earmarked for the sector and/or the sector's expenditure associated with this earmarked revenue?

Answer:

d. No, the Year-End Report (or the final In-Year Report) does not present total revenues earmarked for the sector or the total sector's expenditure associated with earmarked revenue.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Macedonia does not have any earmarked revenues that are allocated to the education sector that is to be evaluated in this module

Peer Reviewer

Opinion: Agree

Comments: Macedonia has earmarked revenues for improvement of the health status of the citizens. Article 16, paragraph 4 of the Law on Health Protection - "The funds for exercising the guaranteed rights and the identified needs and interests of the state referred to in paragraph (1) of this Article shall be provided in the Budget of the Republic of Macedonia from a part of the excise tax on beer in the amount of 1 denar per liter / alcohol level and part of the excise duty on ethyl alcohol in the amount of 40 denars liter of pure alcohol, as well as part of the excise tax on cigarettes in the amount of 0.053 denars per piece (cigarettes) intended for procurement of medicines for rare diseases. " However, estimates for this revenues and the expenditures associated to them are not presented in EBP.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Year-End Report (or the final In-Year Report) presents *at least the total amount* of revenues earmarked for the sector or the total sector's expenditure associated with the earmarked revenue.

Comments: Year end Report has the same structure as the proposed budget. All kind of sources of finances (revenues ) are presented (by administrative unit- health) Example- Ministry of health has an earmarked revenues from excises of tobacco and alcohol, they are presented on the self revenue account of the MoH as a revenues and are earmarked for realization of the health programs in the budget (on the expenditures site).

Researcher Response

We stay at our "d" answer because Macedonia does not have any earmarked revenues that are allocated to the education sector that is to be evaluated in this module

S3. Does the Executive's Budget Proposal present donor assistance for the sector and/or the sector's expenditure associated with this donor assistance?

Answer:

c. Yes, the Executive's Budget Proposal presents *at least the total amount* of donor assistance for the sector or the total sector's expenditure associated with donor assistance.

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

Comment:

Revenues from donations (column Приходи од донации) for the Ministry of education and science (Budget item 16001) and for the Bureau for development of the education (Budget item 16002) in total are presented on pages 76.

Expenditures from donations (column Расходи од донации) for the Ministry of education and science (Budget item 16001) and for the Bureau for development of the education (Budget item 16002) in total are presented on page 81.

Functional expenditures from donations (column Расходи од донации) for education by functional items are presented on page 85. Functional item 709. Also presented are sub-functional items from 7090-7098 (preschool, elementary and secondary school, high education, research, support departments and other).

The budget classification provides possibility for capital donations in education (образование) presentation as well. See page 87 for the Government programs financed by donations (донации). This is program T-Investment in education. Also, sub-programs are presented: TA-TK: investment and reconstruction of elementary schools, construction of sport facilities in elementary and secondary schools, and construction and reconstruction of student dormitories.

Further, in the 3-years (2019-2021) development programs on page 93 it is presented program MA to be financed by donations (support for transition and institutional building).

Expenditures from donations for the Ministry of education and science and for the Bureau for development of the education by programs and budget items are presented on pages: 281-300.

Note though that no data are available for the in-kind donations.

We choose "b" as answer because information is provided on at least the specific expenditures targeted, but not for all the donor sources for the education sector in Macedonia (in-kind information is not provided).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Executive's Budget Proposal presents *at least the total amount* of donor assistance for the sector or the total sector's expenditure associated with donor assistance.

Comments: The amount of funds from donor assistance in the budget is presented in total amount for the sector, program and budget item, as it is described in the researchers comment. Based on the data presented in the columns "Revenue from donations" and "Expenditures from donations" of the budget, its not possible to determine the amounts for each individual source of donor assistance.

Government Reviewer

Opinion: Agree

Researcher Response

We agree with the peer review and would like to move to "c" answer because its not possible to determine the amounts for each individual source of donor assistance.

IBP Comment

Per the researcher's "Response to Review," the response has been updated from "b" to "c."

S4. Does the Year-End Report (or the final In-Year Report) present expenditure by a functional classification (first-level functional) that is consistent with the first-level functional classification presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents expenditure by a functional classification that is consistent with the classification presented in both the Executive's Budget Proposal and the Enacted Budget.

Source:

Macedonian Parliament website:



<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи  
Целосен текст на материјалот

the pdf file to reach the YER

Comment:

On page 15 of the YER for 2017 in the link above the education function expenditures are presented category 709 and it is consistent with the EBP for 2017 and the EB 2017 functional presentation with the same 709 functional category for the education sector in Macedonia.

EBP 2017 page 81 and link: <https://finance.gov.mk/files/u6/Budzet%202017.pdf>

EB 2017 page 81 and link: <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>

Peer Reviewer

Opinion: Agree

Comments: The Year-End Report present expenditure by a functional classification (first-level functional) in the Central Budget, that is consistent with the first-level functional classification presented in the Executive's Budget Proposal and/or in the Enacted Budget. See page 13 - 15 from the YER (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>); page 79 - 81 in the EBP and the EB (EBP for 2017 - <https://finance.gov.mk/files/u6/Budzet%202017.pdf> and EB for 2017 <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>).

Government Reviewer

Opinion: Agree

S5. Does the Executive's Budget Proposal and/or the Enacted Budget present the sector's expenditure by a subfunctional classification (second-level functional)?

Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by a subfunctional classification. (Please note in the comments in which document(s) the second-level functional classification is presented.)

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

EB 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Page 85 of EBP and of EB for 2019, Functional classification Education 709 and then subfunctional items 7090, 7091, 7092, 7093, 7094, 7095, 7096, 7097, 7098 which translated in English are correspondingly:

Education, preschool and elementary education, secondary education, high education, other education, support departments, research-education and other education functions.

Peer Reviewer

Opinion: Agree

Comments: EBP 2019: <https://www.finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>. EB 2019: <http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>.

Government Reviewer

Opinion: Agree

S6. Does the Year-End Report (or the final In-Year Report) present the sector's expenditure by a subfunctional classification (second-level functional) that is consistent with the subfunctional classification presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by a subfunctional classification that is consistent with the classification presented in both the Executive's Budget Proposal and the Enacted Budget.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

On page 15 of the YER for 2017 in the link above the education function expenditures are presented category 709 and it is consistent with the EBP for 2017 and the EB 2017 functional presentation with the same 709 functional category for the education sector in Macedonia.

EBP 2017 page 81 and link: <https://finance.gov.mk/files/u6/Budzet%202017.pdf>

EB 2017 page 81 and link: <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>

Also, Functional classification Education 709 and then subfunctional items 7090, 7091, 7092, 7093, 7094, 7095, 7096, 7097, 7098 are also presented which translated in English are correspondingly:

Education, preschool and elementary education, secondary education, high education, other education, support departments, research-education and other education functions.

Peer Reviewer

Opinion: Agree

Comments: The Year-End Report present expenditure by a subfunctional classification (first-level functional) in the Central Budget, that is consistent with the subfunctional classification presented in the Executive's Budget Proposal and/or in the Enacted Budget. See page 13 - 15 from the YER (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>); page 79 - 81 in the EBP and the EB (EBP for 2017 - <https://finance.gov.mk/files/u6/Budzet%202017.pdf> and EB for 2017 <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>).

Government Reviewer

Opinion: Agree

S7. Does the Year-End Report (or the final In-Year Report) present expenditure by an administrative classification that is consistent with the administrative classification presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents expenditure by an administrative classification that is consistent with the administrative classification presented in both the Executive's Budget Proposal and the Enacted Budget.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

On page 12 of the YER for 2017 in the link above the Ministry of education (budget user item 16001) and the Bureau's for development of education (budget user item 16002) expenditures are presented and this is consistent with the EBP for 2017 and the EB 2017 administrative classification for

the education sector in Macedonia.

EBP 2017 page 77 and link: <https://finance.gov.mk/files/u6/Budzet%202017.pdf>

EB 2017 page 77 and link: <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>

Peer Reviewer

Opinion: Agree

Comments: The Year-End Report present expenditure by a administrative classification in the Central Budget, that is consistent with the administrative classification presented in the Executive's Budget Proposal and/or in the Enacted Budget. See page 10 - 12 in the YER (<http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>); page 75 - 78 in the EBP and the EB (EBP for 2017 - <https://finance.gov.mk/files/u6/Budzet%202017.pdf> and EB for 2017 <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>).

Government Reviewer

Opinion: Agree

S8. Does the Executive's Budget Proposal and/or the Enacted Budget present the sector's expenditure by program?

Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by program. (Please note in the comments in which document(s) programs are presented)

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

EB 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

EBP:

Government program-T page 87 (investment in education)

Development programs for 3-years on page 93 under budget item16001 Ministry of education

Programs per all administrative units pages: 281-295 Ministry of education and 296-300 for the Bureau for development of education.

EB have consistent presentation following the budget system established in Macedonia.

Peer Reviewer

Opinion: Agree

Comments: The expenditures in the EBP and the EB for 2019, under each administrative unit in the Central budget are presented by budget programs (page 96 to 367). For example, the Ministry of Health budget (page 325 to 333) is divided in 9 budget programs (1 - Administration, 3 - Agency on medicine and medical devices, 5 - preventive health care, etc.) and all programs are divided into 34 subprograms (50 - prevention from cardiovascular diseases, 51 - program for regular medical checkups of pupils and students).

Government Reviewer

Opinion: Agree

S9. Does the Year-End Report (or the final In-Year Report) present the sector's expenditure by program consistent with sector programs presented in the Executive's Budget Proposal and/or the Enacted Budget?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by program that is consistent with sector programs presented in both the Executive's Budget Proposal and the Enacted Budget.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

The budget system in Macedonia assures consistent presentation by any classification regardless if it is EBP, EB or YER.

Anyhow, on pages 189-201 of the YER for 2017 in the link above the Ministry of education (budget user item 16001) and on pages 202-206 for the Bureau's for development of education (budget user item 16002) expenditures are presented in programs as well and this is consistent with the EBP for 2017 and the EB 2017 administrative and program classification for the education sector in Macedonia.

Also, the Investment programs T on page 27 and 35 (numeration as per pdf document)

EBP 2017 pages 264-283 and link: <https://finance.gov.mk/files/u6/Budzet%202017.pdf>

EB 2017 pages 264-283 and link: <https://finance.gov.mk/files/u6/Dopolnet%20Pr%D0%B5dlog%20Budzet%202017.pdf>

Peer Reviewer

Opinion: Agree

Comments: The actual expenditures in the YER are presented by individual program and are consistent with the EBP and the EB. The actual expenditures in the YER for 2017, under each administrative unit in the Central budget are presented by budget programs (page 28 to 267). For example, the Ministry of Health budget (page 229 - 238) is divided in 9 programs (1 - Administration, 3 Agency on medicine and medical devices, 5 - preventive health care, etc.) and all programs are divided into 34 sub programs (50 - prevention from cardiovascular diseases, 51 - program for regulated medical checkups of pupils and students, etc.). See the YER on the following link:

<http://www.slvesnik.com.mk/issues/0a4c0727f0c64d889b1685a7d52b2406.pdf> While the expenditures in the EBP for 2017 under each administrative unit in the Central budget are presented by budget programs (page 92 to 349). For example, the Ministry of Health budget (page 305 to 314) is divided in 9 budget programs (1 - Administration, 3 - Agency on medicine and medical devices, 5 - preventive health care, etc.) and all programs are divided into 34 sub programs (50 - prevention from cardiovascular diseases, 51 - program for regular medical checkups of pupils and students).

Government Reviewer

Opinion: Agree

S10. Does the Executive's Budget Proposal and/or the Enacted Budget present the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy?

Answer:

a. Yes, the Executive's Budget Proposal and/or the Enacted Budget present(s) the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy. (Please note in the comments the document and the type of classification.)

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

EB 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

Comment:

Pages 281-295 in the EBP provides information on expenditures for the Ministry of education. Then there are information by programs, for example page 288 programs 40 (high education) and then there are subprograms: University St. Cyril and Methodius-41 and University St. Kliment Ohridsky-42. This is one example but there are many within pages 281-295 presenting sub-programs.

There is also consistency on the EB for example page 288 for the programs, for example page 288 programs 40 (high education) and then there are subprograms: University St. Cyril and Methodius-41 and University St. Kliment Ohridsky-42. Link for EB in the Source from above.

Peer Reviewer

Opinion: Agree

Comments: EBP 2019: <https://www.finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>. EB 2019: <http://www.slvesnik.com.mk/Issues/09eef847853f447ebf75a550154a8cf4.pdf>.

Government Reviewer  
Opinion: Agree

S11. Does the Year-End Report (or the final In-Year Report) present the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents the sector's expenditure by administrative or program classification, showing details below the second level of the classification's hierarchy. (Please note in the comments the document and the type of classification.)

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

In the YER for Macedonia page 35 numeration of the pdf doc presents investments in education by programs. Also, pages 199-216 numeration of the pdf doc presents expenditures by administrative and program and economic classification at below second level of classification's hierarchy.

Peer Reviewer

Opinion: Agree

Comments: See the YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Agree

S12. Does the Executive's Budget Proposal present an economic classification for the sector's expenditure (organized by functional, administrative, or program classification)?

Answer:

a. Yes, the Executive's Budget Proposal presents an economic classification for the sector's expenditure. (Please note in the comments which classification presents the sector expenditure by the economic classification – functional, administrative or program.)

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

Comment:

Pages 281-295 in the EBP provides information on expenditures for the Ministry of education as administrative budget item 16001. Then there are information by programs and then there is economic classification of expenditures for each program.

The same is for the Bureau for development of the education as administrative budget item 16002. Then there are information by programs and then there is economic classification of expenditures for each program. See pages: 296-300

Peer Reviewer

Opinion: Agree

Comments: For example, see program 2 "Primary education" and sub program 20 "Primary education" on page 281 under the budget of the Ministry of Education and Science where the total expenditures for the programs are presented. These programs expenditures by economic classification are presented on page 284 - 285 for the program 2 "Primary education" and sub program 20 "Primary education" (see budget items 40, 42, 46 and 48).

Government Reviewer  
Opinion: Agree

S13. Does the Executive's Budget Proposal present a geographic distribution of the sector's expenditure (organized by functional classification, administrative classification, or program)? (For the purposes of this question, the sector's expenditure must include spending beyond just intergovernmental transfers.)

Answer:

b. No, the Executive's Budget Proposal does not present a geographic distribution of the sector's expenditure.

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

Comment:

Only the earmarked and block grants are presented per local government/municipality on pages 68 and 69.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

S14. Does the Year-End Report (or the final In-Year Report) present intergovernmental transfers to the sector?

Answer:

d. No, the Year-End Report (or the final In-Year Report) does not present total intergovernmental transfers to the sector.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

ОСНОВНИ ДОКУМЕНТИ

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

From page 294 till page 457 the YER for each one of the local governments/municipalities in Macedonia are presented in economic classification.

In the Column: expenditures from intergovernmental transfers (Расходи од дотации) included are the earmarked and block transfers for education as well but are summed together with transfers for other purposes (culture, kindergartens, firefighting).

Thus, we choose d-for an answer to this S14 questions because, while expenditure data from transfers for education are available per each local governments/municipalities in Macedonia, they are summed together as a total of all transfers from the central government.

Peer Reviewer  
Opinion: Agree

Comments: In the YER, transfers to the local self government are presented under budget item 44 (for example see budget user number 16001 - Ministry of Education and Science, budget item 44 on page 191). Additionally other transfers are presented under budget item 46 (see same page

and budget user). However, from the amount presented we can not conclude which institution/entity is the final beneficiary of the funds. See YER on the following link: <http://www.slvesnik.com.mk/Issues/0a4c0727f0c64d889b1685a7d52b2406.pdf>.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Year-End Report (or the final In-Year Report) presents *at least total* intergovernmental transfers to the sector.

Comments: By economic classification there is presentation of all transfers to LGU, plus they are presented in each administrative unit (education, kindergartens, culture)

S15. Does the Executive Budget Proposal present expenditure for individual front-line service delivery units for the sector?

Answer:

a. Yes, the Executive Budget Proposal presents expenditure for individual front-line service delivery units for the sector. (Please note in the comments the type of facilities, and whether they are primary, secondary or tertiary.)

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

Comment:

Macedonian budget presents expenditure for individual front-line service delivery units for the sector for the tertiary sector e.g. public Universities.

Peer Reviewer

Opinion: Disagree

Suggested Answer: b. No, the Executive's Budget Proposal does not present expenditure for individual front-line service delivery units for the sector.

Comments: Under each administrative unit of the budget, expenditures for the individual front - line service delivery for the sector are presented. The expenditures are presented in the first part of the administrative units where the budget programs and sub programs are shown (see budget user number 15001 "Ministry of Labour and Social Policies", page 270, from from program "1" to program "M"). For example, see budget user number 15001 "Ministry of Labour and Social Policies", budget program 4 "Social protection", budget subprograms 40 - "Centers for social protections", 41 - "Daily centers and shelters for non-institutional social protection" and 42 - "entities for institutional social protection". However, the EBP do not provide detailed information for the expenditures for each institution falling under the categories. For example, in Macedonia there are 27 Centers for Social Protection that are falling under the sub - program 40, while the budget of the Ministry gives information on the total amount of funds allocated for all of them not individually.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well received. As expenditure figures for several individual universities are presented in the EBP, the current response of "a" is maintained.

S16. Does the Year-End Report (or the final In-Year Report) present expenditure for individual front-line service delivery units for the sector?

Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents expenditure for individual front-line service delivery units for the sector. (Please note in the comments the type of facilities, and whether they are primary, secondary or tertiary.)

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

The YER presents expenditure for individual front-line service delivery units for the sector for the tertiary sector e.g. public Universities.

See pg. 189 (pg. 199 of the pdf) under the line "ВИСОКО ОБРАЗОВАНИЕ" for example.

Peer Reviewer

Opinion: Agree

Comments: The way how the data is presented for each administrative unit in the YER is consistent with the EBP and the EB. Therefore the comment provided in the previous question stands for the YER as well (see the comment below). Under each administrative unit of the budget, expenditures for the individual front - line service delivery for the sector are presented. The expenditures are presented in the first part of the administrative units where the budget programs and sub programs are shown (see budget user number 15001 "Ministry of Labour and Social Policies", page 270, from from program "1" to program "M"). For example, see budget user number 15001 "Ministry of Labour and Social Policies", budget program 4 "Social protection", budget subprograms 40 - "Centers for social protections", 41 - "Daily centers and shelters for non-institutional social protection" and 42 - "entities for institutional social protection". However, the YER do not provide detailed information for the expenditures for each institution falling under the categories. For example, in Macedonia there are 27 Centers for social protection that are falling under the sub - program 40, while the budget of the Ministry gives information on the total amount of funds allocated for all of them not individually)

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Year-End Report (or the final In-Year Report) presents expenditure for individual front-line service delivery units for the sector. (Please note in the comments the type of facilities, and whether they are primary, secondary or tertiary.)

Comments: Year end report has the same structure and show the same form of data as Budget proposal.

IBP Comment

The government reviewer's comment is well received. The initial response was mistakenly selected. As expenditure figures for several individual universities are presented in the YER, the response has been updated from "b" to "a".

S17. Does the Year-End Report (or the final In-Year Report) present the differences between the original estimates of transfers to public corporations in the sector and the actual outcome?

Answer:

e. Not applicable/other, or not participating.

Source:

Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

We believe public corporations do not exist in education sector in Macedonia as there are only public or private elementary and secondary schools in Macedonia.

Schools in a sense of 2.35 of the IMF Manual of GFS from 2014 e/g/: "Institutional units that qualify as corporations and are controlled by government units or other public corporations are classified as public corporations as per paragraph 2.104" do not exist in Macedonia.

Peer Reviewer

Opinion: Disagree

Suggested Answer: d. No, the Year-End Report (or the final In-Year Report) does not present the differences between the original estimates of transfers to public corporations in the sector and the actual outcome.

Comments: The YER do not present information on the difference between the estimated and the actual transfers to each public corporation in any sector. In answering this question I was guided by the notion that the public corporations are synonyms for public enterprise, public institutions and private companies performing public interest duties. In Macedonia there are number of public enterprises in different areas of societal life, such as: water and sanitation, public roads, centers for social protection, theaters, museums, Red Cross, ESM - Power Plants of Macedonia, etc.

Government Reviewer



Opinion: Disagree

Suggested Answer: c. Yes, the Year-End Report (or the final In-Year Report) presents the differences between some, but not all, of the original estimates of transfers to public corporations in the sector and the actual outcome.

Comments: I do not see the reason behind the explanation (comment) of the public corporation in education sector. In YER there is budget item (by economic classification) related to transfers to public corporations and it is planed under specific budget users (ex. Ministry of transportation), and the difference between planned and realized expenditures are presented.

S18. Does the Executive's Budget Proposal present a narrative explaining the objectives for the sector's expenditure, and show the expenditure associated with achieving the objectives?

Answer:

d. No, the Executive's Budget Proposal does not present a narrative explaining the objectives for the sector's expenditure.

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

Comment:

There is a shallow and a too generic explanation in the Decentralization section on pages 13 and 14 about the education sector that relates to the education sector as well. But it only says that the transferred competencies in education, culture, child protection and elderly care taking will be done through block transfers. No proper narrative to set up and explain proper objectives in the education sector. Similarly, on page 18 explaining the investment program T in education it is too shallow and generic. Similarly, on pages 52, 53 and 54 discussing the administrative units of Ministry of education and the Bureau for development of the education, the text is too shallow and generic and no proper specification of expenditures aligning with proper objectives.

Peer Reviewer

Opinion: Agree

Comments: The EBP present the general expected outcomes for each administrative unit (page 19 - 67). However, the narrative presented is too general and one can not recognize the expected outcomes. In addition there is no connection between the text present and the expenditures foreseen.

Government Reviewer

Opinion: Agree

S19. Is subnational expenditure in the sector (including expenditure financed from own-source revenues) reported in *central*/government budget formulation documents (Executive's Budget Proposal or Enacted Budget) or budget execution documents (In-Year Reports or Year-End Report)?

Answer:

d. No, the sector's subnational expenditure is not presented in any central government budget formulation or execution documents.

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

EB 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

YER link Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nsp?materialId=3f73cdf-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

Data for local governments/municipalities e.g. subnational governments are presented only in the YER. YER of local governments/municipalities present only economic classification and not explicitly data on education sector expenditures on education as a sector.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, the sector's subnational expenditure for all levels of subnational government is included in at least one central government budget formulation document and at least one budget execution document.

Comments: Comment that Data for local governments/municipalities e.g. subnational governments are presented only in the YER is not correct. As it is stated in the answer, on Mof web site Year- end and In Year (quarterly data) are published for each municipality. Year- end reports (final accounts) and In Year reports are presented not only in economic classification, also on the level of sources of financing. So expenditure financed from own-source revenues are presented in Year- end (final account) and In Year (quarterly data) and are presented in Mof web site Also there is plan and executed budget for the certain period. <https://finance.gov.mk/mk/node/898>

Researcher Response

We stay at our answer "d" because data for local governments/municipalities e.g. subnational governments are not presented in the EBP nor in the EB.

IBP Comment

The comment by the government reviewer is well-noted. The answer is maintained at "d" since subnational expenditure is not presented at the level of the education sector in either budget formulation (Executive's Budget Proposal and Enacted Budget) or budget execution (In-Year Reports or Year-End Report) documents.

S20. Does the central government make publicly available on a website or portal at least one of the key budget documents (Executive's Budget Proposal, Enacted Budget, In-Year Reports, or Year-End Report) prepared by subnational governments?

Answer:

d. No, the sector's subnational expenditure is not presented in any central government budget formulation or execution documents.

Source:

EBP 2019 link: <https://finance.gov.mk/mk/node/4105>

EB 2019 link: <https://finance.gov.mk/files/u6/BUDGET%202019%20SOBRANIE.pdf>

YER link Macedonian Parliament website:

<https://www.sobranie.mk/materialdetails.nspx?materialId=3f73cdff-6e3d-49e2-a5bb-885a6c5db406>

Please, click on the:

Основни документи

Целосен текст на материјалот

the pdf file to reach the YER

Comment:

On pages 291-458 a total for all subnational government and per each local government separately the final accounts presented in economic classification.

However, YER of local governments/municipalities present only economic classification and not explicitly data on education sector expenditures on education as a sector.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the sector's subnational expenditure for all levels of subnational government is included in at least one central government budget formulation document and at least one budget execution document.

Comments: As it is stated in the answer, on Mof web site Year- end and In Year (quarterly data) are published for each municipality. Year- end reports (final accounts) and In Year reports are presented not only in economic classification, also on the level of sources of financing. Also there is plan and executed budget for the certain period. <https://finance.gov.mk/mk/node/898>

Researcher Response

We stay at our "d" answer as the central government does not make publicly available the key budget documents prepared by the subnational governments.