

Open Budget Survey 2019

Questionnaire

Serbia

April 2020

Country Questionnaire: Serbia

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:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Agree

Comments: Should be corrected into FY 2019

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well-received. The response has been amended to "FY 2019."

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:

d. The PBS is not released to the public, or is released less than one month before the Executive's Budget Proposal is introduced to the legislature

Source:

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

Answer:

Source:

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Disagree

Suggested Answer: 28/11/2018

Comments: There was no answer. This is the date that Fiscal Strategy was posted on the MoF web site.

Government Reviewer

Opinion: Agree

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

n/a

Source:

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Fiscal Strategy was posted on the Ministry of Finance web site on this date. Google allows to check the date of the publication of a web site.

Government Reviewer

Opinion: Disagree

Suggested Answer: The document is published on the web site of Ministry of Finance. The answer can not be n/a because that implies that the document is not published at all.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

Source:

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Disagree

Suggested Answer: <https://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comments: For some reason, there was no answer to this question.

Government Reviewer

Opinion: Agree

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

d. Not applicable

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Disagree

Suggested Answer: c. No

Comments: I do not understand why the answer is "not applicable", when the Fiscal Strategy is published and even the researcher provided the URL. It is not in machine-readable format.

Government Reviewer

Opinion: Agree

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

d. Not produced at all

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Disagree

Suggested Answer: a. Produced but made available online to the public too late (published after the acceptable time frame)

Comments: I don't understand why the researcher answered d....

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Produced but made available online to the public too late (published after the acceptable time frame)

Comments: Fiscal Strategy for 2019 with projections for 2020 and 2021 was published on Ministry finance web site.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion: Agree

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting

document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

n/a

Source:

n/a

Comment:

Fiscal Strategy for 2019 with projections for 2020 and 2021 was published alongside the EBP and considered as a supporting document for it.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Fiscal Strategy for 2019 with Projections for 2020 and 2021

Government Reviewer

Opinion: Disagree

Suggested Answer: Fiscal Strategy for 2019 with projections for 2020 and 2021

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

n/a

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:
FY 2019

Source:
<https://www.srbija.gov.rs/prikaz/311680>

Comment:
Government web-site in the list of adopted documents presented also EBP with following documents

Peer Reviewer
Opinion: Agree
Comments: FY2019

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:
20/11/2018

Source:
<https://www.danas.rs/ekonomija/vlada-srbije-usvojila-budzet-za-2019-godinu/>

<https://www.srbija.gov.rs/prikaz/311680>

<http://mfin.gov.rs/newsitem.php?id=14099>

Comment:
According to media writings that are based on Government announcements. EBP was adopted by the Government of Serbia and sent to the parliament on 20 November 2018. The document itself is available on the Government web-site but without the date of publishing.

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:

<https://www.danas.rs/ekonomija/vlada-srbije-usvojila-budzet-za-2019-godinu/>

<https://www.srbija.gov.rs/prikaz/311680>

Comment:

It was adopted one month and a half before new fiscal year, just the few days before sending it to the Parliament for discussion and adoption.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

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

Answer:

23/11/2018

Source:

<http://www.novimagazin.rs/ekonomija/predlog-budzeta-za-2019-godinu-stigao-u-skupstinu-srbije>

Comment:

The document is made available to the public only when it reached the National Assembly on 23 November 2018. It was made available then on the web site of the Parliament, however, since it was adopted since then, only EB is available now. Portal news state of the date of its delivery to National Assembly.

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:

The EBP was published on the web site of the Parliament under documents from its 23 Nov 2018:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

The actual publishing date was when the draft was received by Parliament:

<http://www.rts.rs/page/stories/sr/story/13/ekonomija/3331607/predlog-budzeta-za-2019-stigao-u-parlament.html>

Source:

<http://www.novimagazin.rs/ekonomija/predlog-budzeta-za-2019-godinu-stigao-u-skupstinu-srbije>

Comment:

The document is made available to the public only when it reached the National Assembly on 23. November 2018. It was made available then on the web site of the Parliament, however, since it was adopted since then, only EB is available now. Portal news state of the date of its delivery to National Assembly.

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://www.srbija.gov.rs/prikaz/311680>; http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Source:

<https://www.srbija.gov.rs/prikaz/311680>

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Comment:

EBP is available on the Government web-site

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:

<https://www.srbija.gov.rs/prikaz/311680>

Comment:

This document is published as docx format, Microsoft Word.

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:

<https://www.danas.rs/ekonomija/vlada-srbije-usvojila-budzet-za-2019-godinu/>

Comment:

It was made available to the public only one month before the new fiscal year, and only few days before adoption of EB

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

In accordance with the researcher's response to EBP-2, the response has been corrected to "e."

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:

Predlog zakona o budzetu za 2019 sa predlozima odluka o davanju saglasnosti na finansijske planove za 2019 godinu / Draft Budget Law for 2019 with Drafts of Financial Plans of Social security organizations for 2019

Source:

<https://www.srbija.gov.rs/prikaz/311680>

Comment:

Draft Budget Law for 2019 with Drafts of Finacial Plans for 2019

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Draft Budget Law for 2019 with Drafts of Financial Plans of Social security organizations for 2019

Researcher Response

Agree with proposed answer in government review.

IBP Comment

The government reviewer's suggested answer has been added to the researcher's original response.

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

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

Answer:

b. No

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2019

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

National Assembly adopted budget on 7. december 2018 and published it on its web-site

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

7/12/2018

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

National Assembly adopted budget on 7. december 2018 and published it on its web-site

News article from 7 December 2018 describing the event: <http://www.rts.rs/page/stories/ci/story/5/ekonomija/3346984/mali-za-rtb-budzet>

usmeren-ka-povecanju-zivotnog-standarda.html

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

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

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

The budget was made available to the public the same day when the Assembly adopted it - on 10 december 2018, published it on its web-site.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

10/12/2018

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

The budget was made available to the public the same day when the Assembly adopted it - on 10 december 2018, published it on its web-site.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

A clarification: per the researcher's EB-1b response, the budget was adopted on 7 December 2018. Please see:
<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B4%D0%BE%D0%BD%D0%B5%D1%82%D0%B8-%D0%B7%D0%B0%D0%BA%D0%BE%D0%BD%D0%B8/%D0%B4%D0%BE%D0%BD%D0%B5%D1%82%D0%B8-%D0%B7%D0%B0%D0%BA%D0%BE%D0%BD%D0%B8.45.html>

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:

It is published under this date on the web-site of the National Assembly, i.e. in Official Gazette. EBP is published on Parliamentary web-page the very same date when the Parliament receive the document from the Government. Government publishes that document on its web-site usually several days after the government session when it is adopted (there is no regulation about publishing of those legislative proposals). Adopted version of the budget law (EB) is sometimes published by the parliament immediately after adoption, and sometimes only after President of Republic promulgate the law through its decree, and after that document is published in Official Gazette. There are legal deadlines in place for presidential promulgation (or veto) and for publishing in Official Gazette, but that was never relevant for the budget, since president promptly signs adopted law, i.e. the same day or day after.

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

The budget was made available to the public the same day when the Assembly adopted it - on 10 December 2018, published it on its web-site

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

c. No

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

It is published in pdf searchable format

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

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

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

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

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

Answer:

e. Not applicable (the document is publicly available)

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

It was made publicly available on the day of its adoption

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

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

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

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

Answer:

Zakon o buzetu Republike Srbije za 2019

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Comment:

Law on the Budget of the Republic of Serbia for 2019

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

b. No

Source:

Comment:

According to the previous experience Citizens Budget will be published later in the year, most likely in February or March

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: Citizens Budget is prepared and published on the Ministry of finance web site
https://mfin.gov.rs/UserFiles/File/dokumenti/2019/Gradjanski%20budzet%202019-05_03_2019.pdf

Researcher Response
We do not agree with the Government's comment because the Citizens' Budget was posted on the Ministry of Finance's website after the research cutoff date on March 11, 2019, as we indicated in the survey.
https://www.mfin.gov.rs/UserFiles/File/dokumenti/2019/Gradjanski%20budzet%202019-05_03_2019.pdf

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

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

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

Answer:
FY 2018

Source:
A Citizens budget does exist for 2018 - "Gradjanski vodič kroz budžet"

<http://www.mfin.gov.rs/pages/article.php?id=12932>

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Comment:

Peer Reviewer
Opinion: Agree
Comments: In the meantime, Citizens Budget for 2019 was produced.
https://www.mfin.gov.rs/UserFiles/File/dokumenti/2019/Gradjanski%20budzet%202019-05_03_2019.pdf

Government Reviewer
Opinion: Agree

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

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

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

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

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

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

Answer:

e. Not applicable (the document is publicly available)

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Comment:

A Citizens budget does exist for 2018 - "Gradjanski vodič kroz budžet". It was published on the web-site of Ministry of Finance on Jan 11 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=12930>

Comment:

It was not published on the web-site of the Ministry of Finances where it usually gets published, under the section called: Citizens Budget

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:

11/01/2018

Source:

According to a newspaper article, CB was published on 11.01.2018.

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

<https://www.dijalog.net/objavljen-gradanski-vodic-kroz-budzet-republike-srbije-za-2018-godinu/>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:

Media in Serbia published news on 11.01.2018.

<https://www.dijalog.net/objavljen-gradanski-vodic-kroz-budzet-republike-srbije-za-2018-godinu/>

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Comment:

No publication date was posted on the website of the Ministry of Finance, but according to media reports, it was published in the first ten days of January 2018.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

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

Answer:

Građanski vodič kroz Budžet Republike Srbije

Source:

Građanski vodič kroz Budžet Republike Srbije

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

It corresponds to Law on Budget of Republic of Serbia for 2018

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Comment:

The guide consists of five parts: explanation of the concept of budget, process of budget preparation, - financing from the budget, data on the state of the public debt and a dictionary of lesser known terms.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2018

Source:
<http://www.mfin.gov.rs/pages/issue.php?id=3> (macroeconomic and fiscal data)

<https://www.mfin.gov.rs/pages/issue.php?id=1568> (bulletins of public finance)

Comment:
The Ministry of Finance publishes macroeconomic and fiscal data once a month. The reports contain data on revenue and expenditure of the budget, fiscal movements, public debt...

Bulletins of public finance are also released on a monthly basis, which present macroeconomic and other data in a longer format.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

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

Source:
<http://www.mfin.gov.rs/pages/issue.php?id=3>
<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Comment:
They are regularly published on the web-site of the Ministry of Finances

Peer Reviewer
Opinion: Disagree

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

Comments: I think that answer a) is the most correct. In reality, the data are published on a monthly basis with publication within 40 days of the period covered. So, for example, January data is available on March 7th, in accordance with the publication calendar, that is available on <https://www.mfin.gov.rs/pages/article.php?id=14318>

Government Reviewer
Opinion: Agree

IBP Comment

The peer reviewer's comment is well received. To qualify for an "a" or "b" response, IYRs must be published within one month of the period to which they refer. As the 40 days specified within the publication calendar would exceed this limit, the current response of "c" 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:

28 November 2018 (<http://www.mfin.gov.rs/pages/article.php?id=14121>); 23 October 2018 (<http://www.mfin.gov.rs/pages/article.php?id=14036>); 10 September 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13931>); 16 August 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13900>); 13 July 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13847>); 13 June 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13772>); 10 May 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13727>); 11 April 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13655>); 9 March 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13591>); 6 February 2018 (<http://www.mfin.gov.rs/pages/article.php?id=13560>)

Source:

Macroeconomic and Fiscal data

28. 11. 2018. <http://www.mfin.gov.rs/pages/article.php?id=14121>
23. 10. 2018. <http://www.mfin.gov.rs/pages/article.php?id=14036>
10. 9. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13931>
16. 08. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13900>
13. 07. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13847>
13. 06. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13772>
10. 05. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13727>
11. 04. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13655>
09. 03. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13591>
06. 02. 2018. <http://www.mfin.gov.rs/pages/article.php?id=13560>

Bulletins of public finance:

Sep 2018 - 25. 12. 2018: <https://www.mfin.gov.rs/pages/article.php?id=14192>
Aug 2018 - 23. 11. 2018: <https://www.mfin.gov.rs/pages/article.php?id=14111>
Jul 2018 - 24. 09. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13953>
Jun 2018 - 27. 08. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13909>
May 2018 - 08. 08. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13890>
Apr 2018 - 05. 07. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13830>
Mar 2018 - 28. 05. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13756>
Feb 2018 - 11. 05. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13731>
Jan 2018 - 05. 04. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13651>
Dec 2017 - 02. 03. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13579>
Nov 2017 - 13. 02. 2018: <https://www.mfin.gov.rs/pages/article.php?id=13569>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

The dates and the documents are published on the web-site of the Ministry of Finances

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=3>

<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Comment:

The dates and the documents are published on the web-site of the Ministry of Finances.

For the bulletins of public finance, dates were located by observing the last modified date of the pages hosting each month's pdf file.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

Answer:

<http://www.mfin.gov.rs/pages/issue.php?id=3>

<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Source:

Macroeconomic and Fiscal data

<http://www.mfin.gov.rs/pages/article.php?id=14121>
<http://www.mfin.gov.rs/pages/article.php?id=14036>
<http://www.mfin.gov.rs/pages/article.php?id=13931>
<http://www.mfin.gov.rs/pages/article.php?id=13900>
<http://www.mfin.gov.rs/pages/article.php?id=13847>
<http://www.mfin.gov.rs/pages/article.php?id=13772>
<http://www.mfin.gov.rs/pages/article.php?id=13727>
<http://www.mfin.gov.rs/pages/article.php?id=13655>
<http://www.mfin.gov.rs/pages/article.php?id=13591>
<http://www.mfin.gov.rs/pages/article.php?id=13560>

Bulletin of public finance

<https://www.mfin.gov.rs/pages/article.php?id=14192>
<https://www.mfin.gov.rs/pages/article.php?id=14111>
<https://www.mfin.gov.rs/pages/article.php?id=13953>
<https://www.mfin.gov.rs/pages/article.php?id=13909>
<https://www.mfin.gov.rs/pages/article.php?id=13890>
<https://www.mfin.gov.rs/pages/article.php?id=13830>
<https://www.mfin.gov.rs/pages/article.php?id=13756>
<https://www.mfin.gov.rs/pages/article.php?id=13731>
<https://www.mfin.gov.rs/pages/article.php?id=13651>
<https://www.mfin.gov.rs/pages/article.php?id=13579>
<https://www.mfin.gov.rs/pages/article.php?id=13569>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

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

Source:

Macroeconomic and Fiscal data

<http://www.mfin.gov.rs/pages/article.php?id=14121>
<http://www.mfin.gov.rs/pages/article.php?id=14036>
<http://www.mfin.gov.rs/pages/article.php?id=13931>
<http://www.mfin.gov.rs/pages/article.php?id=13900>
<http://www.mfin.gov.rs/pages/article.php?id=13847>
<http://www.mfin.gov.rs/pages/article.php?id=13772>
<http://www.mfin.gov.rs/pages/article.php?id=13727>
<http://www.mfin.gov.rs/pages/article.php?id=13655>
<http://www.mfin.gov.rs/pages/article.php?id=13591>
<http://www.mfin.gov.rs/pages/article.php?id=13560>

Bulletin of public finance

<https://www.mfin.gov.rs/pages/article.php?id=14192>
<https://www.mfin.gov.rs/pages/article.php?id=14111>
<https://www.mfin.gov.rs/pages/article.php?id=13953>
<https://www.mfin.gov.rs/pages/article.php?id=13909>
<https://www.mfin.gov.rs/pages/article.php?id=13890>
<https://www.mfin.gov.rs/pages/article.php?id=13830>
<https://www.mfin.gov.rs/pages/article.php?id=13756>
<https://www.mfin.gov.rs/pages/article.php?id=13731>
<https://www.mfin.gov.rs/pages/article.php?id=13651>
<https://www.mfin.gov.rs/pages/article.php?id=13579>
<https://www.mfin.gov.rs/pages/article.php?id=13569>

Comment:

The dates and the documents are published on the web-site of the Ministry of Finances.

Data on income and expenditures in the budget, public debt, balance of the state and basic indicators of movement are published in excel tables that can be processed in a machine readable format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

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

Comments: All numerical data is published in excel

Researcher Response

Public finance bulletin does not contain machine readable data, as it is published in pdf, Ministry of Finance publishes on monthly level macroeconomic data tables, that are in excel, and therefore machine readable. So, all documents published within the macroeconomic overview are really published in a machine readable format. However, these tables are not detailed enough, and do not contain, e.g. data on expenditures of individual budget beneficiaries (neither in machine readable, nor in other form). So, we believe, that answer should be b.

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:

<http://www.mfin.gov.rs/pages/issue.php?id=3>

<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Comment:

Reports are published regularly on the Ministry's website.

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:

The data and documents are available on web-site of Ministry of Finance.

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion: Agree

IBP Comment

Per the guidelines for this question, the researcher's response was revised to "n/a."

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:

Makroekonomski i fiskalni podaci
(Macroeconomic and Fiscal data)

Bilten javnih finansija (Bulletin of public finance)

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=3>

<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

b. No

Source:

Comment:

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:

n/a

Comment:

<http://www.parliament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

The last report on the execution of the budget was published on July 14, 2017 on the website of the National Assembly. After July 2017, no one report was published.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

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

Source:

<http://www.parliament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

Comment:

By reviewing the agenda of the sessions of the Parliamentary Committee on Finance and Budget Control, we realized that this working parliamentary body did not consider the MJR in 2018.

<http://www.parliament.gov.rs/%D0%BD%D0%B0%D1%80%D0%BE%D0%B4%D0%BD%D0%B0-%D1%81%D0%BA%D1%83%D0%BF%D1%88%D1%82%D0%B8%D0%BD%D0%B0/%D1%81%D0%B0%D1%81%D1%82%D0%B8%D0%B2/%D1%80%D0%B0%D0%B4%D0%BD%D0%B0-%D1%82%D0%B5%D0%BB%D0%B0/%D0%BE%D0%B4%D0%B1%D0%BE%D1%80%D0%B8.80.13.html>

Peer Reviewer

Opinion: Agree

Comments: I am not sure about this question. Mid year reports in Serbia are not produced. However, as monthly reports are produced, we could (maybe) consider the end-June report to be "Mid year report", though it is not produced in the same format as the budget, but much simpler.

Government Reviewer

Opinion: Agree

Researcher Response

Monthly Bulletin of Public Finances indeed contain many of information that could be part of a mid-year report. However, according to the research methodology implemented in previous research rounds, mid-year reports were not considered in that manner (they are elaborated already as IYR).

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:

n/a

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

n/a

Source:

Comment:

The Report on the execution of the budget for the period from January 1 to June 30, 2018 is not available because it was not published nor it was announced that it was produced.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

In light of the question guidelines for MYR-3b, the researcher's response has been updated to "n/a."

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

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

Answer:

Source:

n/a

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

d. Not applicable

Source:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

Comment:

The last report on the execution of the budget was published on July 14, 2017 on the website of the National Assembly. After July 2017, no one report was published.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

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

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

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

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

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

Answer:

c. Produced for internal purposes/use only

Source:

We received the document on the basis of requests for free access to information of public importance.

Comment:

The document consists of just a few pages, without explanation. It only contains total numbers of revenue and expenditure and can not be considered as appropriate.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:

We received the document on the basis of requests for free access to information of public importance.

Source:

Comment:

The document was not published on the website.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

Izveštaj o izvršenju budžeta Republike Srbije za period od 1. januara do 30. juna 2018. godine

Source:

We received the document on the basis of requests for free access to information of public importance.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would

serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

Comment:

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:

Budget System Law

Comment:

The Law on the Budget System prescribes the deadlines for budget documents and data.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

d. The YER is not released to the public, or is released more than 12 months after the end of the budget year

Source:

Comment:

Since 2014, the Government of Serbia has not published on its website nor delivered to the Parliament the Proposal law on the final account of the budget for the previous year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

Answer:

Source:

n/a

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

n/a

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

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:

d. Not applicable

Source:

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

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

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

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

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

Answer:

d. Not produced at all

Source:

Comment:

Since 2014, the Government of Serbia has not published on its website nor delivered to the Parliament the Proposal law on the final account of the budget for the previous year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: c. Produced for internal purposes/use only

Researcher Response

While it is possible that Ministry of Finance produced YER for internal purposes only within the time frame of this research, that information can not be verified. There is an evidence that parts of YER were produced (figures on income and expenditures) as they were considered by SAI. However, it is less likely that full YER was produced (with narrative explanations) till the end of 2018. Namely, there was no reason for full YER not to be published at least as the Ministry of Finance draft if it was produced with all legally required elements. Government of Serbia on September 17, 2019 published YER do 2018,2017,2016 and 2015. <https://www.srbija.gov.rs/prikaz/358229>

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:

Since 2014, the Government of Serbia has not published on its website nor submitted to the Parliament the Proposal Law on the final account of the budget for the previous year. The Government of Serbia and the Ministry of Finance have never provided any answer to the public on the execution of the budget.

Members of Parliament also never received any information from which they could see how the government spent money from the budget.

Source:

Comment:

Peer Reviewer

Opinion: Agree

Comments: It is true that the Final Accounts (in the same format as the budget) have not been adopted for years. But that does not mean that "GoS and MoF have never provided any answer to the public on the execution of the budget". Aggregated reports are produced on a monthly level.

Government Reviewer

Opinion: Disagree

Suggested Answer: YER was produced for internal use only

Researcher Response

Governmental comment refers to the claim that "The Government of Serbia and the Ministry of Finance have never provided any answer to the public on the execution of the budget." Indeed, there are information about the execution of the budget, published by the Ministry of Finance on monthly level, that contain information on execution of the budget presented for broader categories (does not include individual budget beneficiaries or individual budget programs). Our point was that there was no published information on annual budget execution (in a form that is fully comparable with adopted budget). We have reason to believe that MoF produced key parts (tables with income and expenditures) of what would be YER for internal purposes and for sharing it with State Audit Institution. However, we believe that the rest of YER report (narrative explanations) was not produced, not even for internal purposes.

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:

Source:
n/a

Comment:

Peer Reviewer
Opinion:

Government Reviewer
Opinion:

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:
YER is not produced at all

Comment:
YER is not produced at all.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion:
Comments: YER was produced for internal use only

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 2017

Source:
<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

SAI published the Report on the final account of the budget of the Republic of Serbia for 2017.

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:

b. 12 months or less, but more than six months, after the end of the budget year

Source:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

SAI published the Report on December 28, 2018.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

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

Answer:

28/12/2018

Source:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:

SAI published the Report on the final account of the budget of the Republic of Serbia for 2017.

Source:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:

<https://www.dri.rs/php/document/download/1518/1>

Source:

<https://www.dri.rs/php/document/download/1518/1>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

[readable/](#)

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

Answer:

c. No

Source:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

The report was published in pdf format

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:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

The Report was published 12 months after the end of fiscal year 2017 on the website of SAI.

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:

Izveštaj o reviziji završnog računa budžeta Republike Srbije za 2017. godinu

Source:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

Comment:

Report on the final account of the budget of the Republic of Serbia for 2017

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

b. No

Source:

Comment:

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 (<http://www.transparenciapresupuestaria.gob.mx/>) and Brazil (<http://www.portaltransparencia.gov.br/>). Some countries have both a website and a portal. The Brazilian government, for example, apart from the Transparency Portal, has a dedicated website for the federal budget, where all key documents and other information can be found (www.orcamentofederal.gov.br). Researchers should include details about all of the relevant websites and/or portals that they can be used to access budget information.

Answer:

a. Yes

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=8382>

<http://www.mfin.gov.rs/pages/issue.php?id=12930>

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

<http://www.parlament.gov.rs/akti/doneti-zakoni/doneti-zakoni.1033.html>

<http://www.fiskalnisavet.rs/>

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5%D0%BF%D0%BE%D1%81%D0%BB%D0%B5%D0%B4%D1%9A%D0%B8-%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98.135.html>

Comment:

Budget information can be found on the websites of the Ministry of Finance, the Parliament, the State Audit Institution and the Fiscal Council.

Peer Reviewer
Opinion: Agree

Comments: I would also add web site of the Parliamentary Budget Office. <http://pbk.rs/?lang=en>

Government Reviewer
Opinion: Agree

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Comment:

Such information can only be found on the website of the Ministry of Finance, which publishes the Bulletin of Public Finance every month, in which

the data on revenues and expenditures are given

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

Answer:

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

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Comment:

Such information can only be found on the website of the Ministry of Finance, which publishes the Bulletin of Public Finance every month, in which the data on revenues and expenditures are given. Excel sheets that are presented every month and include up-to-date execution information as well as (in the same file) historical information dated back till 2009.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

Answer:

b. No

Source:

<http://www.mfin.gov.rs/UserFiles/File/tabele/2019%20jan/tekuca%20makroekonomska%20kretanja%20-%20sa%20novim%20bdp%20i%20dugom.pdf>

Comment:

Some of the presented in graphics. See for example:

<http://www.mfin.gov.rs/UserFiles/File/tabele/2019%20jan/tekuca%20makroekonomska%20kretanja%20-%20sa%20novim%20bdp%20i%20dugom.pdf>

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GQ-2 asks about the existence of any national laws governing public financial management and auditing. These may include a public finance act, a section of the constitution, or an organic budget law. In some countries, fiscal responsibility legislation may also be relevant. For example, the Kenya researcher may include the link to its Public Finance Management Act, 2012 (<http://www.kenyalaw.org/lex/actview.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:

https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html

<http://www.mfin.gov.rs/pages/article.php?id=10009>

https://www.paragraf.rs/propisi/zakon_o_reviziji.html

https://www.paragraf.rs/propisi/zakon_o_drzavnoj_upravi.html

https://www.paragraf.rs/propisi/zakon_o_javnom_dugu.html

Comment:

The Law on the Budget System regulates: planning, preparation, delivery and execution of the budget of the Republic of Serbia; planning, preparing, passing and executing budgets of autonomous provinces and local self-government units (hereinafter: budget local authorities); preparing and adopting the Republic's financial plans for the Pension and Disability Insurance Fund, the Republican Health Fund, the National Insurance, the Social Security Fund of Military Insurers and the National Employment Services (hereinafter: organizations for compulsory social security insurance); budget accounting and reporting, financial management, control and audit of users of public funds and budget of the Republic of Serbia, the budget of the local government and the financial plans of organizations for mandatory social insurance; jurisdiction and organization of the Treasury Department as an authority for the Management Board within the Ministry of Finance (hereinafter: the Treasury Department) and vaults of local authorities; other issues of importance for the functioning of the budget system.

This law establishes fiscal principles, rules and procedures on which the fiscal framework is being established, in order to ensure long-term sustainability of fiscal policy.

This law establishes the Fiscal Council, which independently evaluates the credibility of fiscal policy from the aspect of respecting the established fiscal and thus ensures the public and the responsibility in its management.

Certain provisions of this law regulate budgetary relations and rules that apply to extra-budgetary funds, business entities and other legal entities in which the state, at all levels of government, has a decisive influence on governance, and namely: the development of financial plans, the management of monetary funds, borrowing and giving guarantees, accounting, making and submitting reports and execution of budgetary control, and which, given the sources of financing and controls, are included in the general level of the state (hereinafter: the extrabudgetary users).

This law regulates the types and characteristics of public revenues and receipts, and public expenditures and expenditures.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

information legislation (constitutional provisions, laws, and regulations), including examples of model laws, can be found here:
<http://www.right2info.org/laws/constitutional-provisions-laws-and-regulations#section-1>.

Answer:

a. Yes

Source:

https://www.paragraf.rs/propisi/zakon_o_slobodnom_pristupu_informacijama_od_javnog_znacaja.html

<https://www.poverenik.rs/en/bylaws/947-instruction-for-the-creation-and-publication-of-the-information-booklet-on-public-authority-work.html>

<https://www.poverenik.rs/en/laws/881-law-on-free-access-to-information-of-public-importance-qofficial-gazette-of-rsq-no-12004-5407-10409-i-3610.html>

<https://rsjp.gov.rs/EN/wp-content/uploads/2018/07/Law-On-Planning-System.pdf>

<http://www.voa.mod.gov.rs/documents/law-on-state-administration.pdf>

Comment:

Law on Free Access to Information of Public Importance. The Law apply for any information held by public authorities. Furthermore, Article 39 and 40 of the Law provide for pro-active transparency measures. As further regulated in the Rulebook on information booklet of state organs (by-law issued by Commissioner), data on budget plan and execution are mandatory part of these booklets.

Citizens' participation in the process of adoption of laws and public policies in general (that should include also budget related documents) is regulated through Law on planning system and Law on state administration.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

"Draft Law on budget of Republic of Serbia for year 2019, with proposals of decisions on approval of financial plans for year 2019 of 1) Republic fund for pension and invalid insurance, 2) Republic fund for health insurance; 3) National employment service; 4) Fund for social insurance of military personnel."

EBP (without four mentioned annexes) consists following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27,5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712, 7. Statement on compliance with EU regulation, two pages long Division of budget according to functions is visible in document no. 2.

The EBP was published on the web site of the Parliament under documents from its 23 Nov 2018. This document is published as docx format, Microsoft Word.

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Tables with expenditures by administrative unit: pages 53 - 210.

Comment:

"Предлог закона о буџету Републике Србије за 2019. годину, са предлозима одлука о давању сагласности на финансијске планове за 2019. годину: 1) Републичког фонда за пензијско и инвалидско осигурање, 2) Републичког фонда за здравствено осигурање, 3) Националне службе за запошљавање, 4) Фонда за социјално осигурање војних осигураника"

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<https://www.paragraf.rs/dnevne-vesti/301117/301117-vest6.html>

EBP (without four mentioned annexes) consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27, 5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712, 7. Statement on compliance with EU regulation, two pages long Division of budget according to functions is visible in document no. 2. The EBP was published on the web site of the Parliament under documents from its 23 Nov 2018. This document is published as docx format, Microsoft Word.

Comment:

Please see pp. 52-209; column 4 lists functional classifications.

EBP (without four mentioned annexes) consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data), 2. Tables with expenditures, 3. Draft proposal of budget (final articles, about execution of budget), 4. Explanatory note to draft budget, 5. Explanatory note to draft budget - overview of expenditures per sectors and programs, 6. Explanatory note - information about programs, 7. Statement on compliance with EU regulation.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

EBP (without four mentioned annexes) consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data), 2. Tables with expenditures, 3. Draft proposal of budget (final articles, about execution of budget), 4. Explanatory note to draft budget, 5. Explanatory note to draft budget - overview of expenditures per sectors and programs, 6. Explanatory note - information about programs, 7. Statement on compliance with EU regulation. The EBP was published on the web site of the Parliament under documents from its 23 Nov 2018. This document is published as docx format, Microsoft Word.

Comment:

The functional classification is compatible with international standards in Article 7 of the Rulebook on the Standard Classification Framework and a Chart of Accounts for the Budget System (Pravilnik o standardnom klasifikacionom okviru i kontnom planu za budzetski sistem)

http://www.paragraf.rs/propisi/pravilnik_o_standardnom_klasifikacionom_okviru_i_kontnom_planu_za_budzetski_sistem.html

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

a. Yes, expenditures are presented by economic classification.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Document is organized by economic classification.

EBP (without four annexes) consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data), pages 1-52 2. Tables with expenditures, excel, pages 53 - 210 3. Draft proposal of budget (final articles, about execution of budget), pages, 195-210 4. Explanatory note to draft budget, pages 1-27 5. Explanatory note to draft budget - overview of expenditures per sectors and programs, 1-52. Explanatory note - information about programs, pages 1-212. Statement on compliance with EU regulation, two pages long Division of budget according to economic classification is visible in document no. 2.

Comment:

Please see table on pp. 53-209; economic classification is listed in column 6.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Tables with expenditures, pages 53 - 210. The classification is in most of cases easily compatible with IMF standards, but there are differences, in particular with numeration.

Comment:

In addition, see also pp. 3-4 in Budzet2019.pdf for an aggregate table of expenditures by economic classification.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Document contains tables with expenditures, explanatory note to draft budget - overview of expenditures per sectors and programs, explanatory note - information about programs.

Division of budget according to programs is visible in document. All budget expenditures are presented within programs. "Programs" are defined very similar to "functions", with more detailed "program activities/projects" column.

EBP (without four mentioned annexes) consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27,5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712, 7. Statement on compliance with EU regulation, two pages long Division of budget according to functions is visible in document no. 2.

Comment:

e.g. pg. 59:

Program 1601 Fight Against Corruption

Description: provides information about authorities of Anti-corruption Council

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy for 2019, with projections for 2020 and 2021.

EBP does not contain projections of expenditures in following years, estimated for upcoming years. Fiscal Strategy contain some information of that kind. Namely, there are expenditures, sorted on the basis of approx. a dozen categories of economic classification. Instead of nominal values, estimations are presented as a percentage of estimated GDP in the future. Nominal values could be easily calculated on the basis of estimated GDP, as presented in nominal values for 2019 and next two years in table 4. (page 16) of Fiscal Strategy. The fiscal strategy would be regularly considered as a PBS. However, having in mind that it was published together with EBP it is considered here as a supporting document to the EBP.

Comment:

Peer Reviewer

Opinion: Agree

Comments: The researcher's comment states that "EBP does not contain projections for expenditures in following years" and that is not fully correct as projected capital expenditures are given for the following 3 years. So, overall it is true, but capital expenditures are given for three years at the beginning of paragraph 5 of the Budget Law.

Government Reviewer
Opinion: Agree

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

Answer:

Economic classification

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Table 10 (page 42) of Fiscal strategy for 2019 with projections for 2020 and 2021 gives only economic classification.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

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

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Draft Law on budget of Republic of Serbia for year 2019, with proposals of decisions on approval of financial plans for year 2019 of 1) Republic fund for pension and invalid insurance, 2) Republic fund for health insurance; 3) National employment service; 4) Fund for social insurance of military personnel. PBS used as supporting document to the EBP:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Фискална стратегија за 2019. годину са пројекцијама за 2020. и 2021. годину (Fiscal strategy for 2019 with projections for 2020 and 2021)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Multi year estimates for programs are presented in article 5. of Law on the budget of Republic of Serbia, but only for capital expenditure and capital projects.

Researcher Response

The remark of government reviewer is correct. Article 5. of the Budget law provides estimation of some program costs for 2020 and 2021 as well. The total value of such estimation in the overall budget is rather small (app. 7.5%). It was 95.6 billion RSD, while the total estimated expenditure for all programs was 1,269 billion.

IBP Comment

In light of the researcher's "Response to Review," the response has been updated from "d" to "c".

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

GUIDELINES:

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

See article 1 of the EBP

Article 1. of EBP presents tax revenues by categories. Income for vast majority of taxes is individualized, but there are two "other" categories, for taxes and excise.

Comment:

See table on pp. 1-2

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

IBP Comment

In the table on pp. 1-2, the categories "Other taxes on goods and services/Други порези на добра и услуге," "Other excise duties/Остале акцизе," and "Other ordinary non-tax revenues/Остали редовни непорески приходи" account for slightly less than three percent of overall tax revenues ("Порески приходи"). The response has been revised from "b" to "a".

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

GUIDELINES:

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

"Draft proposal of the budget" (articles with general and public debt data), word, pages 1-52.

Article 1. of EBP and explanatory note on page 2 presents information about the structure of non-tax revenues. Some of them are identified more precisely ("profit of public agencies", "share in profit of public enterprises", "income from decrease of salaries in publicsector", "income from sale of goods and services"), while some seems to be broader ("other non-regular income").

Comment:

See table on pp. 1-2

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

IBP Comment

In the cited table on pp. 1-2, the categories "Other ordinary non-tax revenues" and "Other extraordinary income" together account for more than three percent of overall non-tax revenue. Per the guidelines for question 10, response "b" is maintained.

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

GUIDELINES:

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021.

Table 9 of Fiscal strategy on page 39 contains value of various tax and non-tax income in next 3 years. Estimations are not in nominal values but % of estimated GDP. Nominal GDP figures for this same period can be found in Table 4 on page 16.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021.

See table 9 of Fiscal strategy on page 39 contains value of various tax and non-tax income in next 3 years. Estimations are not in nominal values but % of estimated GDP. Nominal GDP figures for this same period can be found in Table 4 on page 16. Three major taxes VAT, income tax and corporate income tax are identified individually, while other income is in broader categories.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

· the amount of net new borrowing required during the budget year;

- the central government's total debt burden at the end of the budget year; and
- the interest payments on the outstanding debt for the budget year.

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

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

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

See Table 26 on the page 71

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

EBP (without four mentioned annexes) consists following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27,5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712, 7. Statement on compliance with EU regulation, two pages long Division of budget according to functions is visible in document no. 2. The EBP was published on the web site of the Parliament under documents from its 23 Nov 2018. This document is published as docx format, Microsoft Word.
See EBP pages 5-37

The amount of net new borrowing required during the budget year is visible in the article 1 of EBP, table on page 1. The central government's total debt burden at the end of the budget year is visible on page 71 of Fiscal strategy, table 26. Табела 26. Основна пројекција стања јавног дуга општег нивоа државе до 2021. године. Article 3, page 38 of EBP, УКУПНО СТАЊЕ ДУГА The interest payments on the outstanding debt for the budget year is visible in the article 1 of EBP, table on page 3, 1.3. Расходи по основу отплате камата

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

Answer:

The amount of net new borrowing required during the budget year

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

The interest payments on outstanding debt for the budget year

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

See page 5 EBP:Necessary funds for financing the budget deficit, acquisition of financial assets and repayment of principal based on debts to domestic and foreign lenders for direct and indirect liabilities of the Republic of Serbia (including debt-maturing operations before maturity) referred

to in Article 1 of this Law in the total amount of 635,055. 484,000 dinars, it is planned to be provided from loans from domestic and international commercial and multilateral financial institutions and foreign governments in the amount of up to 115,000,000,000 dinars, through the broadcasting of state securities (government bills and bonds in the domestic financial market in domestic and foreign currency) in the amount of up to 396.000.000.000 dinars, from the income received from the issuance of Eurobonds (government securities issued on the international financial market domestically and foreign currency) in the amount of a maximum of 119.000.000.000 dinars and from income from the sale of domestic financial assets in the amount of maximum 5.600.000.000 dinars. Planned income receivables are higher than the funds needed to finance deficits, repayment of debt and purchase of financial assets in the amount of 544,516,000 dinars, which represents a positive change in the balance on the account.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

GUIDELINES:

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

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

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Information (EBP pg. 5-38) is presented in two separate tables for domestic and foreign debts. Each loan is presented with interest rate on the debt, maturity profile of the debt, total debt burden and amount of installment. In above mentioned tables some additional information is presented beyond the core elements, such as the currency of the debt, the profile and full title of creditors and brief information for some debts about what the debt is being used to finance.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf
<http://www.mfin.gov.rs/UserFiles/Filestrategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Information (EBP pg. 5-38) is presented in two separate tables for domestic and foreign debts. Each loan is presented with interest rate on the debt, maturity profile of the debt, total debt burden and amount of installment. In above mentioned tables some additional information is presented beyond the core elements, such as the currency of the debt, the profile and full title of creditors and brief information for some debts about what the debt is being used to finance.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

GUIDELINES:

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

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

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

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

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

Answer:

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

Source:

The table represents estimates on real GDP growth, inflation rate, nominal GDP level, while there is no information about interest rates. Information about interest rates in Serbia is in Fiscal strategy, see Table 24 i 25, on the page 70.

<http://www.mfin.gov.rs/UserFiles/File/strategije2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

pg 12-13 gdp in percentages and average inflation

table 4, pg 16, estimation of basic macroeconomic indicators for the Republic of Serbia

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

Additional elements in the Fiscal Strategy, beyond the core elements include, among other, exchange rate information on pg. 23, employment and unemployment on pgs 19 and 20, estimation of oil and other prices on pgs. 4 and 5.

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

Answer:

Nominal GDP level

Inflation rate

Real GDP growth

Information beyond the core elements (please specify)

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

See draft proposal of the budget pages 1-52.

The table represents estimates on real GDP growth, inflation rate, nominal GDP level, while there is no information about interest rates. Information about interest rates in Serbia is in Fiscal strategy, see Table 24 i 25, on the page 70.

Fiscal Strategy does contain many elements beyond the core information.

<http://www.mfin.gov.rsUserFilesFilestrategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

Additional elements in the Fiscal Strategy, beyond the core elements include, among other, exchange rate information on pg. 23, employment and unemployment on pgs 19 and 20, estimation of oil and other prices on pgs. 4 and 5.

IBP Comment

In light of the researcher's response to Q15, the option "Information beyond the core elements (please specify)" has also been selected.

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:

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

Source:

<http://www.mfin.gov.rsUserFilesFilestrategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiskalna strategija za 2019. sa projekcijama za 2010. i 2021.

Fiscal Strategy discuss various scenarios and its influence on public debt. See the pages 67-78. There are alternative scenarios for some of core elements.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

EBP consists following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27,5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiskalna strategija za 2019. sa projekcijama za 2010. i 2021.

Fiscal Strategy for 2019 with projections for 2020 and 2021 states in which way will certain policies affect the budget, and Explanatory Note of EBP only mentions new policies and measures without offering proper explanation on how they will affect the budget, merely that they will decrease public spending.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

The Fiscal Strategy on Structural Reforms speaks only in the light of an agreement with the IMF, without a list of policies and reforms (page 28).

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

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

Answer:

d. No, expenditure estimates for BY-1 are not presented by any expenditure classification.

Source:

Comment:

No such information.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>
There is no information about costs of individual programs in previous years.

Comment:

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comment:

Please see Table 5 on pg. 31 of the Fiscal Strategy

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:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Table 10 on page 42 of Fiscal strategy presents basic information about expenditures in BY-2 on the basis of economic classification. Comparisons are made against percentage of GDP, not nominal amounts. Much more detailed information is available in the Public Finance Bulletin, a monthly publication of Ministry of Finance (IYR).

Comment:

Response "d" was chosen as figures are given as a % of GDP, without a way to calculate the absolute values.

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:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Table 10 on page 51 of Fiscal strategy presents basic information about expenditures in BY-2 and BY-3 on the basis of economic classification. Comparisons are made against percentage of GDP, not nominal amounts.

Comment:

Figures are given as a % of GDP, without a way to calculate the absolute values.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

23. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for more than one year preceding the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Question 23 asks if expenditure estimates for more than one year before the budget year (BY-2 and prior years) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

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

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-2 and prior years. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-2 and prior years. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Comment:

There is no information about cost of programs in previous years.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 24 asks for which year the actual outcomes for expenditures are shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated all its expenditure data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

In Fiscal strategy for 2019, with projections for 2020 and 2021, Table 6 (page 34) presents actual outcome of budget in BY-2 (2017) compared against BY-1 (in both instances the first 9 months of the year). In Tables 8 and 10 there is information for the whole of BY-2 but in GDP %, not nominal amounts.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

25. Does the Executive's Budget Proposal or any supporting budget documentation present revenue by category (such as tax and non-tax) for the year preceding the budget year (BY-1)?

GUIDELINES:

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

Answer:

a. Yes, revenue estimates for BY-1 are presented by category.

Source:
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Information on various revenue types in BY-1 is available in Fiscal Strategy, Tables 8 (pg. 38) and 9 (pg. 39).

Comment:
See table 4 on page 16 for the total BY-1 GDP amount.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

26. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for the year preceding the budget year (BY-1)?

GUIDELINES:

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

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

Source:
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

See Table 9 (page 39) in Fiscal strategy. (Табела 9. Укупни приходи и донације у периоду 2017–2021. године, % БДП)

Fiscal Strategy present also information on individual sources of income for BY -1. The biggest ones are named, but there is also category "other". Since Excesses (tobacco, gasoline etc.) and Contributions (health and pension) are not fully individualized, individual sources amount to less than half of overall revenues' amount.

Comment:
See table 4 on page 16 for the total BY-1 GDP amount.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

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

Source:
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

See Table 9 (page 39): Укупни приходи и донације у периоду 2017–2021. године, % БДП / Total revenues and donations in the period

2017-2021. year,% of GDP

Please see 2018 figures in the "Процена/Evaluation" column.

Absolute GDP figures for 2018, meanwhile, can be found in Table 4 on page 16.

Comment:

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:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021. See Table 6 (page 34), Table 8 (page 38) and Table 9 (page 39).

Comment:

Response "b" was chosen as figures are given as a % of GDP, without a way to calculate the absolute values.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

29. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for more than one year prior to the budget year (that is, BY-2 and prior years)?

GUIDELINES:

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy, Table 6 (page 34) and Table 9 (page 39). Information for biggest revenues is individualized. Since Excesses (tobacco, gasoline etc.) and Contributions (health and pension) are not fully individualized, individual sources amount to less than half of overall revenues' amounts.

Comment:

Response "d" was chosen as figures are given as a % of GDP, without a way to calculate the absolute values.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy, information is available in Table 6 (page 34) and 8 (page 38).

Comment:

Figures for 2017 are given as a % of GDP, without a way to calculate the absolute values.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

GUIDELINES:

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

The "core" information includes:

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

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

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

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to government borrowing and debt, including its composition, for BY-1 as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

EBP (pages 9-36) states that the total debt of the Republic of Serbia, on September 30, 2018, amounted to RSD 2,837,147,005,668 (23,958,768,109 EUR). Projections of the war of principal are given according to the state of debt on September 30, 2018, and for some obligations they are indicative character.

The EBP contains the following data for each individual loan: a) remaining principal, b) the first day of repayment, c) the last day of repayment, d) principal due in current year which also includes currency e) interest rate and f) creditor. Amount of net new borrowing required during BY-1 is not explicitly mentioned. It may just be possible to calculate it indirectly

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

See Table 22 and 23 (page 68) in Fiscal strategy: Public debt of the general level of the state of the Republic of Serbia in the period 2015-30. September 2018 (Јавни дуг општег нивоа државе Републике Србије у периоду крај 2015–30. септембар 2018. године). Fiscal strategy contains the structure of interest rates of the general level debt in the period from 2015 to September 30th 2018, in percents. page 69, chart

Comment:

As figures were not provided for the full BY-1 year, but only through 30 September, response "c" was chosen.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I think that researcher's justification for choosing c) (that only data up to September 30th was provided) is not good as of course it is impossible to have the data for BY-1 when the budget has to be adopted before BY-1 ends.

Government Reviewer

Opinion: Agree

IBP Comment

The peer reviewer's comment is well-noted. To ensure consistency across survey countries, the existing 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:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021 on pages 67-78 brings more information about public debt, including Tables 22 and 23: Public debt of the general level of the state of the Republic of Serbia in the period 2015-30. September 2018

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

GUIDELINES:

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

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

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

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

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

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

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

Answer:

b. Yes, the core information is presented for all extra-budgetary funds.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<https://www.paragraf.rs/dnevne-vesti/301117/301117-vest6.html>

"Draft Law on budget of Republic of Serbia for year 2019, with proposals of decisions on approval of financial plans for year 2019 of 1) Republic fund for pension and invalid insurance; 2) Republic fund for health insurance; 3) National employment service; 4) Fund for social insurance of military personnel."

The EBP's explanatory note for financial plans of social security organisations, such as one mentioned here (Health fund, but the same is with the others, such as the pension fund) contains following information: 1. Legal ground for adoption of the financial plan. 2. Legal ground for planning of revenues and income (Law on health insurance) that defines purpose of financing the Fund and establishment of the Fund, listing of people insured (e.g. minors, pregnant women, poor people etc.) 3. Legal ground for planning of expenditures and payments (also defined in the Law) 4. Elements for the planning (established on the basis of Ministry of Finance's Instruction) that are based on macroeconomic assumptions, list of legal duties of the Fund 6. Network of health institutions financed by the Fund 7. Detailed financial plan that includes revenues and expenditures

Comment:
See pages 1061-1121 of Budzet2019.pdf

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

Source:
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Annex 1 on page 80 in Fiscal strategy presents consolidated central government finances for BY-1, BY, BY+1, BY+2, along with other macroeconomic estimations. Annex 2 on page 81 disaggregates various income and expenditure for budget year. That overview includes budget of the state, budgets of regional and local governments, income and expenditures of social care funds and of only one public enterprise (Serbia Roads), that is considered to be "part of general state". In addition, table 5, line item "doprinosi" (i.e. "contributions") includes pension and health mandatory insurance. Table 6 contains information about "Social assistance and transfers" that includes pension and health care costs.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 35 asks about intergovernmental transfers. In many cases, the central government supports the provision of a good or service by a lower level of government through an intergovernmental transfer of funds. This is necessary because, independent from the level of administrative decentralization that

exists in a given country, the capacity for revenue collection of a local government is unlikely to be sufficient to pay for all its expenses. However, because the activity is not being undertaken by an administrative unit of the central government, it is unlikely to receive the same level of review in the budget. Thus it is important to include in the budget proposal a statement that explicitly indicates the amount and purposes of these transfers.

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

The narrative is a rather short and general (Article 7, page 52). However, there are tables that provide details on transfers to each municipality and to the Autonomous Province of Vojvodina. The table on Autonomous Province of Vojvodina from Explanatory Note provides detailed explanations and the legal basis for transfers. Narrative discussion is missing, but it would be very useful when it comes to the amount of funds to be transferred to cities and municipalities.

Comment:

Non-purpose assets to municipalities are presented in the table pg no 203-207, other purpose assets are under the code 463, which is disbursed throughout the EBP table. Assets for AP Vojvodina are determined by different law - Law on Determining Authorities of Autonomous Province of Vojvodina https://www.paragraf.rs/propisi/zakon_o_utvrdivanju_nadleznosti_autonomne_pokrajine_vojvodine.html

Vojvodina transfers in the Explanatory Note pg 19-20 <https://www.mfin.gov.rs/UserFiles/File/zakoni/2018/Obrazlozenje%202019.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

EBP consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27, 5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712, 7. Statement on compliance with EU regulation, two pages long Division of budget according to functions is visible in document no. 2.

There is no such discussion as a rule, although there are some potentially important information for further research in budget explanatory note about impact of budget policies to some groups of population. There is some information in budget documents that might be considered as an "alternative display".

Comment:

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

EBP consists of following documents: 1. Draft proposal of the budget (articles with general and public debt data) pages 1-52, 2. Tables with expenditures pages 52-209, 3. Draft proposal of budget (final articles, about execution of budget) pages 195-210, 4. Explanatory note to draft budget pages 1-27, 5. Explanatory note to draft budget - overview of expenditures per sectors and programs pages 1-52, 6. Explanatory note - information about programs pages 1-712, 7. Statement on compliance with EU regulation, two pages long Division of budget according to functions is visible in document no. 2.

There is no such discussion as a rule, although there are some potentially important information for further research in budget explanatory note about impact of budget policies to some groups of population. There is some information in budget documents that might be considered as an "alternative display".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

EBP documents include information about recipients of subsidies, its value and purpose. There is no narrative discussion in EBP explanatory note. Furthermore, there is lot of information about governmental guarantees to different banks intended for activities of public enterprises (either new or existing loans). Fiscal strategy brings important discussion about subsidies in previous and future period (page 43-64)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

38. Does the Executive's Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)

GUIDELINES:

Question 38 focuses on quasi-fiscal activities, asking whether "core" information related to such activities is presented. These core components include:

- A statement of purpose or policy rationale for the quasi-fiscal activity (i.e., what is the reason for engaging in this activity?);
- The identification of intended beneficiaries of the quasi-fiscal activity.

The term "quasi-fiscal activities" refers to a broad range of activities that are fiscal in character and could be carried out through the regular budget process but are not. For example, a quasi-fiscal activity could take place if, instead of providing a direct subsidy through the budget for a particular activity, a public financial institution provides an indirect subsidy by offering loans at below-market rates for that activity. Similarly, it is a quasi-fiscal activity when an enterprise provides goods or services at prices below commercial rates to certain individuals or groups to support the government's policy goals.

The above examples are policy choices that may be approved by the government and legislature. However, quasi-fiscal activities can also involve activities that violate or circumvent a country's budget process laws or are not subject to the regular legislative approval process for expenditures. For example, the executive may issue an informal order to a government entity, such as a public commercial enterprise, to provide the executive with goods and services that normally would have to be purchased with funding authorized by the legislature. All quasi-fiscal activities should be disclosed to the public and subject to public scrutiny.

Beyond the core information, some governments may also provide other information about quasi-fiscal activities, including for example: the anticipated duration of the quasi-fiscal activity; a quantification of the activity and the assumptions that support these estimates; and a discussion of the fiscal significance and potential risks associated with the activity, including the impact on the entity carrying out the activity. Principle 3.3.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) provides examples of quasi-fiscal activities that can be consulted as needed. And more details on quasi-fiscal activities can be found in the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to all quasi-fiscal activities for at

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

If quasi-fiscal activities do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question.

Answer:

d. No, information related to quasi-fiscal activities is not presented.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

The information on the exact cost of such activities is not presented in the EBP or its supporting documents (Fiscal strategy for 2019 with projections for 2020 and 2021)

Comment:

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy (page 21) contains information about value of some (most important) financial assets of the state, for example foreign currency reserve. Information is updated in September 2018. More detailed information about the level of state's financial assets is regularly available on National Bank of Serbia web page: https://www.nbs.rs/internet/english/18/pregled_grafikona_e.pdf

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IBP Comment
As information is not presented for at least the budget year (i.e. 2019) but rather, only through 09/2018, the response is revised from "c" to "d" to ensure consistency across survey countries.

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf
<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>
Fiscal strategy for 2019 with projections for 2020 and 2021.

It is not common to present information about non-financial assets of the state in budget documents. However, we found some - Table 20 (page 53) of Fiscal Strategy presents, among other things, overall value of assets of public enterprises. This is, however, insufficient for a positive answer.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

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

activities.

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

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

Answer:

c. Yes, estimates of some but not all expenditure arrears are presented.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf
EBP (pages 1-52) presents articles with general and public debt data.

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021 (pages 64-79) discussed expenditure arrears, dealing with state owned enterprises and their commitments and debts that have to be paid from the budget. While there are figures of previous debts and discussion on new policies, there are no figures with estimated new arrears in 2019.

<http://www.fiskalnisavet.rs/doc/ocena-i-misljenja/2018/Ocena-Predloga-zakona-o-budzetu-za-2019-godinu.pdf>

Fiscal Council, in its analyses of the budget for 2019, (pages 9-10, and 19-20), provides some information about this problem. FC estimates that it is possible to save about RSD 2 billion in this expenditure item in the next year. However, FC does not exclude the possibility that a somewhat broader budgetary framework has been left for the early repayment of some loans (which has already happened in previous years) or to take over the repayment of guaranteed loans from an enterprise that has so far settled these obligations independently.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

42. Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs, for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

GUIDELINES:

Question 42 focuses on contingent liabilities, asking whether "core" information related to these liabilities is presented. These core components include:

- a statement of purpose or policy rationale for each contingent liability;
- the new contingent liabilities for the budget year, such as new guarantees or insurance commitments proposed for the budget year; and
- the total amount of outstanding guarantees or insurance commitments at the end of the budget year. This reflects the gross exposure of the government in the case that all guarantees or commitments come due (even though that may be unlikely to occur).

Contingent liabilities are recognized under a cash accounting method only when the contingent event occurs and the payment is made. An example of such liabilities is the case of loans guaranteed by the central government, which can include loans to state-owned banks and other state-owned commercial enterprises, subnational governments, or private enterprises. Under such guarantees, government will only make a payment if the borrower defaults. Thus a key issue for making quantitative estimates of these liabilities is assessing the likelihood of the contingency occurring.

In the budget, according to the OECD, "[w]here feasible, the total amount of contingent liabilities should be disclosed and classified by major category reflecting their nature; historical information on defaults for each category should be disclosed where available. In cases where contingent liabilities cannot be quantified, they should be listed and described."

Beyond the core information, some governments may also provide other information about contingent liabilities, including for example: historical default rates

for each program, and likely default rates in the future; the maximum guarantee that is authorized by law; any special financing associated with the guarantee (e.g., whether fees are charged, whether a reserve fund exists for the purpose of paying off guarantees, etc.); the duration of each guarantee; and an estimate of the fiscal significance and potential risks associated with the guarantees.

For more details on contingent liabilities, see *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and page 59 (Box 11) and Principle 3.2.3 of the IMF's *Fiscal Transparency Handbook* (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

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

Answer:

b. Yes, the core information is presented for all contingent liabilities.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Article 3 of EBP (page 6) brings the list of planned guarantees in 2019, along with a brief explanation about the purpose of loan. Within the chapter A of that long Article, one may find information on total new guarantees to be issued during the budget year and specification (purpose, loan giver, amount in RSD and original currency).

On page 27, begins the title II Indirect liabilities. There are information about national and international debt. For every loan there is also information on public enterprise that was its beneficiary. Information exists about date of payment of main debt (first and last), main debt part in budget year and interest rate. There is also information about current value of debt. Sum of such indirect debt of the state is visible on page 38. Total amount of outstanding guarantees and liabilities is not available on one place, but it could be calculated based on existing information in EBP. There is information about current value of such liabilities, about those expected till the end budget year and about part of existing guarantees that will be paid for during the budget year.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

GUIDELINES:

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

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

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

Beyond the core information, some governments may also provide other information about the sustainability of their finances, including for example:

projections that cover 20 or 30 years; multiple scenarios with different sets of assumptions; assumptions about other factors (such as the depletion of natural resources) that go beyond just the core macroeconomic and demographic data; and a detailed presentation of particular programs that have long time horizons, such as civil service pensions.

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

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

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021 on pages 64-66 presents a program to decrease the level of public debt. See Table 21 Simulation of the level of total debt in the basic scenario until 2026, % of GDP (Табела 21. Симулација нивоа укупног дуга у основном сценарију до 2026. године, %БДП)

Comment:

As projections only cover a period of 7 years, response "c" has been chosen.

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

The EBP has information about donations (amount, purpose in economic classification and user). There are clear information about donations from IPA projects in EBP's Article 4 (pages 38-44), while the presentation of other donations is less detailed or not identified.

Comment:

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: I think that all sources of donor assistance are presented.

Government Reviewer

Opinion: Agree

Researcher Response

The score should remain the same. Namely, the EBP envisaged the total of 13.914.280.000 RSD. On the other hand, the table presented with elaborated donation details from IPA, amounts to 3.881.077.000 RSD only.

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

There is no information about tax expenditures that would be clearly presented as such. Most frequently, tax expenditures are used to stimulate investments, as one of stimulative means. However, there is no distinction between that type of subsidies and other in EBP and Fiscal Strategy, although the value of subsidies is visible in budget and there is some general discussion about effects of stimulative measures and investment regulation (chapter IV of FS). There is no information about other types of tax expenditures and subsidies for investments are not considered within this question.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

46. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues for at least the budget year?

GUIDELINES:

Question 46 asks about estimates of earmarked revenues, which are revenues that may only be used for a specific purpose (for example, revenues from a tax on fuel that can only be used for building roads). This information is important in determining which revenues are available to fund the government's general expenses, and which revenues are reserved for particular purposes.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all earmarked revenues and a narrative discussing the earmarks. If a narrative discussion is not included, but estimates for all earmarked revenues are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, earmarked revenues (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of earmarked revenues are presented. An "e" response applies if revenue is not earmarked or the practice is disallowed by law or regulation.

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

The only earmarked revenue that is clearly identified in EBP are donations and earmarked loans. According to the Budget System Law, it is possible to earmark the revenue but this practice is a rare exception, unlike in previous years (e.g. before 2012), when earmarked revenues were listed separately for each budget beneficiary within column "own income". The current Budget System Law does not deal with presentation of all revenues within one column. The value of donations is presented in a budget, but there is no narrative discussion. Aside from that, among rare earmarked revenues that exist on central government level, there is income of Serbian Lottery.

It is regulated by Article 18 of Law on Game on Chance, envisaging certain percentage to be distributed to the Red Cross organization, sport associations, rare disease fund etc. "Расподела прихода остварених по основу накнада Члан 18. Наменска примања буџета из члана 5. став 2. овог закона, распоређују се, у износу од по 19%, за финансирање: 1) Црвеног крста Србије; 2) организација особа са инвалидитетом и других удружења чији је циљ унапређење социјално-економског и друштвеног положаја особа са инвалидитетом; 3) установа социјалне заштите и других удружења чији је циљ унапређење социјално-економског и друштвеног положаја лица у стању социјалне потребе; 4) спорта и омладине; 5) јединица локалне самоуправе. Наменска примања буџета из члана 5. став 2. овог закона, распоређују се, у износу од 5%, за финансирање лечења ретких болести. Начин и критеријуме за расподелу средстава намењених финансирању субјеката и намена из ст. 1. и 2. овог члана утврђују надлежниминистри." Funds obtained from lottery is not separately presented in the budget, as a source of income.

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I think that b) is more correct. Earmarked revenues are very rare in Serbia, except for the contributions (Pension, Health, Unemployment).

Government Reviewer

Opinion: Agree

Researcher Response

Agree Having in mind that at least some of the earmarked revenues (e.g. donations for specific projects) are presented in the budget, we believe that the score should be changed to c), as a more accurate.

IBP Comment

As donations and loans are treated separately in the indicator specifically dedicated to aid (Q44), the existing response of "d" is maintained.

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:

c. Yes, information that shows how the proposed budget is linked to some but not all of the government's policy goals for the budget year is presented.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

There are dozens of strategies and action plans of the Government and only some of them are mentioned in the EBP and supporting document. The Fiscal Strategy, on pages 28-29, linked this issues to Serbia's negotiation with the IMF, rather than presenting to MPs and citizens the links between policies and the budget.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, but a narrative discussion is not included.

Comments: Every program must have defined at least one policy goal.

Researcher Response

Choosing of most proper answer to this question depends on identification of government priorities. On one hand, the EBP contains reference to the numerous strategic acts adopted by the Government, without detailed narrative discussion. However, there is no guarantee that all Government priorities are covered in that way. Some of the priorities defined in Prime Minister's 2017 expose are not translated into strategic acts (e.g. adoption of the Law on investigation of property origin). In general, when it comes to the legislation envisaged to be changed in various strategic acts, the budget covers expenditures only when such legislation is already adopted and not if it is still in preparation but envisaged to be effective in 2019 (e.g. Public procurement law, amendments to the Law on free access to information etc.). So, we suggest the score to remain the same.

IBP Comment

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

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:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021.

In budget documents there is no practice to discuss the financial effects of other government policy priorities. There are dozens of strategies and action plans of the Government and only some of them are mentioned in EBP and supporting document.

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/Program%20ekonomskih%20reformi%202019%20-%202021.pdf>

On January 24, 2019 the Government of the Republic of Serbia adopted the Economic Reform Program (ERP) for the period 2019-2021 as the most important strategic document in the economic dialogue with the European Commission and the Member States of the European Union (EU). The program contains a macroeconomic framework for the medium-term period, as well as a fiscal framework that includes accompanying fiscal policy measures and a detailed overview of structural reforms, with some financial expectations. See part 4 (IV. СТРУКТУРНЕ РЕФОРМЕ У ПЕРИОДУ ОД 2019. ДО 2021. ГОДИНЕ) beginning from page 67.

Comment:

As the macroeconomic and fiscal frameworks in the ERP were released after 31 December 2018 and were not part of the EBP package, they cannot be assessed for this question.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, but a narrative discussion is not included.

Comments: Every program has defined policy goals and planned expenditure.

Researcher Response

There is a multi-year estimation for specific budget programs, that are sometimes linked with government priorities. However, these estimations include non-financial indicators only.

IBP Comment

In light of the researcher's "Response to Review," the existing response of "d" is maintained.

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

GUIDELINES:

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

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

Nonfinancial data can include information on:

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

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

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

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal strategy for 2019 with projections for 2020 and 2021.

While explanatory note of program budget (document n.6 in the EBP) contains information about specific programs of all budget users, there is no information on non-financial inputs needed to fulfill such programs.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

See EBP's document n.6: "Explanatory note - information about programs", pages 1-712 (pdf pages 306-1017)

Since 2015 all budget users (agencies) provide non-financial data such as goals and indicators because all of them prepare program budget. Information is presented in document n.6 of the EBP ("Explanatory note - information about programs"), pages 1-712. The quality of non-financial estimations is disputable, their legal status as well as usefulness of that system. Namely, being part of explanatory note only (and not legal provisions), eventual failure to achieve goals would not be considered as a violation of the law. Usefulness is significantly lesser in the absence of discussion on program budget implementation.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

51. Are performance targets assigned to nonfinancial data on results in the Executive's Budget Proposal or any supporting budget documentation?

GUIDELINES:

Question 51 asks about performance targets assigned to nonfinancial data on results for the budget year. The question applies to those nonfinancial results shown in the budget, and that were identified for purposes of Question 50.

To answer "a," the Executive's Budget Proposal or supporting documentation must assign performance targets to all nonfinancial data on results shown in the budget for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must assign performance targets to a majority (but not all) of the nonfinancial data on results shown in the budget. A "c" response applies performance targets are assigned only to less than half of the nonfinancial data on results. Answer "d" applies if no performance targets are assigned to nonfinancial data on results shown in the budget, or the budget does not present nonfinancial results.

Answer:

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

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

See EBP's document n.6: "Explanatory note - information about programs", pages 1-712 (pdf pages 306-1017)

Since 2015 all budget users provide non-financial data such as goals and indicators because all of them prepare program budget. Information is provided in document n.6 of EBP ("Explanatory note - information about programs") pages 1-712. But, it is not clear what the indicator really measures. For example, on page 679 (page 984 of the pdf), it can be seen that the Anti-Corruption Agency will control the assets of 320 functionaries in 2019, with 300 controls in the base year 2017. There are no projections of the number of controls for 2020 and 2021. This is an example of inconsistency in the preparation of the program budget, since in some cases non-financial indicators are presented for the following years. For example, on page 686, the number of licenses issued for the operation of the lift is given, and as base year is stated 2018. The quality of non-financial estimations is disputable, their legal status as well as usefulness of that system. Namely, being part of explanatory note only (and not legal provisions), eventual failure to achieve goals would not be considered as a violation of the law. Usefulness is significantly lesser in the absence of discussion on program budget implementation.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

52. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations in at least the budget year?

GUIDELINES:

Question 52 asks whether the budget highlight policies, both new and existing, that benefit the poorest segments of society. This question is intended to assess only those programs that directly address the immediate needs of the poor, such as through cash assistance programs or the provision of housing, rather than indirectly, such as through a stronger national defense. This information is of particular interest to those seeking to bolster government's commitment to anti-poverty efforts. For purposes of answering this question, a departmental budget (such for the Department of Social Welfare) would not be considered acceptable. In general, this question is asking whether the EBP includes a special presentation that pulls together estimates of all the relevant policies in one place. However, if the country uses "program budgeting," where programs are presented as expenditure categories with specific and identified objectives, and it identifies anti-poverty programs within each administrative unit, then that is also acceptable for this question.

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

(<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of countries that have provided information on how its policies affect the poor.

For instance, Pakistan provides a detailed breakdown of pro-poor expenditure as part of its 2017-18 budget proposal. In one document, the government sets

out policy priorities, expected outputs, and estimates of past and future spending for several programs aimed at poverty alleviation. Another supporting document provides a comprehensive overview of ongoing policies, including a chapter on social safety nets, covering both financial and performance information of poverty alleviation schemes over a period of eight years. (http://www.finance.gov.pk/budget/mtbf_2018_21.pdf and http://www.finance.gov.pk/survey_1718.html).

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

Answer:

b. Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, but a narrative discussion is not included.

Source:

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

<http://www.mfin.gov.rs/UserFiles/File/strategije/2019/FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

See specifically, EBP's document n.6 "Explanatory note - information about programs" pages 1-712 (pdf pages 306-1017). and Fiscal Strategy for 2019 with projections for 2020 and 2021.

For example, in EBP (page 554, pdf page 859) one may find figures of citizens receiving financial aid for poor people or other persons' care (plan to gradually increase number of recipients in 2019/2021 period). On (page 558, pdf page 863) one may find figures of citizens receiving financial aid for poor children.

In the Fiscal Strategy on page 42, Social care and transfers are identified as "biggest expenditure category of the budget" that has to be decreased till 2021 from 15,1 to 14,2 % of GDP. Although there is some narrative discussion, as explained, it treats poverty reduction in a sporadic way and does not provide explanation about plans to achieve stated priorities.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

a. Yes, a detailed timetable is released to the public.

Source:

https://www.paragraf.rs/propisi_download/zakon_o_budzetskom_sistemu.pdf

These deadlines are stated in the Budget System Law, article 31 which is widely available to public. Since the EBP is produced as a result of a budget

drafting process, it seems unreasonable to publish plan of budget preparation activities in EBP. Therefore the answer may be A, even if formally budget system law is not part of EBP. However, Government usually disrespect budget calendar, in particular in regards drafting and publishing of PBS. That happened in 2018 as well, when the Fiscal Strategy and EBP appeared only in November, instead of on June 15th and October 15th, respectively. Delay was not publicly explained.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

54. Does the Pre-Budget Statement present information on the macroeconomic forecast upon which the budget projections are based?

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

GUIDELINES:

Question 54 focuses on the macroeconomic forecast that underlies the Pre-Budget Statement, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

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

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

To answer "a," the Pre-Budget Statement must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Pre-Budget Statement must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy for 2019, with projections for 2020 and 2021.

However, as being adopted together and not much in advance EBP, in 2018, document is not eligible. It is considered here as a supporting document to the EBP. Document does contain discussion of all the main elements, but it is not adopted on time, according OBS methodology.

Comment:

Peer Reviewer
Opinion: Disagree
Suggested Answer:

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

Comments: I do not agree with the researcher. Yes, the document was not adopted on time, but that was not the question here. The question was about the information contained in the EBP and it does contain the core information, even some beyond the core.

Government Reviewer
Opinion: Disagree
Suggested Answer:

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

Comments: Fiscal Strategy for 2019, with projections for 2020 and 2021. has core information for macroeconomic forecast.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

d. No, information related to the government's expenditure policies and priorities is not presented.

Source:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy for 2019, with projections for 2020 and 2021.

However, as being adopted together and not much in advance EBP, in 2018, document is not eligible. It is considered here as a supporting document to the EBP. Document does contain discussion of all the main elements, but it is not adopted on time, according OBS methodology.

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: The Fiscal Strategy does contain core information.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Fiscal Strategy for 2019, with projections for 2020 and 2021. has core information for the government's policies and priorities.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

d. No, information related to the government's revenue policies and priorities is not presented.

Source:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy for 2019, with projections for 2020 and 2021.

However, as being adopted together and not much in advance EBP, in 2018, document is not eligible. It is considered here as a supporting document to the EBP. Document does contain discussion of all the main elements, but it is not adopted on time, according OBS methodology.

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Fiscal Strategy for 2019, with projections for 2020 and 2021. has core information for the government's revenue policies and priorities.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

57. Does Pre-Budget Statement present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

GUIDELINES:

Question 57 asks whether the Pre-Budget Statement includes three key estimates related to borrowing and debt:

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

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

or international financial institutions such as the World Bank and the International Monetary Fund.

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

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

To answer "a," the Pre-Budget Statement must present all three estimates of borrowing and debt for at least the upcoming budget year. For a "b" answer, the Pre-Budget Statement must present two of those three estimates. For a "c" answer, the PBS must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the PBS.

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy for 2019, with projections for 2020 and 2021.

However, as being adopted together and not much in advance EBP, in 2018, document is not eligible. It is considered here as a supporting document to the EBP. Document does contain discussion of all the main elements, but it is not adopted on time, according OBS methodology.

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: Fiscal Strategy for 2019, with projections for 2020 and 2021.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

58. Does the Pre-Budget Statement present estimates of total expenditures for a multi-year period (at least two-years beyond the budget year)?

GUIDELINES:

Question 58 asks about multi-year expenditure estimates in the Pre-Budget Statement.

To answer "a," expenditure estimates for at least two years beyond the upcoming budget year must be presented. The estimates must be for at least total expenditures, but could include more detail than just the aggregate total.

Answer:

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

Source:

<http://www.mfin.gov.rs/UserFilesFile/strategije2019FISKALNA%20STRATEGIJA%20ZA%202019.pdf>

Fiscal Strategy for 2019, with projections for 2020 and 2021.

However, as being adopted together and not much in advance EBP, in 2018, document is not eligible. It is considered here as a supporting document to the EBP. Document does contain discussion of all the main elements, but it is not adopted on time, according OBS methodology.

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, multi-year expenditure estimates are presented.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, multi-year expenditure estimates are presented.

Comments: Fiscal Strategy for 2019, with projections for 2020 and 2021.

IBP Comment

The Fiscal Strategy for 2019 with projections for 2020 and 2021 is published in the same period as the 2019 EBP, and functions as a supporting document for it in practice. Moreover, as the same document cannot be double counted as both a Pre-Budget Statement and an EBP supporting document, we have determined the PBS to be not produced for FY 2019.

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:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>
Закон о буџету Републике Србије за 2019. годину

The Law on Budget of Republic of Serbia for year 2019 Expenditures are classified in Article 8, from page 52 on. The title of column number 4. is "function" and there are functional classification codes (e.g. 110, 130)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

59b. Based on the response to Question 59, check the box(es) to identify which expenditure classifications are included in the Enacted Budget:

Answer:

Administrative classification

Economic classification

Functional classification

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>
Закон о буџету Републике Србије за 2019. годину

The Law on Budget of Republic of Serbia for year 2019 Expenditures are classified in Article 8, from page 52 on. The title of column number 4. is "function" and there are functional classification codes (e.g. 110, 130)

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

60. Does the Enacted Budget present expenditure estimates for individual programs?

GUIDELINES:

Question 60 asks if expenditure estimates in the Enacted Budget are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

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

To answer "a," the Enacted Budget must present all programs, which account for all expenditures, in the budget year. To answer "b," the Enacted Budget must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Enacted Budget presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Enacted Budget.

Answer:

a. Yes, the Enacted Budget presents estimates for programs accounting for all expenditures.

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>
Закон о буџету Републике Србије за 2019. годину

The Law on Budget of Republic of Serbia for year 2019 Expenditures are classified in Article 8, from page 52 on. Individual programs are also identified in article 8 of the Enacted Budget.

Comment:

For the purpose of this question, we are considering programs all line items below each main administrative units heading.

For example: 1. NATIONAL ASSEMBLY - PROFESSIONAL SERVICES The political system General services Supporting the work of the Republic Electoral Commission Professional and administrative - technical support for the work of MPs Elections for the President of the Republic

2. PRESIDENT OF THE REPUBLIC The political system Executive and legislative organs, financial and fiscal affairs and foreign affairs Professional and other tasks in order to achieve the functions of the President of the Republic And so forth. (page 53)

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

61. Does the Enacted Budget present revenue estimates by category (such as tax and non-tax)?

GUIDELINES:

Question 61 asks whether revenue estimates in the Enacted Budget are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Enacted Budget must present revenue estimates classified by category.

Answer:

a. Yes, the Enacted Budget presents revenue estimates by category.

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>
Закон о буџету Републике Србије за 2019. годину

The Law on Budget of Republic of Serbia for year 2019.

Article 1. presents all major revenue sources by type and value. See for example pages 1 and 2

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

62. Does the Enacted Budget present individual sources of revenue?

GUIDELINES:

Question 62 asks whether revenue estimates for individual sources of revenue are presented in the Enacted Budget. The question applies to both tax and non-tax revenue.

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

Answer:

b. Yes, the Enacted Budget presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.

Source:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>
Закон о буџету Републике Србије за 2019. годину
The Law on Budget of Republic of Serbia for year 2019.

Comment:

Article 1, pages 1 and 2. All major incomes are individualized, but there are still some minor income sources grouped in one category. Article 1. of EB presents tax revenues by categories. Income for vast majority of taxes is individualized, but there are two "other" categories, for taxes and excesses. There is also information about the structure of non-tax revenues. Some of them are identified more precisely ("profit of public agencies", "share in profit of public enterprises", "income from decrease of salaries in public sector", "income from sale of goods and services", while some seems to be broader ("income from transfers"). Finally, there are categories labeled "other non-regular income" with 10 billion RSD value and "other regular non-tax income" with 16.9 billion RSD, while the total of non-tax income is more than 172 billion RSD.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Enacted Budget presents individual sources of revenue accounting for all revenue.

IBP Comment

In the cited article on pp. 1-2, the categories "Other taxes on goods and services," "Other excise duties," "Other tax revenues," "Other ordinary non-tax revenues," and "Other extraordinary income" together account for more than three percent of overall revenue. Per the guidelines for question 62, response "b" is maintained.

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:

<http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2018/budzet%202019.pdf>

Закон о буџету Републике Србије за 2019. годину

The Law on Budget of Republic of Serbia for year 2019.

Article 3. More detailed information in response to the same question about EBP.

pg 9 - 32 para B state of public debt of Serbia table with direct obligations presenting the interest rates for each individual debts

Comment:

Total debt outstanding at the end of the budget year (BY 2019): Sum on page 38 provides for information about total government's debt (domestic and foreign) as it was at the end of third quarter of 2018: УКУПНО ИНДИРЕКТНЕ ОБАВЕЗЕ-СПОЉНИ ДУГ 1.460.765.563 EUR (172.980.789.964 RSD) УКУПНО ИНДИРЕКТНЕ ОБАВЕЗЕ (спољни + унутрашњи) 1.562.579.818 (185.037.420.123) УКУПНО УНУТРАШЊИ ДУГ (директне + индиректне обавезе) 9.923.460.230 (1.175.115.321.052) УКУПНО СПОЉНИ ДУГ (директне+ индиректне обавезе)14.035.307.879 (1.662.031.684.616) УКУПНО СТАЊЕ ДУГА 23.958.768.109 (2.837.147.005.668).

There is also information on money to be paid during the BY and interest rate. Based on that it is possible to estimate value of public debt at the end of BY, but there is no such figure explicitly mentioned in the Enacted Budget. Interest payments on the outstanding debt for the budget year (BY 2019). Clearly declared for each debt contract, in Article 3. of the Budget Law. For example: ЕИВ-Пројекат обнове школа (name of creditor and purpose of loan) Први датум отплате главнице 07.02.2012. (start date to repay the main debt) Последњи датум отплате главнице 26.03.2029. (last date to repay the main debt) Рата главнице за 2019. год. 1.661.012 EUR (part of main debt to be paid in 2019) Каматна стопа (fixed rate)

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Government Reviewer

Opinion: Agree

Researcher Response

As already mentioned, one out of three mandatory estimates for answer a) is missing. The existing information in the Enacted budget might be used to estimate the value of public debt at the end of BY, but there is no such estimation explicitly stated in the Enacted budget.

64. What information is provided in the Citizens Budget?

(The core information must include expenditure and revenue totals, the main policy initiatives in the budget, the macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens.)

GUIDELINES:

Question 64 focuses on the content of the Citizens Budget, asking whether "core" information is presented. These core components include:

- *expenditure and revenue totals;*
- *the main policy initiatives in the budget;*
- *the macroeconomic forecast upon which the budget is based; and*
- *contact information for follow-up by citizens.*

To answer "a," the Citizens Budget or supporting documentation must present all of the above core information as well as some additional information beyond the core elements. To answer "b," the Citizens Budget must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if the Citizens Budget includes some of the core components above, but other core pieces of information are not included. Answer "d" applies if a Citizens Budget is not published.

Answer:

c. The Citizens Budget provides information, but it excludes some core elements.

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Gradjanski vodic kroz budzet za 2018

It was published on the web-site of Ministry of Finance on Jan 11 2018.

Comment:

Citizens budget contains following chapters: what is budget, the budget preparation process, what is financed from the budget, represents the structure of the public sector, the structure of general government expenditures by levels of government, plan for 2018, the structure of the republic budget, program budget and public debt.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

65. How is the Citizens Budget disseminated to the public?

GUIDELINES:

Question 65 asks how the Citizens Budget is disseminated to the public. Citizens Budgets should be made available to a variety of audiences. Therefore paper versions and an Internet posting of a document might not be sufficient.

To answer "a," the executive must use three or more different types of creative media tools to reach the largest possible share of the population, including those who otherwise would not normally have access to budget documents or information. Dissemination would also be pursued at the very local level, so that the coverage is targeted both by geographic area and population group (e.g., women, elderly, low income, urban, rural, etc.). Option "b" applies if significant dissemination efforts are made through a combination of two means of communications, for instance, both posting the Citizens Budget on the executive's official website and distributing printed copies of it. Option "c" applies if the Citizens Budget is disseminated through only posting on the executive's official website. Option "d" applies when the executive does not publish a Citizens Budget.

Answer:

c. A Citizens Budget is disseminated only by using one means of dissemination.

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>

Gradjanski vodici kroz budzet za 2018

It was published on the web-site of Ministry of Finance on Jan 11 2018. The information about its uploading was published only on one not that influential public portal <https://www.dijalog.net/objavljen-gradjanski-vodic-kroz-budzet-republike-srbije-za-2018-godinu/>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

66. Has the executive established mechanisms to identify the public's requirements for budget information prior to publishing the Citizens Budget?

GUIDELINES:

Question 66 asks whether the executive has established mechanisms to identify the public's requirements for budget information before publishing a Citizens Budget. What the public wants to know about the budget might differ from the information the executive includes in technical documents that comprise the Executive's Budget Proposal or the Enacted Budget; similarly, different perspectives might exist on how the budget should be presented, and this may vary depending on the context. For this reason the executive should consult with the public on the content and presentation of the Citizens Budget.

To answer "a," the executive must have established mechanisms to consult with the public, and these mechanisms for consultation are both accessible and widely used by the public. Such mechanisms can include focus groups, social networks, surveys, hotlines, and meetings/events in universities or other locations where people gather to discuss public issues. In countries where Citizens Budgets are consistently produced and released, it may be sufficient for the government to provide the public with contact information and feedback opportunities, and subsequently use the feedback to improve its management of public resources.

Option "b" applies if the executive has established mechanisms for consultation that are accessible to the public, but that the public nonetheless does not use frequently. That is, the public does not typically engage with the executive on the content of the Citizens Budget, even though the executive has created opportunities for such consultation. Option "c" applies if the executive has established mechanism for consultation with the public, but they are poorly designed and thus not accessible to the public. Option "d" applies if the executive has not created any mechanisms to seek feedback from the public on the content of the Citizens Budget.

Answer:

d. No, the executive has not established any mechanisms to identify the public's requirements for budget information in the Citizen's Budget.

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodici%20kroz%20budzet%202018.pdf>
Gradjanski vodici kroz budzet za 2018

It was published on the web-site of Ministry of Finance on Jan 11 2018.

A Citizens Budget does not contain mechanisms to seek feedback from the public on the content of the Citizens Budget.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

67. Are "citizens" versions of budget documents published throughout the budget process?

GUIDELINES:

Question 67 asks if "citizens" versions of budget documents are published throughout the budget process. While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle.

To answer "a," a citizens version of at least one budget document is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit) – for a total of at least four citizens budget documents throughout the process. Option "b" applies if a citizens version of a budget document is published for at least two of the four stages of the budget process. Option "c" applies if a citizens version of a budget document is published for at least one of the four stages of the budget process. Select option "d" if no "citizens" version of budget documents is published.

Answer:

c. A citizens version of budget documents is published for at least one stage of the budget process.

Source:

<http://www.mfin.gov.rs/UserFiles/File/dokumenti/2018/Gradjanski%20vodic%20kroz%20budzet%202018.pdf>
Gradjanski vodic kroz budzet za 2018

It was published on the web-site of Ministry of Finance on Jan 11 2018, more than one month after EB was adopted (Dec 7 2017).

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

Answer:

c. Yes, the In-Year Reports present actual expenditures by only one of the three expenditure classifications.

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија

Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>

Табела 1: Консолидовани биланс државе у периоду од 2005-2018. године у мил. динара (pages 38-40) "Consolidated balance of state in the period 2005 - 2018"

Comment:

Expenditures are classified on the basis of economic classification only.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

68b. Based on the response to Question 68, check the box(es) to identify which expenditure classifications are included in the In-Year Reports:

Answer:
Economic classification

Source:
<http://www.mfin.gov.rs/pages/issue.php?id=1568>
Билтен јавних финансија
Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>
Табела 1: Консолидовани биланс државе у периоду од 2005-2018. године у мил. динара (pages 38-40) "Consolidated balance of state in the period 2005 - 2018"

Comment:
Expenditures are classified on the basis of economic classification only.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

69. Do the In-Year Reports present actual expenditures for individual programs?

GUIDELINES:

Question 69 asks if expenditure estimates in In-Year Reports are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

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

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

Answer:
d. No, the In-Year Reports do not present actual expenditures by program.

Source:
<http://www.mfin.gov.rs/pages/issue.php?id=1568>
Билтен јавних финансија
Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>
Табела 1: Консолидовани биланс државе у периоду од 2005-2018. године у мил. динара (pages 38-40) "Consolidated balance of state in the period 2005 - 2018"

Comment:
Expenditure classified by economic classification only.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

70. Do the In-Year Reports compare actual year-to-date expenditures with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

GUIDELINES:

Question 70 asks whether In-Year Reports compare actual expenditures to-date with either the enacted levels or actual expenditures for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date expenditures in a format that allows for a comparison with the budget's forecast expenditures (based on enacted levels) for the same period.

To answer "a," comparisons must be made for expenditures presented in the In-Year Reports

Answer:

a. Yes, comparisons are made for expenditures presented in the In-Year Reports.

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија

Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>

Табела 1: Консолидовани биланс државе у периоду од 2005-2018. године у мил. динара (pages 38-40) "Consolidated balance of state in the period 2005 - 2018"

Comment:

See columns "Индекс номиналног раста јан-сеп 2018 / 2017" and "Индекс реалног раста јан-сеп 2018 /2017" on pg. 40

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

71. Do In-Year Reports present actual revenue by category (such as tax and non-tax)?

GUIDELINES:

Questions 71 asks whether In-Year Reports present actual revenues by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," In-Year Reports must present revenue estimates classified by category.

Answer:

a. Yes, In-Year Reports present actual revenue by category.

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија

Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>

See "Table 4. Tax income in mlrd din" (page 52) and Table 6. Non-tax incomes in mlrd din" (page 55)

Comment:

Actual revenue is presented individually for almost all tax and non-tax revenue, with possibility to compare it on monthly and annual level with previous periods (2005-2018).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

72. Do In-Year Reports present the individual sources of revenue for actual revenues collected?

GUIDELINES:

Question 72 asks whether In-Year Reports present actual collections of individual sources of revenue (such as income taxes, VAT, etc.). The question applies to both tax and non-tax revenue.

To answer "a," In-Year Reports must present actual collections for all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," In-Year Reports must present actual collections for individual sources of revenue that when combined account for at least two-thirds of all revenue collected, but not all revenue. A "c" answer applies if In-Year Reports present individual sources of actual revenue that account for less than two-thirds of all revenue collected. Answer "d" applies if individual sources of actual revenue are not presented.

Answer:

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

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија

Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>

Табела 1: Консолидовани биланс државе у периоду од 2005-2018. године у мил. динара (pages 38-40) "Consolidated balance of state in the period 2005 - 2018"

Министарство финансија Табела 3. Примања и издаци буџета Републике Србије од 2005. до 2018. године у мил. динара (pages 48-51) "Receipts and expenditures of the budget of the Republic of Serbia from 2005 to 2018 mil. dinars"

Табела 4. Порески приходи у мил. динара "Table 4. Tax income in mlrd din" (page 52)

Table 6. Non-tax incomes in mlrd din" (page 55)

Comment:

Actual revenue is presented individually for almost all tax and non-tax revenue, with possibility to compare it on monthly and annual level with previous periods (2005-2018)

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:

a. Yes, In-Year Reports present individual sources of actual revenue accounting for all revenue.

IBP Comment

The categories "Other tax revenues" and "Other non-tax revenues" together account for more than three percent of overall revenue. Per the guidelines for question 72, response "b" is maintained.

73. Do the In-Year Reports compare actual year-to-date revenues with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

GUIDELINES:

Question 73 asks whether In-Year Reports compare actual revenues to-date with either the enacted levels or actual revenues for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date revenues in a format that allows for a comparison with the budget's forecast revenues (based on enacted levels) for the same period.

To answer "a," comparisons must be made for revenues presented in the In-Year Reports.

Answer:

a. Yes, comparisons are made for revenues presented in the In-Year Reports.

Source:

<http://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија

Министарство финансија, Макроекономски и фискални подаци

<https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf>

Табела 1: Консолидовани биланс државе у периоду од 2005-2018. године у мил. динара (pages 38-40) "Consolidated balance of state in the period 2005 - 2018"

Actual revenue is presented individually for almost all tax and non-tax revenue, with possibility to compare it on monthly and annual level with previous periods (2005-2018). There is no comparison with budget plans.

Табела 2. Консолидовани биланс државе по нивоима власти, у периоду јануар-септембар 2018. године у мил. динара (pages 42-43) "Consolidated balance sheet of the state by levels of government, in the period January-September 2018. year mil. dinars"

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

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

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

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

Answer:

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

Source:

<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија "Bulletin of Public Finance"

ЈАВНИ ДУГ РЕПУБЛИКЕ СРБИЈЕ АНАЛИЗА СТАЊА ДУГА РЕПУБЛИКЕ СРБИЈЕ У ПЕРИОДУ ОД 2000. ГОДИНЕ ДО 30.09.2018. ГОДИНЕ <https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf> (pages 80-89) "PUBLIC DEBT OF THE REPUBLIC OF SERBIA ANALYSIS OF DEBT STATUS OF THE REPUBLIC OF SERBIA IN THE PERIOD FROM 2000 TO 30.09.2018"

Comment:

There is a very detailed presentation of public debt and its structure, with information about individual credit contracts. However, all tables in that part of the Public Finance Bulletin deal with actual debt level on a certain date, i.e. September 30th 2018 in the quoted source. The same table contains also information about paid interest to the outstanding government debt and guarantees provided to the public enterprises.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: All three are available.

Government Reviewer

Opinion: Agree

Researcher Response

In-year reports produced by the Ministry of Finance are very detailed when it comes to the status of public debt on a date of reporting. However, there is no estimation of "net new borrowing", i.e. "the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues".

IBP Comment

Per follow-up communication from the peer reviewer, additional monthly and quarterly reports with information on government borrowing and debt are prepared and published monthly and quarterly by the Public Debt Administration. As we are unable to verify the timeliness of their publication online, the existing response of "b" is maintained.

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:

<https://www.mfin.gov.rs/pages/issue.php?id=1568>

Билтен јавних финансија "Bulletin of Public Finance"

ЈАВНИ ДУГ РЕПУБЛИКЕ СРБИЈЕ АНАЛИЗА СТАЊА ДУГА РЕПУБЛИКЕ СРБИЈЕ У ПЕРИОДУ ОД 2000. ГОДИНЕ ДО 30.09.2018. ГОДИНЕ <https://www.mfin.gov.rs/UserFiles/File/bilten%20javne%20finansije/2018/Bilten%20javnih%20finansija%20169.pdf> (pages 80-89) "PUBLIC DEBT OF THE REPUBLIC OF SERBIA ANALYSIS OF DEBT STATUS OF THE REPUBLIC OF SERBIA IN THE PERIOD FROM 2000 TO 30.09.2018"

Comment:

There is a very detailed presentation of the public debt structure, with information about individual credit contracts. All tables in that part of the Public Finance Bulletin deal with actual debt level on a certain date, i.e. September 30th 2018 in the quoted source. The same table contain also information about paid interest to the outstanding government debt and guarantees provided to the public enterprises. As said, information about debt is very detailed. For example, table on page 84-86 presents purpose of every foreign debt contract, original amount, current level of debt (September 30th 2018) in EUR, USD and RSD. Tables for domestic and external debt are separated (pages 83 and 84-86 respectively). There is even presentation of debt structure according to the original currency, fixed or variable interest rate etc. However, there is no information about interest rates and maturity profile of the debt, neither individually, nor per category.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Government Reviewer

Opinion: Agree

IBP Comment

Per follow-up communication from the peer reviewer, additional monthly and quarterly reports with information on government borrowing and debt are prepared and published monthly and quarterly by the Public Debt Administration. As we are unable to verify the timeliness of their publication online, the existing response of "c" is maintained.

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:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

The document that is considered mid-year report in Serbia we obtained by using free access to information of public importance, however, this document does not satisfy OBI standards for MYR, therefore, it is considered as not produced at all. This report was not considered after it arrived to parliament, nor published. Parliament received this Report on July 17, 2018. The document consists of just a few pages, without explanation. It only contains total numbers of revenue and expenditure and can not be considered as appropriate for this survey .

Comment:

The last report on the execution of the budget was published on July 14, 2017 on the website of the National Assembly. After July 2017, no one report was published.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

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Comment:

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:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

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Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

78b. Based on the response to Question 78, check the box(es) to identify which expenditure classifications are included in the Mid-Year Review:

Answer:

None of the above

Source:

<http://www.parliament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

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Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

79. Does the Mid-Year Review of the budget present expenditure estimates for the budget year underway for individual programs?

GUIDELINES:

Question 79 asks if expenditure estimates in the Mid-Year Review are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaill e. (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:

<http://www.parliament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

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Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

80. Does the Mid-Year Review of the budget include updated revenue estimates for the budget year underway?

GUIDELINES:

Question 80 asks whether the Mid-Year Review includes updated estimates of revenue for the budget year, and provides an explanation of the update.

To answer "a," the Mid-Year Review must include updated revenue estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the revenue estimates must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated revenue estimates, but no explanation for the revisions is provided. A "d" response applies if the revenue estimates have not been updated.

Answer:

d. No, revenue estimates have not been updated.

Source:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

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Comment:

Peer Reviewer
Opinion: Agree

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:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

The document that is considered mid-year report in Serbia we obtained by using free access to information of public importance, however, this document does not satisfy OBI standards for MYR, therefore, it is considered as not produced at all. This report was not considered after it arrived

to parliament, nor published. Parliament received this Report on July 17, 2018. The document consists of just a few pages, without explanation. It only contains total numbers of revenue and expenditure and can not be considered as appropriate for this survey .

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

The document that is considered mid-year report in Serbia we obtained by using free access to information of public importance, however, this document does not satisfy OBI standards for MYR, therefore, it is considered as not produced at all. This report was not considered after it arrived to parliament, nor published. Parliament received this Report on July 17, 2018. The document consists of just a few pages, without explanation. It only contains total numbers of revenue and expenditure and can not be considered as appropriate for this survey .

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

<http://www.parlament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-1792.html>

The document that is considered mid-year report in Serbia we obtained by using free access to information of public importance, however, this document does not satisfy OBI standards for MYR, therefore, it is considered as not produced at all. This report was not considered after it arrived to parliament, nor published. Parliament received this Report on July 17, 2018. The document consists of just a few pages, without explanation. It only contains total numbers of revenue and expenditure and can not be considered as appropriate for this survey .

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

84. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

GUIDELINES:

Question 84 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual expenditures for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion. Answer "b" if estimates of the differences for all expenditures are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all expenditures, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report

Answer:

d. No, estimates of the differences between the enacted levels and the actual outcome for expenditures are not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557... (http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

85. Does the Year-End Report present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 85 asks if expenditure estimates in the Year-End Report are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer “a,” the Year-End Report must present expenditure estimates by all three of the expenditure classifications. Answer “b” if expenditure estimates are presented by two of these three classifications. Answer “c” if expenditure estimates are presented by one of the three classifications. Answer “d” if expenditure estimates are not presented by any of the three classifications in the Year-End Report.

Answer:

d. No, the Year-End Report does not present expenditure estimates by any expenditure classification.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as “not produced”.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

85b. Based on the response to Question 85, check the box(es) to identify which expenditure classifications are included in the Year-End Report:

Answer:

None of the above

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as “not produced”.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

86. Does the Year-End Report present expenditure estimates for individual programs?

GUIDELINES:

Question 86 asks if expenditure estimates in the Year-End Report are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

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

To answer "a," the Year-End Report must present expenditure estimates for all individual programs, accounting for all expenditures. Answer "b" if the Year-End Report presents expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. Answer "c" if the Year-End Report presents programs that account for only less than two-thirds of expenditures. Answer "d" if expenditures are not presented by program in the Year-End Report.

Answer:

d. No, the Year-End Report does not present expenditure estimates by program.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

87. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

GUIDELINES:

Question 87 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual revenues for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all revenues, along with a narrative discussion. Answer "b" if estimates of the differences for all revenues are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all revenues, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report.

Answer:

d. No, estimates of the differences between the enacted levels and the actual outcome for revenues are not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

88. Does the Year-End Report present revenue estimates by category (such as tax and non-tax)?

GUIDELINES:

Question 88 asks whether revenue estimates in the Year-End Report are presented by "category"—that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Year-End Report must present revenue estimates classified by category.

Answer:

b. No, the Year-End Report does not present revenue estimates by category.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

89. Does the Year-End Report present individual sources of revenue?

GUIDELINES:

Question 89 asks whether revenue estimates for individual sources of revenue are presented in the Year-End Report. The question applies to both tax and non-tax revenue.

To answer "a," the Year-End Report must present all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. Answer "b" if the Year-End Report presents individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. Answer "c" if the Year-End Report presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" if individual sources of revenue are not presented in the Year-End Report.

Answer:

d. No, the Year-End Report does not present individual sources of revenue.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

The Year-End Report for the last year was not produced, but if it were, it would have presented most of the individual sources of revenue.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90. Does the Year-End Report present the differences between the original estimates of government borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 90 asks whether the Year-End Report includes estimates of the differences between the original estimates and the actual outcome for the fiscal year for borrowing and debt, including its composition, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:

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

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

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

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year is not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)
Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90b. Based on the response to Question 90, check the box(es) to identify which estimates of government borrowing and debt, including its composition, have the differences between the original forecast and the actual outcome for the year presented in the Year-End Report:

Answer:

Information beyond the core elements:

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)
Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

The Year-End Report for last year was not produced, but if it were, it would have presented the differences between planned and actual flows (net new borrowing and interest expenditures), but probably not for debt stock

Peer Reviewer

Opinion: Agree

Government Reviewer
Opinion: Agree

91. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.

To answer "a," the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year is not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

91b. Based on the response to Question 91, check the box(es) to identify which elements of the macroeconomic forecast have the differences between the original forecast and the outcome for the year presented in the Year-End Report:

Answer:

None of the above

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

92. Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?

GUIDELINES:

Question 92 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 49 for the nonfinancial data on inputs included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome are not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557... (http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

93. Does the Year-End Report present the differences between the original estimates of nonfinancial data on results and the actual outcome?

GUIDELINES:

Question 93 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 92).

Refer to Question 50 for the nonfinancial data on results included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome are not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557... (http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer
Opinion: Agree

94. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

GUIDELINES:

Question 94 asks whether the Year-End Report includes estimates of the differences between the enacted level of funds for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 52 for assistance to the most impoverished populations in the Executive's Budget Proposal.

To answer "a," the Year-End Report must present estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit the country's most impoverished populations and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the enacted level for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)
Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

95. Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

GUIDELINES:

Question 95 asks whether the Year-End Report presents estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 33 for estimates of extra-budgetary funds in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome is not presented.

Source:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)
Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced".

Comment:

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:

The most recent YER, for 2014, was published on 30th December 2015. http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=2557...
(http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=255719)

Since the Government did not adopt or publish a YER for 2017 by the end of 2018, the YER is considered as "not produced". Regularly, the financial statement would be part of the YER.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

97. What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

GUIDELINES:

Question 97 asks about the types of audits conducted by the Supreme Audit Institution (SAI). There are three basic types of audits:

- *Financial audits are intended to determine if an entity's financial information is accurate (free from errors or fraud) and presented in accordance with the applicable financial reporting and regulatory framework. See ISSAI 200 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more detail.*
- *Compliance audits look at the extent to which the relevant regulations and procedures have been followed. See ISSAI 400 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details.*
- *Performance audits assess whether activities are adhering to the principles of economy, efficiency, and effectiveness. See ISSAI 300 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details.≈*

Financial and compliance audits are more common than performance audits, which usually occur only once a performance framework has been agreed upon. In some countries, the SAI's mandate limits the type of audit it can conduct.

To answer "a," the SAI must have conducted all three types of audit – financial, compliance, and performance – and made all of them available to the public. A "b" response applies if the SAI has conducted two of the three audit types, and a "c" applies if it has conducted only one type of audit. Answers "b" and "c" may be selected even if the Audit Report is not publicly available, as long as the SAI has conducted compliance or performance audits and made them available to the public. A "d" response applies if the SAI has not conducted any of the three types of audits, or has not made them available to the public.

Answer:

a. The SAI has conducted all three types of audits (compliance, financial, or performance) and made them available to the public.

Source:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%BF%D0%BE%D1%81%D0%BB%D0%B5%D0%B4%D1%9A%D0%B8-%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98.135.html>

SAI produces several dozens of audit reports every year. Almost all of them are combined financial and compliance audits ("izveštaj o reviziji finansijskih izveštaja i pravilnosti poslovanja).

e. g.

<https://www.dri.rs/php/document/download/1263/1>

<https://www.dri.rs/php/document/download/1200/1>

<https://www.dri.rs/php/document/download/1204/1>

However, SAI produced also several performance audit (revizija svrsishodnosti) reports (2 in 2018).

(Резиме извештаја о ревизији сврсисходности пословања - Субвенције јединица локалне самоуправе јавним предузећима (pdf) <https://www.dri.rs/php/document/download/1435/1>

Резиме извештаја о ревизији сврсисходности - Противградна заштита у Републици Србији (pdf)

<https://www.dri.rs/php/document/download/1516/1>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

98. What percentage of expenditures within the mandate of the Supreme Audit Institution (SAI) has been audited?

GUIDELINES:

Question 98 focuses on the coverage of audits by the Supreme Audit Institution (SAI), asking what percentage of expenditures within the SAI's mandate has been audited.

The SAI's mandate is typically defined in statute. Only expenditures related to budgetary central government (ministries, departments, and agencies) that are within the SAI's mandate should be considered for this question. (Question 99 addresses audits of extra-budgetary funds.) Further, the question does not apply to "secret programs" (for example, security-related expenditures that are confidential). Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.

Only the Audit Report identified in Section 1 should be used to answer this question. Financial audits and compliance audits, or a hybrid of the two, can be taken into account to answer this question. Performance audits should not be considered for this question.

To answer "a," all expenditures within the SAI's mandate must be audited. A "b" response applies if at least two-thirds, but not all, expenditures within the SAI's mandate have been audited. A "c" response is appropriate when less than two-thirds of expenditures within the SAI's mandate have been audited. A "d" response applies when no expenditures have been audited.

Answer:

c. Expenditures representing less than two-thirds of expenditures within the SAI's mandate have been audited.

Source:

<https://www.dri.rs/php/document/download/1518/1>

Report on Audit of Final Account of Budget of Republic of Serbia for year 2017 (Извештај о ревизији Завршног рачуна буџета Републике Србије за 2017. годину).

pg 3 - 5 provides explanation of SAI why the audit opinion is not entirely positive, because according to their statement audited reports do not present complete information about expenditures

Comment:

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:

<https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0-2018.420.html>

See: Sector for audit of organisations for mandatory social insurance (Сектор за ревизију организација обавезног социјалног осигурања), (Audit of the annual accounts and correctness of operations of the pension and disability insurance fund). With its audits in 2018, the SAI covered all 4 extra-budgetary funds (pension, health, employment service, army officers' insurance fund) as well as 27 indirect budget beneficiaries (e.g. hospitals, pharmacies).

<https://www.dri.rs/php/document/download/1348/1>

<https://www.dri.rs/php/document/download/1326/1>

<https://www.dri.rs/php/document/download/1328/1>

<https://www.dri.rs/php/document/download/1324/1>

Comment:

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:

<https://www.dri.rs/php/document/download/1518/1>

Report on Audit of Final Account of Budget of Republic of Serbia for year 2017 (Извештај о ревизији Завршног рачуна буџета Републике Србије за 2017. годину)

See pp. 11-34: "РЕЗИМЕ НАЛАЗА, ПРЕПОРУКА И МЕРЕ ПРЕДУЗЕТЕ У ПОСТУПКУ РЕВИЗИЈЕ" / SUMMARY OF FINDINGS, RECOMMENDATIONS AND MEASURES OF THE ENTERPRISE IN THE AUDIT PROCEDURE

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

101. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

GUIDELINES:

Question 101 asks whether the executive reports to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution (SAI). The ultimate purpose of audits is to verify that the budget was executed in a manner consistent with existing law, and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the SAI's audit reports.

To answer "a," the executive must report publicly on the steps it has taken to address all audit findings. A "b" response applies if the executive reports publicly on the steps it has taken to address most, but not all, audit findings. A "c" response applies if the executive reports publicly on the steps it has taken to address only some audit findings. As long as the executive reports publicly on the steps it has taken to address audit finding, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if the executive does not report at all on its steps to address audit findings.

Answer:

d. No, the executive does not report on steps it has taken to address audit findings.

Source:

<https://www.osce.org/serbia/35101?download=true>

Comment:

According to legislation, there is a legal duty of audited subjects to submit to the SAI "response report". A "response report" is considered a "public document" (javna isprava), i.e. it has official character and may be requested. However, there is no clear duty neither for audited subjects nor for the SAI to publish these reports. There is no practice to publish such documents either, while there are some rare examples of that kind.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

102. Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

GUIDELINES:

Question 102 asks whether the Supreme Audit Institution (SAI) or the legislature track actions by the executive to address audit recommendations. After audit results and recommendations are discussed and validated by the legislature, the executive is normally asked to take certain actions to address the audit

findings. For accountability purposes, the public needs to be informed about the status of those actions, and steps the executive has taken to address audit recommendations. In addition to the executive reporting on its actions (see Question 101), the SAI and legislature – as the key oversight institutions – have a responsibility to keep the public informed by tracking the executive's progress in addressing audit recommendations.

To answer "a," the SAI or legislature must report publicly on what steps the executive has taken to address all audit findings. A "b" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address most, but not all, audit findings. A "c" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address only some audit findings. As long as the SAI or legislature reports publicly on the steps the executive has taken, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if neither the SAI nor the legislature reports on the executive's steps to address audit findings.

Answer:

d. No, neither the SAI nor legislature reports on steps the executive has taken to address audit recommendations.

Source:

https://www.dri.rs/%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B5/%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B5%D0%B2%D0%B8%D0%B7%D0%B8%D1%98%D0%B8.135.html?revision_type=9

The SAI recently introduced the practice of response report auditing. In that way, the SAI audited 10 response reports in 2018. which is not enough to be assessed as a permanent practice or obligation.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

103. Is there an Independent Fiscal Institution (IFI) that conducts budget analyses for the budget formulation and/or approval process?

GUIDELINES:

Question 103 examines whether an Independent Fiscal Institution (IFI) exists that contributes budget analyses to the budget formulation and/or approval process. According to the Principles for Independent Fiscal Institutions, adopted by the OECD Council in 2014, "independent fiscal institutions are publicly funded, independent bodies under the statutory authority of the executive or the legislature which provide non-partisan oversight and analysis of, and in some cases advice on, fiscal policy and performance", and with "a forward-looking ex ante diagnostic task". In practice, they come in two main forms:

- Parliamentary budget offices (also known as PBOs) such as the Congressional Budget Office in the United States (<https://www.cbo.gov/>), the Parliamentary Budget Office in South Africa (<https://www.parliament.gov.za/parliamentary-budget-office>), and the Center for Public Finance Studies in Mexico (Centro de Estudios de las Finanzas Públicas, <http://www.cefp.gob.mx/>); or
- Fiscal councils such as the Office for Budget Responsibility in the United Kingdom (<https://obr.uk/>), the Fiscal Policy Council in Sweden (Finanspolitiska Rådet, <http://www.finanspolitiskaradet.com/>), and the High Council for Public Finances in France (Haut Conseil des finances publiques, <https://www.hcfp.fr/>).

For more information, see von Trapp et al. 'Principles for Independent Fiscal Institutions and Case Studies', OECD Journal on Budgeting 15:2 (special issue, 2016), <https://doi.org/10.1787/budget-15-5jm2795tv625>.

To answer "a," there must be an IFI, and its independence must be set in law. In addition, it must have sufficient staffing and resources, including funding, to carry out its tasks. Answer "b" applies if an IFI exists, but either its independence is not set in law or its staffing and resources are insufficient to carry out its tasks. Answer "c" applies if an IFI exists, but its independence is not set in law and it lacks sufficient staffing and resources. Answer "d" applies if no IFI exists.

If the answer is "a," "b," or "c," please specify in the comments the name and type of IFI that exists (e.g., parliamentary budget office or fiscal council). If the answer is "a" or "b," identify the law that guarantees its independence, and provide evidence in support of the assessment of the adequacy of its staffing and resources. This can include the IFI's total budget allocation over recent years, any press reports that discuss perceived funding shortfalls, assessments by international organizations, and/or information from interviews with staff of the IFI.

Answer:

a. Yes, there is an IFI, its independence is set in law, and it has sufficient staffing and resources, including funding, to carry out its tasks.

Source:

<http://www.fiskalnisavet.rs/english/o-fiskalnom-savetu.php>

<http://www.fiskalnisavet.rs/english/fiskalna-pravila.php>

https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html

IFI's name in Serbia is Fiscal Council. Fiscal Council is independent body, that is established by the law (Budget system law), as a part of package of agreement with IMF, in 2011. FC is accountable to the Parliament and independent from the Executive. The staffing and resources of FC seems to be adequate, having in mind prompt reactions of FC to all relevant proposals of the executive and quality of analyses. The overall budget of FC is more than 45 million RSD, that is app. 450.000 USD. Information about number of staff on Fiscal Council's web page is not updated and some posts in the past were not populated. We didn't find any discussion or analyses claiming that lack of resources of FC adversely influences its work. Staffing are not filled, but the parliamentary committee regularly gives consent for additional engagement of employees.

Comment:

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:

b. Yes, the IFI publishes its own macroeconomic or fiscal forecast.

Source:

<http://www.fiskalnisavet.rs/latinica/analize-stavovi-predlozi.php>

<http://www.fiskalnisavet.rs/latinica/ocene-i-misljenja.php#a181227>

Comment:

The Fiscal Council published an opinion on the draft budget for 2019, as well as the analysis of the Fiscal Strategy.

The Fiscal Council publishes on its website the estimates and opinions of current events: <http://www.fiskalnisavet.rs/latinica/analize-stavovi-predlozi.php>

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c, No, the IFI does not publish its own macroeconomic or fiscal forecast, but it does publish an assessment of the official macroeconomic and/or fiscal forecasts produced by the executive.

Government Reviewer

Opinion: Agree

Researcher Response

Fiscal Council publishes also its own fiscal forecasts with recommendations for the Government. Here is the link to one such example from year 2018, relevant for the fiscal year under observation: <http://www.fiskalnisavet.rs/doc/eng/Rezime%20prevod%20EN%20-%20finalno.pdf>

IBP Comment

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

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:

b. Yes, the IFI publishes its own costings of major new policy proposals.

Source:

http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/2019/Indeksacija_penzija.pdf

<http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/FS-Investicije-u-zastitu-zivotne-sredine.pdf>

<http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/Zarade-u-drzavnom-sektoru-stanje-i-smernice-za-reformu.pdf>

[http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/Lokalne%20javne%20finansije_%20Problemi,%20rizici%20i%20preporuke%20\(2017\).pdf](http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/Lokalne%20javne%20finansije_%20Problemi,%20rizici%20i%20preporuke%20(2017).pdf)

Comment:

The Fiscal Council announces analyses for major policies, such as changes to the method of paying pensions, one of the main new policies of the Government of Serbia: http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/2019/Indeksacija_penzija.pdf

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the IFI publishes its own costings of major new policy proposals.

Government Reviewer

Opinion: Agree

Researcher Response

Proposal of peer reviewer is acceptable and score could be b) as well. While Fiscal Council did not produce separate analyses of some of the key policy proposals at the time of decision making (e.g. loan contracts and adoption of "lex specialis" for infrastructure projects, subsidies for investors) FC provided comments of those policies in its annual analyses of Fiscal and economic trends.

IBP Comment

In follow-up communication with the peer reviewer, they cited the additional examples of the Fiscal Council releasing costings of major new proposals: a) Public Wage system reform <http://www.fiskalnisavet.rs/doc/analize-stavovi-predlozi/2019/fs-platni-razredi-i-zaposlenost-u-drzavnom-sektoru-srbije.pdf> b) Pension Law amendments http://www.fiskalnisavet.rs/doc/ocene-i-misljenja/2018/Ocena_Predloga_iz_L_dopuna_Zakona_o_PIO.pdf c) Law on Conversion of CHF loans <http://www.fiskalnisavet.rs/doc/ocene-i-misljenja/2019/Ocena-Predloga-zakona-o-konverziji-kredita-u-svajcarskim-francima.pdf> d) Municipal Finance Law changes <http://www.fiskalnisavet.rs/doc/ocene-i-misljenja/2016/Ocena%20izmena%20zakona%20o%20lokalnoj%20samoupravi1.pdf> In light of this and the researcher's "Response to Review," the response is revised from "c" to "b."

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:

c. Rarely (i.e., once or twice).

Source:

At the session of the Committee on Finance, the Republican Budget and Public Expenditure Control held on December 6, 2018, Nikola Altiparmakov, a member of the Fiscal Council, presented the Proposal of the Financial Plan of the Fiscal Council for 2018 with the Proposal of the Fiscal Council's Human Resources Plan for 2018 i Proposal of the Financial Plan of the Fiscal Council for 2019:

http://www.parliament.gov.rs/61...%D1%81%D0%B5%D0%B4%D0%BD%D0%B8%D1%86%D0%B0_%D0%9E%D0%B4%D0%B1%D0%BE%D1%80%D0%B0_%D0%B7%D0%B0_%D1%84%D0%B8%D0%BD%D0%B0%D0%BD%D1%81%D0%B8%D1%98%D0%B5_35492.43.html

Pavle Petrovic, President of the FC, gave a brief assessment of the Draft Budget Law for 2019, at a session of the Committee on Finance, the Republican Budget and Control of Public Spending on November 26, 2018, pointing out that the selected deficit was fiscally responsible and minimal, as and that it corresponds to the Serbian economy:

http://www.parliament.gov.rs/59...%D1%81%D0%B5%D0%B4%D0%BD%D0%B8%D1%86%D0%B0_%D0%9E%D0%B4%D0%B1%D0%BE%D1%80%D0%B0_%D0%B7%D0%B0_%D1%84%D0%B8%D0%BD%D0%B0%D0%BD%D1%81%D0%B8%D1%98%D0%B5_35336.43.html

Comment:

The Parliamentary Committee in 2018 did not consider the Fiscal Council's Report for 2017.

<http://www.parliament.gov.rs/%D0%B0%D0%BA%D1%82%D0%B8%D0%B2%D0%BD%D0%BE%D1%81%D1%82%D0%B8/%D0%BD%D0%B0%D1%80%D0%BE%D0%B4%D0%BD%D0%B0-%D1%81%D0%BA%D1%83%D0%BF%D1%88%D1%82%D0%B8%D0%BD%D0%B0/%D1%80%D0%B0%D0%B4%D0%BD%D0%B0-%D1%82%D0%B5%D0%BB%D0%B0/%D0%BE%D0%B4%D0%B1%D0%BE%D1%80%D0%B8,-%D0%BF%D0%BE%D0%B4%D0%BE%D0%B4%D0%B1%D0%BE%D1%80%D0%B8,-%D1%80%D0%B0%D0%B4%D0%BD%D0%B5-%D0%B3%D1%80%D1%83%D0%BF%D0%B5.2335.html?offset=0>

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:

Comment:

Government did not comply with its duty to submit Fiscal Strategy to the Parliament (deadline was 15. June). The Committee on Finance, the Republican Budget and Public Expenditure Control does not consider the budget policy before adopting EBP. The first touch of the parliament with the budget is the consideration of the EBP. The Government adopts the Budget Proposal and the Fiscal Strategy on the same session, 20. Nov 2018. The Fiscal strategy is published on the government website only after the Budget was adopted by Parliament.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

108. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

GUIDELINES:

Question 108 examines how far in advance of the start of the budget year the legislature receives the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be submitted to the legislature far enough in advance to allow the legislature time to review it properly, or at least three months prior to the start of the fiscal year. (See, for instance, Principle 2.2.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>)).

For the purposes of responding to this question, if – and only if – the most recent budget submission occurred later than usual as a result of a particular event, such as an election, please use a more normal year as the basis for the response. If, however, delays have been observed for more than one budget year, and the legislature has not received the Executive's Budget Proposal in a timely manner on more than one occasion in the last three years, then "d" will be the appropriate answer.

To answer "a," the legislature must receive the Executive's Budget Proposal at least three months in advance of the start of the budget year. Answer "b" applies if the legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year. Answer "c" applies if the legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year. Answer "d" applies if the legislature does not receive the Executive's Budget Proposal at least one month prior to the start of the budget year, or does not receive it at all.

Answer:

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:

EBP was adopted on Government sitting on November 20th 2018 and received by the Parliament on November 23th, 2018, which is less than two month before the start of the budget year. Draft Law on budget of Republic of Serbia for year 2019, with proposals of decisions on approval of financial plans for year 2019 of 1) Republic fund for pension and invalid insurance, 2) Republic fund for health insurance; 3) National employment service; 4) Fund for social insurance of military personnel.

http://www.parlament.gov.rs/upload/archive/files/cir/pdf/predlozi_zakona/2018/Budzet2019.pdf

Comment:

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:

<https://www.paragraf.rs/propisi/zakon-o-budzetu-republike-srbije-za-2019-godinu.html>

EB was adopted on December 7th 2018.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

110. Does the legislature have the authority in law to amend the Executive's Budget Proposal?

GUIDELINES:

Question 110 examines the legislature's power to amend—as opposed to simply accept or reject—the budget proposal presented by the executive. This question is about legal authority rather than actions the legislature takes in practice. The legislature's powers to amend the budget can vary substantially across countries.

The "a" response is appropriate only if there are no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus. The "b" response would be appropriate if, for instance, the legislature is restricted from changing the deficit or surplus, but it still has the power to increase or decrease funding and revenue levels. The more limited "c" response would apply if, for instance, the legislature can only re-allocate spending within the totals set in the Executive's Budget Proposal or can only decrease funding levels or increase revenues. Finally, response "d" would apply if the legislature may not make any changes (or only small technical changes), or if amendments must first be approved by the executive. In these cases, the legislature is essentially only able to approve or reject the budget as a whole. If the answer is "b" or "c", please indicate the nature of the amendment powers available to the Parliament and how they are limited.

Answer:

b. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.

Source:

https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html

The Parliament has the authority to amend any Governmental draft. However, amendments made in the Parliament are limited in the way that each amendment proposing increase or decrease of a certain expenditure or revenue must also contain information on what other expenditures or revenues will be affected by such change in one way or another. The rationale of such a limitation is to keep the budget balanced if amendments are adopted. (Law on Budgetary System, article 44)

Comment:

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:

http://www.parlament.gov.rs/60...%D1%81%D0%B5%D0%B4%D0%BD%D0%B8%D1%86%D0%B0_%D0%9E%D0%B4%D0%B1%D0%BE%D1%80%D0%B0_%D0%B7%D0%B0_%D1%84%D0%B8%D0%BD%D0%B0%D0%BD%D1%81%D0%B8%D1%98%D0%B5_35413.43.html
<http://www.parlament.gov.rs/%D0%BF%D1%80%D0%B5%D0%BD%D0%BE%D1%81%D0%B8/%D0%B0%D1%80%D1%85%D0%B8%D0%B2%D0%B0.2082.html>
<http://otvoreniparlament.rs/sednica-odbora/702>

Comment:

The work of the National Assembly is illustrative of the general trend of capturing state institutions by the ruling party. Obstruction of the political discussions have become regular practices throughout the current National Assembly convocation through spending time for parliamentary debate on reading out of hundreds of amendments initially proposed by the ruling majority to be pulled out before the voting and lack of meaningful scrutiny of the executive either by the committees. Typical example of consequences of such a poor practice were joint discussion on Budget for year 2019, with dozens of other laws, and failure to discuss any of amendments to the Law on Lobbying.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but no amendments were adopted.

Comments: I don't think that any amendments were adopted.

Government Reviewer

Opinion: Agree

Researcher Response

While the parliamentary procedure did not allow for substantial discussion on amendments, and it was damaged by facts that the significant part of opposition MPs boycotted work of the parliament, and majority discussed the budget jointly with the several dozens of laws, there were some changes, based on amendments. Parliamentary committee for finances proposed amendments to articles 1. and 8 of the Budget act, and its chair Ms Tomic proposed new article 29a (that became Article 30 in the adopted budget). Government agreed to these amendments and they were further considered as a "part of EBP." The last mentioned amendment envisaged adoption of the Government decree that will further regulate allocation and use of IPA budget support funds. On the other hand, majority rejected all other amendments (more than a hundred).

www.parlament.gov.rs/upload/archive/files/cir/doc/stenografske_beleske/9.%20dan%20Cetvrt%20sednica%20Drugog%20redovnog%20zasedanje%20NSRS%2007.12.2018..docx pages: 75, 100-104. So, formally, the Legislature used its authority to amend the EBP. Substantially, the Legislature did not use its authority to change any provision in the EBP against the Government's approval. Having all this in mind, the answer a) would be formally correct, but the answer b) would illustrate better the actual situation.

IBP Comment

The comments from the researcher and peer reviewer are well-noted. As the guidelines for Question 111 are concerned with the adoption (or not) of amendments, rather than the impact of the amendments themselves, the current response of "a" is maintained for the purposes of cross-country consistency.

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:

c. Yes, a specialized budget or finance committee examined the Executive's Budget Proposal, but it did not publish a report with findings and recommendations prior to the budget being adopted.

Source:

http://www.parlament.gov.rs/60._%D1%81%D0%B5%D0%B4%D0%BD%D0%B8%D1%86%D0%B0_%D0%9E%D0%B4%D0%B1%D0%BE%D1%80%D0%B0_%D0%B7%D0%B0_%D1%84%D0%B8%D0%BD%D0%B0%D0%BD%D1%81%D0%B8%D1%98%D0%B5_35413.43.html

The report from the session of the Assembly Committee can not be considered appropriate because it only contains data, without explanation of the amendment and the reason for their refusal. The statements of the deputies who have proposed amendments are also not stated.

Comment:

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:

c. Yes, sector committees examined the Executive's Budget Proposal, but they did not publish reports with findings and recommendations prior to the budget being adopted.

Source:

The Committee on Finance, the Republican Budget and the Control of Public Spending spent two sessions dedicated to the budget, 26 November and 30 November 2018:

http://www.parlament.gov.rs/59._sednica_Odbora_za_finansije,_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.35337.941.html

http://www.parlament.gov.rs/60._sednica_Odbora_za_finansije,_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.35414.941.html

The Committee on Agriculture, Forestry and Water Management reviewed the Draft Budget Law of the Republic of Serbia for 2019, chapter the 24 - Ministry of Agriculture, Forestry and Water Management:

http://www.parlament.gov.rs/35._sednica_Odbora_za_poljoprivredu,_%C5%A1umarstvo_i_vodoprivredu.35323.941.html

The Committee on Economy, Regional Development, Trade, Tourism and Energy discussed the Draft Law on the Budget of the Republic of Serbia for 2019, chapter 21 - Ministry of Economy, Razdeo 28 - Ministry of Mining and Energy and chapter 32 - Ministry of Trade, Tourism and telecommunications, submitted by the Government (No. 400-3601 / 18 of 23 November 2018), and another five draft laws proposed for the agenda of the Fourth Session of the Second Regular Session of the National Assembly in 2018, which are under the authority work of this Committee:

http://www.parlament.gov.rs/33._sednica_Odbora_za_privredu,_regionalni_razvoj,_trgovinu,_turizam_i_energetiku.35326.941.html

The Committee on Labor, Social Affairs, Social Inclusion and Poverty Reduction discussed on November 26, 2018 the Bill on the Budget of the Republic of Serbia for 2019 - chapter 30 Ministry of Labor, Employment, Veterans' Affairs and Social Affairs, with the Proposal of Decision on Granting Consent to Financial the plan of the Republic Fund for Pension and Disability Insurance for 2019, the Proposal of the decision on granting approval to the Financial Plan of the Social Insurance Fund for Military Insurers for 2019 and the Proposal of the decision on granting consent to the Financial Plan of the National Employment Service for 2019:

http://www.parlament.gov.rs/31._sednica__Odbora_za_rad,_sociojalna_pitanja,_dru%C5%A1tvenu_uklju%C4%8Denost_i_smanjenje_siroma%C5%A1tva.35313.941.html

The Health and Family Committee discussed on November 26, 2018 the Draft Law on the Budget of the Republic of Serbia for 2019, chapter 27 - the Ministry of Health, with the Proposal of the Decision on Granting Consent to the Financial Plan of the Republic Health Insurance Fund for 2019, which was submitted Government:

http://www.parlament.gov.rs/18._sednica__Odbor_za_zdravlje_i_porodicu.35321.941.html

The most of discussion took place during one day only, on November 26. Additional discussions were either about amendments or about sectoral side-laws. It seriously affected quality of discussion about the budget. Both Government and parliamentary majority demonstrated clearly willingness to have budget adopted as soon as possible, which happened about one week after submission. In that context, the fact that committee session minutes (less than one page long) were made public before the adoption of the budget is of very small value. Similarly, there was no big benefit from the video clips and live stream of session on internet. However, discussion record was undoubtedly available and that is why score could be "b" and not "c". On the other hand, there are very strong arguments to assign lesser score. Namely many committees did not have budget discussion at all.

Comment:

The work of the National Assembly is illustrative of the general trend of capturing state institutions by the ruling party. Obstruction of the political discussions have become regular practices throughout the current National Assembly convocation through too frequent use of urgent procedure, spending time for parliamentary debate on reading out of hundreds of amendments initially proposed by the ruling majority to be pulled out before the voting and lack of meaningful scrutiny of the executive either by the committees. Typical example of consequences of such a poor practice were joint discussion on Budget for year 2019, with dozens of other laws, and failure to discuss any of amendments to the Law on Lobbying; The Parliament continued to selectively perform its electoral function of members of judiciary and independent bodies' officials, not to perform its oversight over the government and to ignore CSO's proposals on how to improve laws in procedure.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

114. In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

GUIDELINES:

Question 114 is about legislative oversight of budget execution. It assesses whether and how often a committee examined the implementation of the budget during the budget execution period (i.e., financial year) for which it was approved, and whether this resulted in an official report with findings and recommendations. This question does not apply to the ex post review of implementation following the end of the budget year as part of the audit stage, which is assessed separately. Nor does it apply to the legislature's review of the budget that it may undertake as part of the process of considering a supplemental budget during the year. In-year monitoring by the legislature will be affected by the frequency that the executive publishes In-Year Reports.

To answer "a," a committee must have examined in-year implementation of the Enacted Budget at least three times during the course of the relevant budget year and published reports with findings and recommendations. Answer "b" applies where this occurred only once or twice during the year.

Exception: If a legislature is in session only twice during the year, and it examines the implementation of the budget during both sessions, then it would be

eligible for an "a" response.

Choose "c" if a committee examined in-year implementation (without regard to frequency), but did not publish any report with findings and recommendations. Answer "d" applies where no committee examined in-year implementation.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed budget implementation, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation.

For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.

Answer:

d. No, a committee did not examine in-year implementation.

Source:

There is no mention of examining of in-year implementation on Committee's sittings.

<http://www.parlament.gov.rs/narodna-skupstina-/sastav/radna-tela/odbori.895.html>

<http://www.parlament.gov.rs/narodna-skupstina-/sastav/radna-tela/odbori.80.895.html>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

115. Does the executive seek approval from the legislature prior to shifting funds between administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

GUIDELINES:

Question 115 examines whether the executive seeks approval from the legislature prior to shifting funds between administrative units, and whether it is legally required to do so.

In some countries, the executive has the power in law to adjust funding levels for specific appropriations during the execution of the budget. This question examines rules around shifting funds between administrative units (ministries, departments, or agencies) or whatever funding unit (or "vote") is specified in the Enacted Budget.

The conditions under which the executive may exercise its discretion to shift funds should be clearly defined in publicly available regulations or law. In addition, the amount of funds that the executive is allowed to transfer between administrative units should not be so excessive as to undermine the accountability of the executive to the legislature.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before shifting funds between administrative units, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before shifting funds between administrative units, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before shifting funds, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to shift funds between administrative units and the executive does not obtain legislative approval in practice. Answer "d" also applies if the executive is authorized to shift an amount considered so excessive as to undermine accountability (roughly equal to 3 percent of total budgeted expenditures). A "d" response applies if the legislature only approves the shifting of funds after it has already occurred.

In the comments, please indicate any law or regulation that provides the executive with standing authority to shift funds between administrative units and, if so, describe that authority. Similarly, legislative approval for shifting funds between administrative units typically occurs with the adoption of legislation such as a supplemental budget. But if other formal procedures for gaining approval from the legislature exist, then please provide information about that approval process.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to shifting funds between administrative units, and in practice the executive shifts funds between administrative units before obtaining approval from the legislature.

Source:

Budget System Law (https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html) Article 61 of the Law regulates changes in appropriations during the budget year. The regulation provides rules for cases where one budget user splits or stops with its operations. It also deals with changes of the purpose of originally allocated funds within the same budget user (up to 10%, minister's approval). The only possible way for the Executive to shift funds between various administrative units is to take funds from one into the "budget reserve" and to give funds from the "budget reserve" to another administrative unit, so there is no direct shifting in this operation. Furthermore, there are limits -shifting is possible only if "it is not possible

to use funds anymore, due to changed circumstances". There is also another limit for shifting of funds into budget reserve - half of maximum level of "budget reserve."

Comment:

Using of contingency funds by the government during the fiscal year has significant impact to the budget. Since 2015, there is a legal threshold for such "budget reserve" funds, that is 4% of overall budget income. In practice, the level of contingency funds is significantly smaller in the original budget, approved by the Parliament, but the Government increases it by transferring funds from approved budget appropriations that "cannot be used" to the contingency funds. Government, however, does not provide explanation on consequences of to the original budget programs from which money was taken. Thereafter, money from the contingency fund is transferred to other budget beneficiaries and spent for other purposes, either entirely new or for those where original funds were insufficient. Significant part of these funds is transferred to the other users selected in an arbitrary manner and without the explanation.

Peer Reviewer

Opinion: Disagree

Suggested 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.

Comments: I think that the question is not really clear. Serbian law is such that Minister of Finance can approve shifting funds up to some point, but above that he would need Parliament's approval (adoption of the supplementary budget). In practice, the Government did not ask the Parliament for approval, as (supposedly) all reallocations were within the legal maximum.

Government Reviewer

Opinion: Agree

Researcher Response

Having in mind that the Executive has and use legal powers to shift up to 4% of the total budget through budget reserve (contingency funds) and to reallocate budget funds from one administrative unit to another in that way, the answer d) is accurate, even if shifting of funds between administrative units is generally allowed only on the basis of budget re-balance (adopted by the Parliament).

IBP Comment

IBP is in agreement with the researcher's "Response to Review"; the existing response of "d" is maintained. The provision for the Executive to shift up to 4% of the total budget through the budget reserve can be found in Article 69 of the Budget System Law.

116. Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.

Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

Answer:

a The executive is required by law or regulation to obtain approval from the legislature prior to spending excess revenues, and it does so in practice.

Source:

https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html

The Budget System Law allows executive to collect budget revenues above the adopted level (Article 49) but spending is not allowed before prior approval of legislature. In practice, it only occurred once in past 11 years and mostly due to changes in budget accounting.

Comment:

Serbian Legislature is not performing an effective oversight of Expenditure's spending. It also readily follows Government's intentions to re-balance budget during the year. However Government is also using legal mechanisms to spend the portion of budget funds without previous approval of the

Parliament. These mechanisms are transfers from and to the contingency funds, i.e. "current budget reserve".

According to the Budget System Law, till 2015, the annual threshold on disposal of the Government was 2% of the overall budget, and thereon is 4%. Usually, at the beginning of the fiscal year, in the approved budget, these funds are significantly smaller. Essentially, Government plans in advance that significant part of the original budget would not be spent for the original purposes. The law envisages "Current budget reserve", as a part of the planned revenues which is not allocated in advance, but is retained in the name of the current budget reserve can be used for "unplanned purposes for which no appropriations have been established or for purposes that during the year show that the appropriations were not sufficient". Government does not provide explanation on consequences of to the original budget programs from which money was taken. These funds are used for other purposes, either entirely new or for those where original funds were insufficient. Significant part of these funds is transferred to the municipalities selected in an arbitrary manner and without the explanation. Therefore, contingency funds are also mighty tool of political influence in local governments.

In the absence of further explanation and evidence, members of public are unable to check whether municipal transfer really took place "due to the reduced amount of revenues of the local government budget", as Governments decision claim. Since the Government did not submit its financial end – year report to the Parliament for several years, the ratio of contingency funds transfers is not explained even post festum. State Audit Institution is providing an overview of these expenditures. Individual Government decisions on transfers, without explanatory note are published in the Official Gazette, but not on-line and for free. This all reduces the level of transparency of this decision making.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

117. Does the executive seek approval from the legislature prior to reducing spending below the levels in the Enacted Budget in response to revenue shortfalls (that is, revenues lower than originally anticipated) or other reasons during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 117 examines whether the executive receives approval from the legislature prior to cutting spending below the levels in the Enacted Budget in response to revenue shortfalls or for any other reason, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if less revenue is collected unexpectedly during the year, the legislature should approve or reject any proposed reductions in expenditures that are implemented as a result. If such requirements are not in place, the executive might substantially change the composition of the budget at the executive's discretion, with no legislative control.

Typically, legislative approval of proposals to reduce spending below the levels reflected in the Enacted Budget would occur as part of the supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before implementing spending cuts in response to revenue shortfalls or for other reasons, and it does so in practice. Answer "b" applies if the executive received legislative approval before implementing such cuts, but is not legally required to do so. Answer "c" applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to implement such cuts and the executive does not obtain such approval in practice. A "d" response applies if the legislature only approves the spending cuts after they have already occurred.

Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.

Source:

According to the Budget System Law (articles 62 and 63) http://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.ht...
(http://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html)

the executive has the authority to temporarily suspend budget execution no longer than 45 days due to revenue shortfalls (article 62), but then it has to propose a budget re-balance that the legislature adopts (article 63).

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

118. Did a committee of the legislature examine the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI)?

GUIDELINES:

Question 118 is about ex post oversight following the implementation of the budget. It probes whether a committee examined the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI), and whether this resulted in an official report with findings and recommendations. A key issue is how soon after the SAI releases the report does it legislature review it. This question does not apply to the legislative scrutiny of in-year implementation of the Enacted Budget during the relevant budget execution period, which is assessed separately. Also, the question is asking specifically about the SAI's annual report on the execution of the budget, not about other audit reports that the SAI may produce. (This is the Audit Report used for responding to Question 98.)

To answer "a," a legislative committee must have examined the annual Audit Report within three months of it being released by the SAI, and then published a report (or reports) with findings and recommendations. (Note that the three-month period should only take into account time when the legislature is in session.)

Answer "b" applies when the committee examines it within six months of it being released (but more than three months), and then published a report with its findings and recommendations. Choose "c" if a committee examined the annual Audit Report more than six months after it became available or it did not publish any report with findings and recommendations. Answer "d" applies where no committee examined the annual Audit Report.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed the Audit Report, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation. Answers "a," "b," or "c" may be selected if the Audit Report is produced by the SAI but not made publicly available.

Answer:

d. No, a committee did not examine the Audit Report on the annual budget.

Source:

At its session of 5 April 2018, the Committee on Finance, the Republican Budget and the Control of Public Spending Consumption considered the Report of the State Audit Institution for 2017, presented by the President of the State Audit Institution and General State Auditor. However, there is no information that the Committee discussed the revision of the budget of Serbia.

http://www.parlament.gov.rs/41._sednica_Odbora_za_finansije,_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.33681.941.html

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

119. Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

GUIDELINES:

Question 119 concerns the appointment process of the current head of the Supreme Audit Institution (SAI). Appointment procedures vary greatly across countries, as well as across different types of SAIs. Moreover, conventions and informal practices can greatly affect the de facto independence of the head of the SAI. While these factors make it difficult to devise a single metric against which all SAIs can be assessed with regard to this particular aspect, this question focuses on whether the legislature or judiciary must appoint or approve the appointment of the head of the SAI as a way to ensure the SAI's independence from the executive. However, if the appointment is carried out in another way that nonetheless ensures the independence of the SAI head, then that approach could be also considered.

To answer "a," the legislature or judiciary must appoint (or re-appoint) the head of the SAI, or approve the recommendation of the executive, as a way that ensure his or her independence from the executive. (As noted above, alternative approaches may also be acceptable.) Choose "b" if the appointment process does not ensure the independence of the head of the SAI, e.g. the executive may appoint the head of the SAI without the final consent of the legislature or judiciary.

Irrespective of which answer you selected, provide a description of how the head of the SAI is appointed.

Answer:

a. Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.

Source:

http://www.parlament.gov.rs/upload/archive/files/lat/pdf/ostala_akta/2018/RS19-18%20lat.pdf

Parliament elected the new management of the State Audit Institution on April 19, 2018, almost seven months after the expiration of the mandate of the previous management (September 25,2018).

<https://www.blic.rs/vesti/politika/saznajemo-zbog-izbora-drzavnog-revizora-srbji-packe-od-eu/sr3edk7>

The deputies, by a majority of votes, chose the president, vice-president and members of the Council of the State Audit Institution on the proposal of the Committee on Finance, the Republic budget and control over the spending of public funds of the National Assembly.

According to the Law on the State Audit Institution, the mandate of the members of the Council lasts five years, and this function can be performed at most two times.

Comment:

See articles 19-20 of the Law on the State Audit Institution:

https://www.paragraf.rs/propisi/zakon_o_drzavnoj_revizorskoj_instituciji.html

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

120. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

GUIDELINES:

Question 120 covers the manner in which the head or senior members of the SAI may be removed from office. This question draws on best practices identified in the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>), including measures intended to guarantee the office's independence from the executive.

To answer "a," the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before the head of the SAI is removed. For example, the legislature or judiciary may give final consent following a certain external process, such as a criminal proceeding. So while the executive may initiate a criminal proceeding, the final consent of a member of the judiciary – or a judge – is necessary to render a verdict of wrongdoing that may lead to the removal from office of the head of the SAI. Answer "b" applies if the executive may remove the head of the SAI without the final consent of the judiciary or legislature.

Answer:

a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.

Source:

https://www.paragraf.rs/propisi/zakon_o_drzavnoj_revizorskoj_instituciji.html

The head of SAI may be removed only by the decision of the Parliament. Article 19, para 1: "The chairman, the vice-chairman and members of the Council are elected and dismissed by the Assembly, by a majority vote of members of parliament, at the motion of the competent body of the Assembly. The competent working body shall consider the candidatures, establish whether requirements set by this Law have been met and draw up a list of candidates to be presented to the Assembly. The nominations shall be reasoned, with attached written statement of the candidate that s/he accepts the nomination.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

121. Who determines the budget of the Supreme Audit Institution (SAI)?

GUIDELINES:

Question 121 asks who determines the budget of the Supreme Audit Institution (SAI). To ensure objective audits of government budgets, another important component of the SAI's independence from the executive is the extent to which the SAI's budget is determined by a body other than the executive, and whether the SAI has adequate resources to fulfill its mandate.

Answer "a" applies if the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate, AND either the SAI determines its own budget and then submits it to the executive (which accepts it with little or no change) or directly to the legislature, or the budget of the SAI is determined directly by the legislature or judiciary (or some independent body). Answer "b" applies if the SAI's budget is determined by the executive (absent a recommendation from the SAI), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. Answer "c" applies if the legislature or judiciary (or some independent body) determines the SAI's budget, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Answer "d" applies if the executive determines the SAI's budget, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Please provide evidence in support of the assessment that the funding level is or is not broadly consistent with the resources the SAI needs to fulfill its mandate.

Answer:

a. The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

Source:

According to the Budget System Law https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html (article 37 and 39), budget of SAI, along with all other institutions is drafted by the Ministry of Finances on the basis of needs expressed by each budget beneficiary in "draft financial plan". The Parliament approves that budget later on. The funds for SAI are generally sufficient but there is a problem of lack of staff and insufficient premises.

Comment:

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:

https://www.paragraf.rs/propisi/zakon_o_drzavnoj_revizorskoj_instituciji.html

Article 35 of the Law on Supreme Audit Institution stipulates that SAI is free to make its own annual audit plan, although there are 5 mandatory audit subjects.

Comment:

State auditors and other employees are obliged to comply with the Law on State Audit Institution, audit standards INTOSAI (International Organization of Supreme Audit Institutions) and INTOSAI Code of Ethics.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

123. Are the audit processes of the Supreme Audit Institution (SAI) reviewed by an independent agency?

GUIDELINES:

Question 123 assesses whether and to what extent the audit processes of the Supreme Audit Institution (SAI) are subject to review by an independent agency. The latter could be a peer SAI, an international organization, an academic institution with relevant expertise, or an independent domestic agency with quality assurance functions in the area of financial reporting.

To answer "a," an independent agency must conduct and publish a review of the audit processes of the SAI on an annual basis. Answer "b" applies if a review was carried out within the past five years, and published, but it is not conducted annually, but. Choose answer "c" if the SAI has an internal unit that reviews the audit processes of the SAI on a regular basis, but an independent agency does not conduct such a review. Answer "d" applies if the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.

If the answer is either "a" or "b," please specify the name of the independent agency and when last it conducted such a review, and provide a copy of the published report. If the answer is "c," please specify the name of the unit within the SAI that is tasked with conducting such reviews.

Answer:

c. No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

Source:

Within the SAI there is the Department for Audit Methodology and Quality Control that, among other duties, conducts control of auditing in planning, investigation, drafting, implementation of findings and recommendations phase.

<https://www.dri.rs/%D0%B4%D0%BE%D0%BA%D1%83%D0%BC%D0%B5%D0%BD%D1%82%D0%B8/%D0%B3%D0%BE%D0%B4%D0%B8%D1%88%D1%9A%D0%B8-%D0%B8%D0%B7%D0%B2%D0%B5%D1%88%D1%82%D0%B0%D1%98%D0%B8-%D0%BE-%D1%80%D0%B0%D0%B4%D1%83.43.html>

<https://www.dri.rs/%D0%BE-%D0%BD%D0%B0%D0%BC%D0%B0/%D0%BE-%D0%BD%D0%B0%D0%BC%D0%B0.12.html>

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

124. In the past 12 months, how frequently did the head or a senior staff member of the Supreme Audit Institution (SAI) take part and testify in hearings of a committee of the legislature?

GUIDELINES:

Question 124 concerns the interaction between two important oversight actors and assesses how frequently the Supreme Audit Institution (SAI) made high-level inputs to the work of legislative committees. Many SAIs interact with the legislature in some form, but the nature and intensity of the interaction varies. This question probes this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the SAI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the SAI representative in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). You can refer to official records of legislative committees, websites and annual reports of the SAI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; "c" for once or twice, and "d" for never.

Answer:

b. Sometimes (i.e., three times or more, but less than five times).

Source:

Members of the Committee on Finance, the Republican Budget and Public Expenditure Control Committee discussed at the session held on December 6, 2018, proposals for decisions on the financial plans of the SAI and the Fiscal Council:

http://www.parlament.gov.rs/61._sednica_Odbora_za_finansije_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.35493.941.html

The members of the Committee held on 18 July 2018, the 52nd session outside the headquarters in Subotica, where they reviewed the Report on the conducted audit of the City of Subotica and the effects of the recommendations made by the DRI, the issue of prevention of corruption at the local level, Subcommittees' report on the review of audit reports State Audit Institutions on the consideration of sectoral reports of the State Audit Institution with proposals for conclusions and adopted conclusions on the consideration of sectoral reports of the State Audit Institution:

http://www.parlament.gov.rs/52._sednica_Odbora_za_finansije_republi%C4%8Di_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.34550.941.html

At a session on April 5, 2018, members of the Committee on Finance, the Republican Budget and the Control of Public Expenditures discussed the Report of the State Audit Institution for 2017, presented by the President of the State Audit Institution and General State Auditor Radoslav Sretenovic:

http://www.parlament.gov.rs/41._sednica_Odbora_za_finansije_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.33681.941.html

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

GUIDELINES:

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and revenue levels, and macro-fiscal planning.

To answer "a," the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Government Rules of Procedure mandate that each new law has to be subjected to public debate. It does not mention the Budget Law explicitly, but it could be interpreted that there is an obligation. In practice, it has never been implemented for the budget though.

The Budget Law System (https://www.paragraf.rs/propisi/zakon_o_budzetskom_sistemu.html), Article 31, clearly sets out the obligations and budgets calendar dates, but these dates are not respected in practice.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

126. With regard to the mechanism identified in question 125, does the executive take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on the executive's efforts to seek out the views of members of the public from socially vulnerable groups and/or who are underrepresented in the process.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented communities and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives of vulnerable/underrepresented groups.

Answer "b" applies if the executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

Government Rules of Procedure mandate that each new law has to be subjected to public debate. It does not mention Budget Law explicitly, but it could be interpreted that there is an obligation. In practice, it has never been implemented for the budget though.

But, in the direction of greater participation of citizens and civil society organizations in the decision-making process at the local level, the new Law on Local Self-Government (https://www.paragraf.rs/propisi/zakon_o_lokalnoj_samoupravi.html)(Article 2) introduces the following novelties: the obligation of local self-government units to regulate the statutory procedure of public debate during the preparation of the statute, budget (in the part of investment planning), strategic development plans, determining the rate of original income, spatial and urban plans, as well as other general acts based on the proposal of a qualified number of citizens or requests of one third of councilors.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

127. During the budget formulation stage, which of the following key topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the formulation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget formulation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Government Rules of Procedure mandate that each new law has to be subjected to public debate. It does not mention Budget Law explicitly, but it could be interpreted that there is an obligation. In practice, it has never been implemented for the budget though.

Comment:

Peer Reviewer

Opinion: Agree

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

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in monitoring the implementation of the annual budget. If the executive has designated a central coordinating agency to implement participation mechanisms throughout the national budget process, researchers may consider these mechanisms. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the implementation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenue administration, public service delivery, public investment project implementation, including procurement, and the administration of social transfer schemes.

To answer "a," the executive must use open participation mechanisms that involve the public in the implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their

opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings, online, deliberative exchanges, procurement complaint mechanisms, and social monitoring and dialogue.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input on the implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include public hearings, surveys, focus groups, report cards, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to provide input on budget implementation, but:

1) The mechanisms are not structured, happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", the researcher must have evidence that the government is holding participation mechanisms that have some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples include hotlines, Facebook announcements, one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

The executive does not use participation mechanisms.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

129. With regard to the mechanism identified in question 128, does the executive take concrete steps to receive input from vulnerable and underrepresented parts of the population on the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on national government's efforts to obtain input from members of the public who are from socially vulnerable groups and/or underrepresented in national processes during the implementation of the annual budget.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented community and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives from vulnerable/underrepresented groups.

Answer "b" applies if the national executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

No, the executive does not take concrete steps to receive input from individuals from and/or organizations representing vulnerable and underrepresented parts of the population on the implementation of the annual budget.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

130. During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels
6. Implementation of public investment projects

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the implementation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget implementation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be ONLY the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the executive does not take concrete steps to receive input from citizens.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

131. When the executive engages with the public, does it provide comprehensive prior information on the process of the engagement, so that the public can participate in an informed manner?

Comprehensive information must include at least three of the following elements:

1. Purpose
2. Scope
3. Constraints
4. Intended outcomes
5. Process and timeline

GUIDELINES:

This question relates to the GIFT principle of "Openness," and addresses whether the executive provides relevant information on the process of the engagement before public participation takes place, in order to help citizens engage effectively. The question addresses whether the "rules of the public engagement" are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. This question does not cover the substance of the engagement, which is covered by questions 127 and 130.

Non-comprehensive information means that the government provides information that includes at least one but less than three of the elements listed above.

Purpose refers to a brief explanation of why the public engagement is being undertaken, including the executive's objectives for its engagement with the public.

Scope refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include how a current policy is administered but exclude the specifics of the policies themselves.

Constraints refers to whether there are any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.

Intended outcomes refers to what the executive hopes to achieve as a result of the engagement. Examples of intended outcomes could be revising a policy to better reflect citizen or service-user views or to improve the way in which a particular program is administered.

Process refers to the methods by which the public engagement will take place and the discrete steps in the process. For example, the process may simply be a one-off Internet-based consultation, with a summary published of public inputs and the official response. The process may involve simultaneous or overlapping steps, and may be conducted in one round or in two or more rounds of engagement.

Timeline refers to the specific dates on which the discrete steps in the process will take place, or during which they will be completed, and clear start and end dates for the overall engagement.

Answer "d" applies if the executive does not use public participation mechanisms during the budget implementation or formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the executive does not provide comprehensive prior information.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

132. With regard to the mechanism identified in question 125, does the executive provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received, which ones are used in the formulation of the annual budget, and how/why.

By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.

Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and

- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public and
- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the executive does not provide the public with feedback (even if someone submits an unsolicited proposal). An even bigger problem is the fact that there are no public engagement mechanisms, as described in previous questions.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

133. With regard to the mechanism identified in question 128, does the executive provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received during the implementation of the annual budget, which ones are taken into account to improve budget monitoring, and how/why.

By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.

Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs received (e.g., a written transcript) from the public and
- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were or were not taken into account by the executive during budget monitoring.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the

budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the executive has no mechanisms identified.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

134. Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

GUIDELINES:

This question reflects the GIFT principles on "Sustainability," "Timeliness" and "Complementarity" and addresses whether the executive is able to link participation mechanisms to the administrative processes that are used to create the annual budget.

Please note that "timetable" refers to a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. This document is sometimes referred to as the budget calendar and is the same document referenced in Question 53.

Answer "a" applies if the national executive establishes a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget. For answer choice "a", the timetable must be available to the public prior to the budget preparation process beginning.

Answer "b" applies if the executive does not establish a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget or if the executive does not use public participation mechanisms during the budget formulation or implementation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

No, the executive does not incorporate participation into its timetable.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

135. Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

GUIDELINES

While questions 125 – 135 focus only on participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency currently use to allow the public to participate in the national budget process, this question asks about participation mechanisms used by line ministries to allow the public to participate in national budget processes. Thus, participation mechanisms used by the Ministry of Finance, lead budget agency, or central coordinating agency should not be used to answer this question. If there is more than one mechanism used by a line ministry or if multiple line ministries use participation

mechanisms, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation and/or implementation of the annual budget.

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf

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:

No ministry uses participation mechanisms.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

136. Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the 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:

c. Yes, public hearings are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

Neither public hearings nor 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) are organized. The Finance Committee discusses the Draft Budget including its macroeconomic and fiscal framework. Executive's representatives may be (and regularly are) invited to the sessions.

http://www.parlament.gov.rs/59._sednica_Odbora_za_finansije_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.35337.941.html

Comment:

See also a listing of all public hearings conducted by the National Assembly:

<http://www.parlament.gov.rs/activities/national-assembly/working-bodies/public-hearings.3017.html>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

137. During the legislative deliberations on the annual budget (pre-budget or approval stages), which of the following key topics does the legislature's (or relevant legislative budget committee) engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider the range of mechanisms currently used by the legislature to promote public participation during legislative deliberations on the annual budget.

Please note that while the public engagement can/may cover other topics, for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the legislature's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, public hearings are not held. Public hearings are sometimes practiced by committees before adoption of new legislation. Such initiatives are usually connected with donor support and sharing of experiences from other countries. There are regular parliamentary committee sessions, where members of the public are not invited. PC sessions are broadcast on parliament's internet channel.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- *The inputs received from the public (e.g., a written transcript) and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).*

Answer "b" applies when the legislature provides a written document that includes:

- *The inputs received from the public (e.g., a written transcript) and*
- *A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).*

Answer "c" applies when the legislature provides a written document that includes:

- *The inputs received from the public (e.g., a written transcript) or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the legislature does not provide regular feedback (even if there was some input). However, a much greater problem is the fact that submission of inputs is not encouraged anyway.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

139. Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.

A key constitutional role of the legislature in almost all countries is to oversee the government's management of public resources. While the Supreme Audit Institution is responsible for checking the government's accounts and publishing the outcome of their audits, for accountability purposes it is essential that the legislature reviews and scrutinizes those reports, and checks on whether the executive is taking the appropriate corrective actions based on the Supreme Audit Institution's recommendations.

Holding public hearings to review audit findings allows the public to learn more about how the government has managed its resources for the budget years that have ended, and demand accountability in case of mismanagement and irregularities. Reviewing and discussing those reports in public is therefore a key responsibility of a legislature.

Please note that by "Audit Report" we refer to the same audit report assessed in the transparency section of this Survey, i.e., one of the eight key budget documents that all governments (in this case, the Supreme Audit Institution) must produce, according to best practice.

Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) have put in place and using to allow the public to participate in their deliberations on the Audit Report.

Mechanisms through which members of the public reach out to individual members of parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.

To answer "a," the national legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *No testimony is allowed from the public; BUT*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

Answer "c" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *No testimony is allowed from the public;*
- *No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, BUT*
- *The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the Audit Report.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the legislature does not hold public hearings nor use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report. There are regular parliamentary committee sessions, where SAI presents audit report and MPs make comments. Members of the public are not invited to join that session, so it couldn't be considered a "public hearing".

(http://www.parlament.gov.rs/41._sednica_Odbora_za_finansije,_republi%C4%8Dki_bud%C5%BEet_i_kontrolu_tro%C5%A1enja_javnih_sredstava.33681.941.html)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

140. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

GUIDELINES:

This question assesses whether the Supreme Audit Institution (SAI) has established mechanisms through which the public can provide suggestions on issues/topics to be included in its audit program. When deciding its audit agenda, the SAI may undertake audits for a sample of agencies, projects, and programs in the country; and such a selection could be based on complaints and suggestions made by members of the public. To receive such suggestions, the SAI may create formal mechanisms, like setting up a website, hotline, or office (or assigning staff to liaise with the public).

Answer:

b. The requirements for an "a" response are not met.

Source:

No, the SAI does not have formal mechanisms through which the public can suggest issues to be included in the audit program. Members of the public are free to submit their proposals for the audit and other information to SAI, by using published address of the Institution. However, there is no formal duty of SAI to include these suggestions in its audit plan nor to justify why information was used or not in designing of SAI's audit plan.

The manner of work is determined by the Rules of Procedure SAI: https://www.dri.rs/upload/documents/Opsti_dokumenti/Poslovnik_DRI.pdf

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

141. Does the Supreme Audit Institution (SAI) provide the public with feedback on how citizens' inputs have been used to determine its audit program?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the Supreme Audit Institution provides information to citizens on which public inputs were received, which ones are used to determine the Supreme Audit Institution's audit program. By "written record" in this question, we mean a document that is produced and released by the Supreme Audit Institution.

Answer "a" applies when the Supreme Audit Institution provides a written document with:

- *The inputs received from the public and*

- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).

Answer "b" applies when the SAI provides a written document that includes:

- The inputs received from the public and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used to determine the SAI's annual audit program.

Answer "c" applies when the SAI provides a written document that includes:

- The received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if requirements for a "c" response or above are not met or if maintain formal mechanisms through which the public can suggests issues/topics to include in the SAI's audit program.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No, the SAI does not have formal mechanisms through which the public can suggest issues. Members of the public are free to submit their proposals for the audit and other information to SAI, by using published address of the Institution. However, there is no formal duty of SAI to include these suggestions in its audit plan nor to justify why information was used or not in designing of SAI's audit plan.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

142. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.)?

GUIDELINES:

This question mirrors question 140, but instead of covering public assistance in formulating the SAI's audit program, it focuses on whether the Supreme Audit Institution has established mechanisms through which the public can participate in audit investigations. In addition to seeking public input to determine its audit agenda, the SAI may wish to provide formal opportunities for the public and civil society organizations to participate in the actual audit investigations, as witnesses or respondents.

Answer:

b. The requirements for an "a" response are not met.

Source:

No, the SAI does not maintain formal mechanisms through which the public can contribute to audit investigations. Members of the public are free to submit their proposals for the audit and other information to SAI, by using published address of the Institution. However, there is no formal duty of the SAI to include these suggestions in its audit plan nor to justify why information was used or not in the designing of the SAI's audit plan.

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

