

Overview



Transparency:

70 /100

(Open Budget Index score)



Public
Participation:

20 /100



Budget Oversight:

82 /100

About the survey

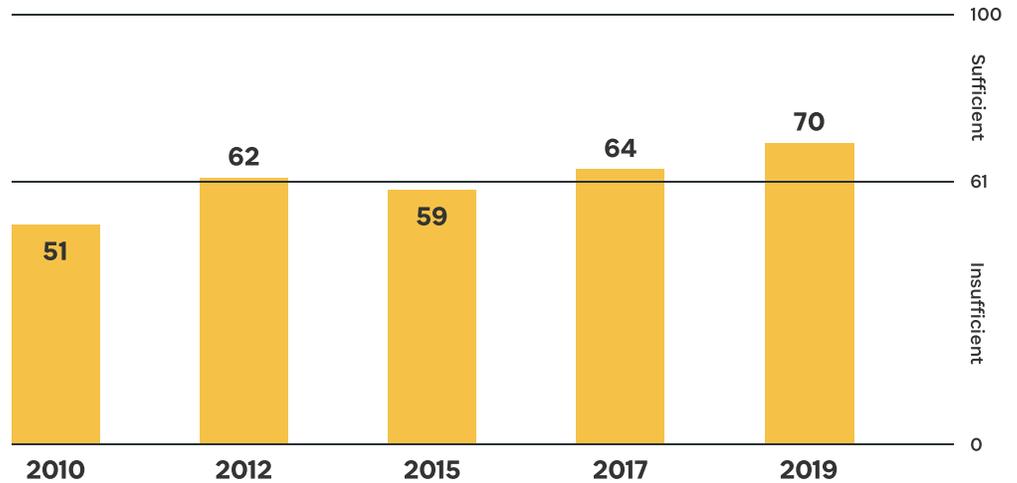
Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – affect how equal a society is and the well-being of its people, including whether the most disadvantaged will have real opportunities for a better life. It is critical that governments inform and 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 ↗ for more information, including the full OBS methodology, the 2019 Global Report, findings for all surveyed countries, and the Data Explorer.

How has the transparency score for Indonesia changed over time?



Public availability of budget documents in Indonesia

- 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 Indonesia 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	50
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	67
Enacted Budget	The budget that has been approved by the legislature.	2019	89
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	67
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2018	74
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	89
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	64
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2017	76

Indonesia's transparency score of **70** in the OBS 2019 is moderately higher than its score in 2017.

What changed in OBS 2019?

Indonesia has increased the availability of budget information by:

- Including an economic classification in the Executive's Budget Proposal and increasing information on debt from the previous budget year.

Recommendations

Indonesia should prioritize the following actions to improve budget transparency:

- Include the government's balance sheet as part of the Executive's Budget Proposal, showing information on the government's financial and non-financial assets for the budget year.
- Increase the information in the Executive's Budget Proposal related to fiscal risks, such as quasi-fiscal activities of public corporations, contingent liabilities, and analysis of the long-term sustainability of the government's finances.
- Report on the the differences between the estimates and actual outcomes for performance indicators, such as non-financial data results, in the Year-End Report.
- Create mechanisms to identify the public's requirements for budget information in the Citizen's Budget.

Extent of opportunities for public participation in the budget process



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

Recommendations

Indonesia's Ministry of Finance has established public consultations during budget formulation and e-consultations during budget implementation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Pilot mechanisms during budget formulation that open discussions about the central government's budget that are open to 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.
- Support line ministries to conduct public consultations on budgets for sector issues, such as health, education, or other sectors.

Indonesia's People's Representative Assembly should prioritize the following actions:

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

Indonesia's Audit Board (Badan Pemeriksa Keuangan) has established mechanisms to assist the supreme audit institution in developing its audit program. It should prioritize the following actions to improve public participation in the budget process:

- Establish formal mechanisms for the public to contribute to relevant audit investigations.



Budget Oversight

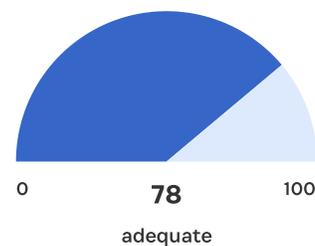
The OBS also examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The legislature and supreme audit institution in Indonesia, 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

Recommendations

Indonesia's People's Representative Assembly 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 should be prioritized:

- A legislative committee should examine the Audit Report and publish a report with their findings online.

The emerging practice of establishing independent fiscal institutions

Indonesia does not have an independent fiscal institution (IFI). IFIs are increasingly recognized as valuable independent and nonpartisan information providers to the Executive and/or Parliament during the budget process.

**These indicators are *not* scored in the Open Budget Survey.*

Methodology

- 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 Indonesia by a representative of the Ministry of Finance.