

## Overview



Transparency:

**59** /100

(Open Budget Index score)



Public  
Participation:

**11** /100



Budget Oversight:

**83** /100

## About the survey

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – affect how equal a society is and the well-being of its people, including whether the most disadvantaged will have real opportunities for a better life. It is critical that governments inform and engage the public on these vital decisions that impact their lives.

The **Open Budget Survey (OBS)** is the world's only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions such as the legislature and auditor in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 7th edition of the OBS covers 117 countries.

Visit [www.internationalbudget.org/open-budget-survey](http://www.internationalbudget.org/open-budget-survey) for more information, including the full OBS methodology, the 2019 Global Report, findings for all surveyed countries, and the Data Explorer.

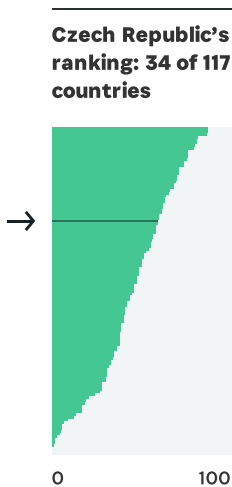


# Transparency

This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the online availability, timeliness, and comprehensiveness of eight key budget documents using 109 equally weighted indicators and scores each country on a scale of 0 to 100. A transparency score of 61 or above indicates a country is likely publishing enough material to support informed public debate on the budget.

The Czech Republic has a transparency score of **59** (out of 100).

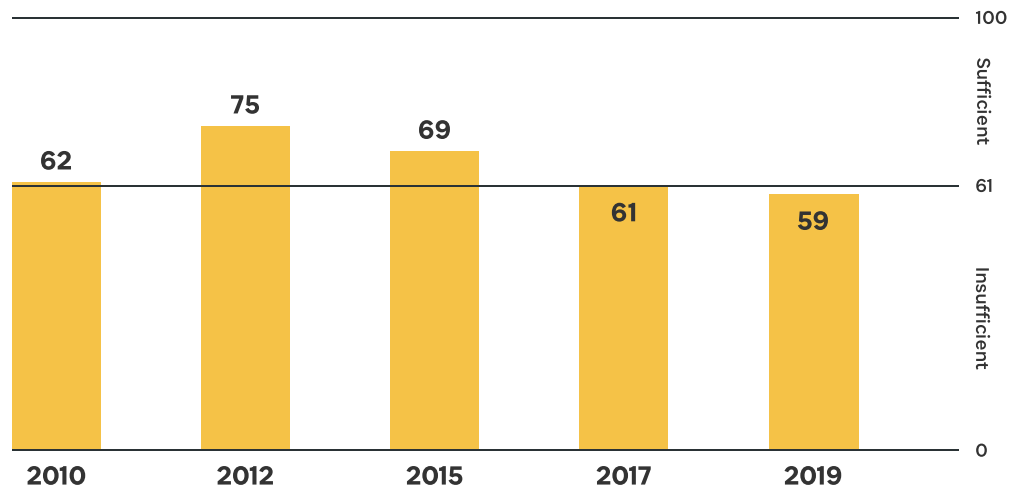
## Transparency in Czech Republic compared to others



Global Average		45
OECD Average		67
Bulgaria		71
Slovenia		68
Romania		64
Ukraine		63
Poland		60
Slovakia		60
<b>Czech Republic</b>		<b>59</b>
Hungary		45

0                                          Insufficient                                          61                                          Sufficient                                          100

## How has the transparency score for Czech Republic changed over time?



## Public availability of budget documents in Czech Republic

- Available to the Public
- Published Late, or Not Published Online, or Produced for Internal Use Only
- ⊘ Not Produced

Document	2010	2012	2015	2017	2019
Pre-Budget Statement	⊘	●	●	●	●
Executive's Budget Proposal	●	●	●	●	●
Enacted Budget	●	●	●	●	●
Citizens Budget	⊘	⊘	●	●	●
In-Year Reports	●	●	●	●	●
Mid-Year Review	⊘	●	●	●	●
Year-End Report	●	●	●	●	●
Audit Report	●	●	●	●	●

## How comprehensive is the content of the key budget documents that Czech Republic makes available to the public?

- 61-100 / 100
- 41-60 / 100
- 1-40 / 100

Key budget document	Document purpose and contents	Fiscal year assessed	Document content score
Pre-Budget Statement	Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.	2019	39
Executive's Budget Proposal	Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation.	2019	65
Enacted Budget	The budget that has been approved by the legislature.	2019	72
Citizens Budget	A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.	2018	Published Late
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2018	63
Mid-Year Review	A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.	2018	48
Year-End Report	Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.	2017	67
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2017	48

The Czech Republic's transparency score of 59 in the 2019 OBS is near its score in 2017.

## What changed in 2019?

The Czech Republic has increased the availability of budget information by:

- Publishing the Pre-Budget Statement and Mid-Year Review online in a timely manner.

**However, the Czech Republic has decreased the availability of budget information by:**

- Reducing the information provided in the Enacted Budget and In-Year Reports.

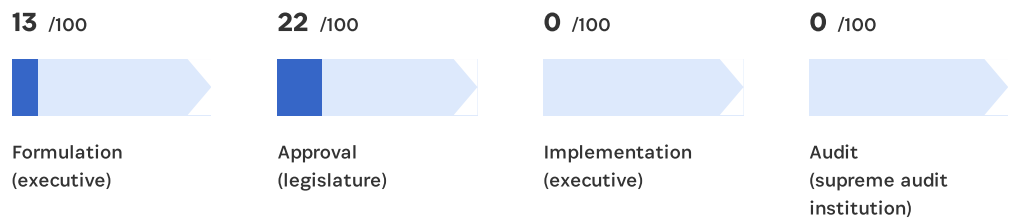
## Recommendations

The Czech Republic should prioritize the following actions to improve budget transparency:

- Publish the Citizens Budget online in a timely manner.
- Improve the comprehensiveness of the Pre-Budget Statement by: presenting a macroeconomic forecast upon which budget projections are based, providing information on the government's revenue policies and priorities, and adding estimates of the government's borrowing and debt for the upcoming budget year.
- Improve the comprehensiveness of the Audit Report by auditing greater percentages of expenditures and extra-budgetary funds within the mandate of the Supreme Audit Office. In addition, the executive should report publicly on steps it has taken to address audit findings, and either the Supreme Audit Office or Parliament should release a report tracking actions taken by the executive to respond to audit recommendations.



## Extent of opportunities for public participation in the budget process



## Recommendations

The Czech Republic's executive has established a council during budget formulation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Pilot mechanisms to monitor budget implementation.
- Expand mechanisms during budget formulation that engage any civil society organization or member of the public who wishes to participate.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

The Czech Republic's Parliament has established public hearings related to the approval of the annual budget and submissions related to the review of the Audit Report, but should also prioritize the following actions:

- Allow any member of the public or any civil society organization to testify during its hearings on the budget proposal prior to its approval.
- Allow any member of the public or any civil society organization to testify during its hearings on the Audit Report.

The Czech Republic's Supreme Audit Office should prioritize the following actions to improve public participation in the budget process:

- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

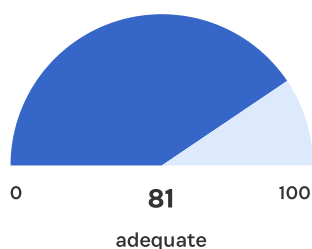


# Budget Oversight

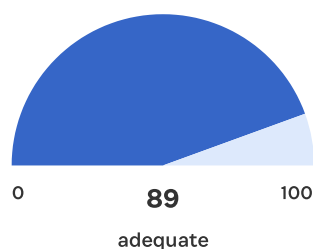
The OBS also examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in the Czech Republic, together, provide adequate oversight during the budget process, with a composite oversight score of **83** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

## Legislative oversight



## Audit oversight



weak: 0 - 40; limited: 41 - 60; adequate: 61 - 100

## Recommendations

The Czech Republic's Parliament provides adequate oversight during the planning stage of the budget cycle and adequate oversight during the implementation stage. To further improve oversight, the following actions are recommended:

- A legislative committee should examine in-year budget implementation and publish reports with their findings online.
- A legislative committee should examine the Audit Report and publish a report with their findings online.

To strengthen its independence and improve audit oversight by the Czech Republic's Supreme Audit Office, the following action is recommended:



- Ensure audit processes are reviewed by an independent agency.

### **The emerging practice of establishing independent fiscal institutions**

The Czech Republic's independent fiscal institution (IFI) is the Czech Fiscal Council (CFC). Its independence is set in law, and it reports to the executive. It publishes an assessment of the official macroeconomic and fiscal forecasts produced by the executive, and its own cost estimates of some new policy proposals.

*\*The indicators for IFIs are \*not\* scored*

# Methodology

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- Only documents published and events, activities, or developments that took place through 31 December 2018 were assessed in the OBS 2019.
- The survey is based on a questionnaire completed in each country by an independent budget expert:  
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- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in the Czech Republic by a representative of the Ministry of Finance.