

## Overview



Transparency:

**81** /100

(Open Budget Index score)



Public  
Participation:

**28** /100



Budget Oversight:

**82** /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.

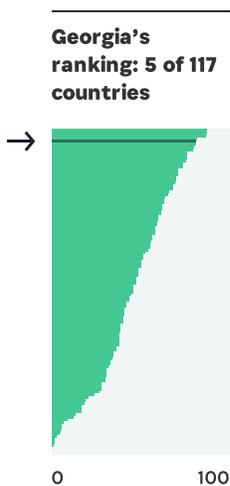


# Transparency

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.

Georgia has a transparency score of **81** (out of 100).

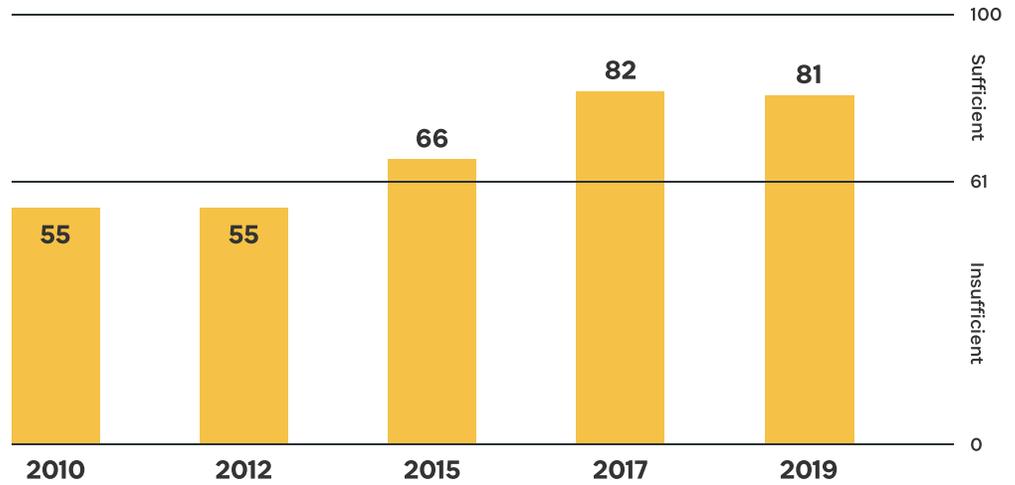
## Transparency in Georgia compared to others



Global Average	45
Georgia	81
Russia	74
Kyrgyz Republic	63
Kazakhstan	58
Turkey	51
Azerbaijan	35
Tajikistan	17

0 Insufficient 61 Sufficient 100

## How has the transparency score for Georgia changed over time?

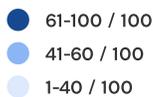


## Public availability of budget documents in Georgia

- 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 Georgia makes available to the public?



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	100
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	78
Enacted Budget	The budget that has been approved by the legislature.	2019	100
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.	2019	58
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2018	100
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	52
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	85
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2017	95

Georgia's transparency score of **81** in the OBS 2019 is near its score in 2017.

### What changed in OBS 2019?

Georgia has increased the availability of budget information by:

- Including an executive summary in the Audit Report.

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

- Reducing the information on actual revenues and expenditures during the prior budget year as part of the Executive's Budget Proposal, which had been included in previous years when there were modified budgets approved by the legislature.

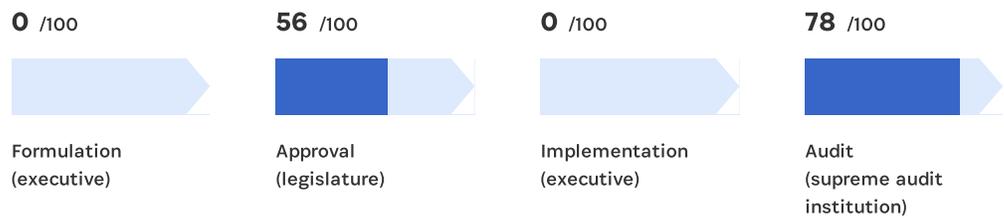
## **Recommendations**

Georgia should prioritize the following actions to improve budget transparency:

- Include additional information on fiscal risk in the Executive's Budget Proposal, for example, on transfers to public corporations, quasi-fiscal activities for public corporations, and tax expenditures for the budget year.
- In the Mid-Year Review, include updated revenue estimates for the year underway as compared to the original estimates.
- Seek public input on the contents of the Citizens Budget and disseminating the Citizens Budget through different types of media to reach a variety of audiences.



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



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

## Recommendations

To further strengthen public participation in the budget process, Georgia's Ministry of Finance should prioritize the following actions:

- Pilot mechanisms to engage the public during budget formulation and to monitor budget implementation.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

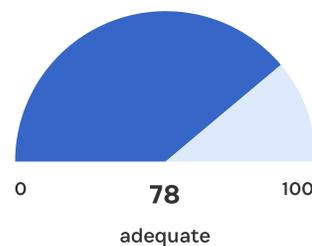


# Budget Oversight

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 Georgia, together, provide adequate oversight during the budget process, with a composite oversight score of **82** (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

To strengthen independence and improve audit oversight by the Georgia State Audit Office, the following actions are recommended:

- Ensure audit processes are reviewed by an independent agency.

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

Georgia's independent fiscal institution (IFI) is the Parliamentary Budget Office. Its independence is set in law, and it reports to the legislature. It publishes its own macroeconomic and fiscal forecasts, and its own cost estimates of all 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 Georgia by a representative of the Ministry of Finance.