

1. Programme Identification Details:

GTF Number	334
Short Title of Programme	Open Budget Initiative
Name of Lead Institution	International Budget Partnership
Start date	27/08/2008
End date	(26/08/2013) ¹
Brief Summary of Programme:	The Open Budget Initiative (OBI) is a five-year program to encourage governments to adopt transparent, accountable, and participatory practices in public finance management. The OBI is actively engaged in approximately 100 countries, primarily in Asia, Africa, and Latin America. It seeks to achieve its objectives by conducting a set of research and advocacy activities, including the implementation of three biennial Open Budget Surveys that measure national government budget transparency practices. The OBI will also produce literature and guidebooks on public finance management practices and Citizens Budgets. Further, the OBI is supporting budget transparency assessments at the subnational levels of government, as well as research studies on the causes and consequences of a lack of transparency in select countries. Finally, the OBI is promoting the development of international platforms, including best practice norms for public finance management, to enhance advocacy in support of greater transparency.
List all countries where activities have taken or will take place	Please refer to Annex C2
Target groups and wider beneficiaries	Target groups: Governments that need to adopt more transparent public finance management practices, especially within their budget systems Intended beneficiaries: Civil society organizations and citizens in those countries where governments improve their PFM practices and budget systems
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¹ Since the grant agreement with DFID was only signed in August 2008, the project began in August 2008 and ends 60 months later in August 2013.

2. List of Acronyms

CSO	Civil Society Organization
DFID	Department for International Development
GTF	Global Transparency Fund
IBP	International Budget Partnership
M&E	Monitoring and Evaluation
MSI	Multi-Stakeholder Initiative
OBI	Open Budget Initiative
OBS	Open Budget Survey
PFM	Public Finance Management
SAI	Supreme Audit Institution

3. Executive Summary

“For the Open Budget Survey 2010, 300 researchers invested 25,000 person hours over an 18 month period to develop 11,500 observations on budget transparency and oversight in 94 countries. Through data collected in its 2006, 2008, and 2010 surveys, the IBP has created the world’s largest databank on budget transparency.”

- Vivek Ramkumar, OBI Manager, speaking at launch of Open Budget Survey 2010

The past year has been an incredibly productive year for the Open Budget Initiative (OBI) both in terms of the breadth of activities undertaken by the program and the results we achieved.

Our main activities include the following:

- *Measuring budget transparency across the world.* On 19 October 2010 two years of research culminated in the OBI’s global release of the results of the third round of the Open Budget Survey (OBS). OBI partners took the lead in disseminating the OBS 2010 at nine regional launches in Latin America, Africa, and Asia and in the majority of the 94 countries included in the 2010 Survey. Throughout the two year period of the Survey, the OBI provided extensive training and technical assistance to its partners.
- *Piloting subnational assessments.* In 2009 the OBI gave a total of 12 grants to its partners in select countries to explore ways to adapt the OBS to be able to assess the transparency of government budgets at the subnational level. These grants were used by OBI partners in 2010-11 to undertake pilots in five Latin American countries, three countries each in Africa and Asia, and one in Eastern Europe.
- *Building coalitions and promoting global norms.* In order to establish agreed upon standards and a source of external pressure for national governments to meet those standards the IBP has initiated a two-pronged process to promote global norms on budget transparency, participation, and accountability through a Multi Stakeholder Initiative (MSI). First, the IBP has held extensive discussions with partners in approximately 50 countries about helping to convene and participate in an Assembly to prepare civil society to participate effectively in the MSI. Second, the IBP is working

with a broad group of stakeholders, including civil society, governments, parliaments, and auditors, to establish a MSI that will focus on advancing norms on budget transparency, participation, and accountability.

- *Informing the field.* This year the OBI produced two technical guides that present practical steps for implementing the standards for transparent public finance management practices established in the OBS and measured by the Open Budget Index — one for government and the other, civil society audiences. Additionally, the OBI is working closely with colleagues at the Ash Institute at Harvard University to conduct in-depth case studies in 10 countries to better understand what drives budget transparency practices and examine outcomes related to more open systems.

These activities have resulted in the following achievements:

The OBI 2010 Results Received Widespread Attention. To date, the OBI 2010 results have generated over 400 media hits in national publications, including high profile media outlets, such as *The Financial Times*, *The Wall Street Journal*, and *The Economist*; and national and international blogs. Targeted presentations were made at various bilateral and multilateral venues. Further, OBI partners collaborated on nine regional OBS 2010 dissemination events that were attended by representatives from more than 20 governments. Several of these representatives made specific commitments on behalf of their governments during these events to improving budget transparency in their countries.

Several Governments Have Begun Publishing Citizens Budgets. This issue is particularly heartening because the IBP has been the leader in advocating for the publication of Citizens Budgets for more than a decade — at a time when these reports were not part of any international guidelines. Such reports have been published in Brazil, Mexico, Egypt, and Lebanon. Further, the Ministries of Finance in Kazakhstan and Guatemala are in advanced stages of developing their first Citizens Budgets, and Mali published the first-ever Citizens Budget in Francophone Africa in early 2011. The governments of Mali and Guatemala are receiving extensive technical assistance from the IBP as they develop these reports and plan for their dissemination, while the Kazakh government is consulting with an IBP partner in the country.

The OBI Is Increasingly Used by Donors to Assess Countries and Develop Their Country Assistance Strategies. Several bilateral and multilateral donors have begun using the OBI as a key measure of budget transparency in the countries to which they give aid, and some have even used it to guide their country assistance strategies. For example, in a technical report presenting its new strategy guiding the provision of direct budget support to countries, DFID has drawn extensively on OBI recommendations.

Although the IBP is delighted to note these extensive improvements in budget transparency, it also recognizes that the achievement of meaningful budget transparency continues to be a struggle in many countries. Going forward, the IBP proposes to support more intensive advocacy work at the country level, particularly in a

subset of the 41 countries that fall at the bottom of the Open Budget Index 2010. The IBP plans to make grants to its partners in these countries to advocate for improvements in their governments' budget transparency practices. In addition to these grants, the IBP will also identify specific types of nonfinancial technical and advocacy assistance that it can provide to these partners.

Our progress-to-date gives us confidence that we will achieve the purposes of our program within the overall funding period. As reported in the OBI's Mid-Term Review, "the program as it stands is well on track...if it continues as it is, with no modifications, it could still satisfy and even surpass objectives and expectations...."

4. Programme Management

Since the submission of our last annual report to DFID, there have been some changes in the composition of our staff — although the core of the staff remains unchanged. Some of these appointments have already been identified in the OBI's Mid-Term Report to DFID. We recruited a senior research fellow to lead OBI's research agenda. We also recruited two program officers to manage our work in Latin America and Francophone Africa, respectively. A program officer responsible for our work in Asia left, and we are in the process of finding a replacement. Finally, we recruited an administrative assistant. In addition to these changes that directly affected the composition of the OBI staff, the IBP also made some changes in its staffing to better support all its programs, including the OBI. The IBP recruited a senior financial manager and an events coordinator and the OBI will benefit from their services enormously.

Further, the OBI appointed a consultant to assist with its subnational budget transparency work. In 2011-12 the OBI will appoint another consultant and an intern to continue with this work, including making grants to organizations to undertake subnational budget transparency studies. The OBI also appointed a consultant to help with its advocacy grantmaking that is planned for 2011-12.

5. Working with implementing partners

There has been no significant change in the OBI's implementation arrangements with partners since the 2009-10 reporting period. An updated list of OBI partners is provided in Annex A7. IBP generally identifies local partners based on its longstanding relationships with groups in the relevant countries. Many of our partners have collaborated with us over several rounds of the Open Budget Survey. In countries in which we are unfamiliar with local organizations, we establish relationships with an organization after consulting with other international organizations and donors that are active in these countries. In very limited instances, an OBI partner organization is dropped if the organization is no longer interested in or capable of pursuing joint activities like the Open Budget Survey.

6. Risk Assessment

The following external factors could impact OBI activities:

<i>Risk</i>	<i>Potential impact</i>	<i>Probability</i>	<i>Mitigation measures</i>
The crisis in the Middle East and North Africa	Low	Medium	The recent crisis in the Middle East and North Africa may have a negative impact on OBI work in a couple of countries. This is especially true in the case of Yemen. We have yet to determine whether we will be able to include Yemen in the Open Budget Survey 2012, and it has been difficult for us to communicate with our local partner there. Since research for the OBS 2012 will not start until August 2011, we still have a little time to take stock of the situation in the country. However, we have decided to add six to seven new countries in the OBS 2012 and, although it will be unfortunate if we cannot continue to include Yemen, the overall impact on the Survey would be minimal. For us the greatest concern is making sure that our research partner in Yemen remains safe, and we will not undertake any step that may jeopardize our partner's safety. Our partners in Morocco, Algeria, Egypt, Jordan, Lebanon, Iraq, and Saudi Arabia have agreed to continue working with us on the Open Budget Survey 2012, and we are also including two new countries (Tunisia and Kuwait) from the region. Further, the IBP has greatly expanded its work in Egypt and Tunisia and will be appointing three new staff members to focus on these two countries. The OBI will benefit greatly from the addition of these staff members in the region.

The OBI's Mid-Term Review identified a few internal risks that are described below:

<i>Risk</i>	<i>Potential impact</i>	<i>Probability</i>	<i>Mitigation measures</i>
Stress and staff burn-out	Medium	Low	As discussed in section 4 of this report, the IBP has made a number of staff appointments to reduce pressures on existing staff members. The OBI currently has six staff members and will add one more program officer in the next month or so.

Integration between different program components	Medium	Low	The IBP recently submitted a funding proposal to the Soros Foundation for expanding budget advocacy work in two countries (Egypt and Tunisia) in the Middle East and North Africa to take advantage of the opportunities offered by the recent events in the region. The proposal is likely to be accepted by the Soros Foundation and represents a joint effort of IBP programs in identifying a strategy under which each program will contribute to the proposed work in the region. This is an example of the IBP's moving away from a program-based focus to an organization-wide focus. This approach can also be seen in the new organization-wide M & E framework (presented in Annex C3).
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7. M & E Arrangements

There have been no changes in the OBI's M & E arrangements as presented in the Inception Report. As mentioned in the Mid-Term Review, the IBP has recruited a director of operations, who has strengthened the institutional M & E framework, which include six short-term goals and success indicators (and the logframe of the GTF has been incorporated into the overall IBP M & E framework). These are presented in Annex C3 of this report. It is important to note that the indicators presented in Annex C3 do not exclusively relate to the OBI but to how all IBP programs collectively contribute to the achievement of the organization's objectives. The indicators in Annex C3 are for the calendar year 2010, which does not fully correspond with the period covered in this annual report.

8. Logframe Changes

There have been no changes in the IBP's Logframe since the submission of the IBP's Inception Report to DFID on 24 March 2009. (See Annex A1 and A2 for progress achieved in the logframe.)

9. Emerging impact on governance and transparency

Please refer to Annex A9 of this report.

10. Cross-cutting issues

The OBI does not target any specific demographic group. The program operates in 100 countries to promote *open budgets* based on its belief that more transparent and responsive government budgets can improve the lives of every member of society, especially those who are poor and marginalized.

The recent events in the Middle East and North Africa are creating new opportunities for the IBP to engage with local civil society organizations in Tunisia and Egypt on budget reforms. However, in Yemen uncertainty around the direction that the country is moving toward has resulted in the OBI not being sure whether or not the country can be included in the Open Budget Survey 2012. We will continue to monitor developments in the country and make this decision in the next few months.

11. Progress towards sustainability

The OBI's Mid-Term Review and previous annual report listed a number of capacity-building activities undertaken by the OBI to develop research and advocacy skills in its partner organizations, as well as detailing the financial assistance provided by the OBI to some of its partners. The OBI has continued to provide such assistance to its partners but rather than repeat this information, in this section we report on the recent successes achieved by the OBI that point to the program's progress toward sustainability.

The OBI 2010 Results Received Widespread Attention

To date, the OBI 2010 results have generated over 400 media hits, including coverage in high profile media outlets, such as *The Financial Times*, *The Wall Street Journal*, and *The Economist*; as well as postings in national and international blogs. In addition to the publicity surrounding the release of the results in most of the countries that were covered by the Survey, the findings were also disseminated at nine regional events attended by governments, civil society partners, donors, and the media. Further, targeted presentations were made at various bilateral and multilateral venues, including DFID, the Organization for Economic Cooperation and Development, the Dutch Foreign Ministry, the Swedish Foreign Ministry and aid agency, the European Commission, the World Bank, United Nations Development Program, and the International Monetary Fund.

Governments Are Paying Closer Attention to the OBI Results

The Open Budget Survey 2010 received significantly greater attention from national governments than previous rounds. For example, more than 20 governments sent representatives to attend regional OBS 2010 dissemination events, and during these events many of these representatives made specific commitments to improving budget transparency in their countries. In addition, many senior government officials have commented in oral and written statements on the OBS 2010 results. For example:

- In its [2011 budget proposal](#), the Mexican Ministry of Finance showcases its commitment to budget transparency by citing its OBS 2010 results.
- The Bulgarian [2011 budget proposal](#) cites the Open Budget Index and makes commitments to sustaining and improving transparency.
- In Azerbaijan's [2010 Year-End Report](#), the Ministry of Finance cites improvements in its Open Budget Index scores between 2008 and 2010 to illustrate its commitment to improving budget transparency in the country.

Several Governments Have Begun Publishing Citizens Budgets

The IBP has tracked responses to the OBS 2010 results and identified specific actions taken by governments to improve public access to budget reports following the release. One of the most common steps taken by governments to improve public access to budget information has been to publish popular versions of technical budget reports, also called Citizens Budgets. This is particularly heartening because the IBP has been the leader in advocating for the publication of Citizens Budgets for more than a decade – at a time when these reports were not part of any international guidelines. Such reports have been published in [Brazil](#), [Mexico](#), [Egypt](#), and [Lebanon](#).

IBP partners were consulted by some of these governments as they developed their Citizens Budgets. For example, in Mexico the Ministry of Finance consulted with Fundar, and in Lebanon the Ministry of Finance collaborated with the Lebanese Transparency Association during the production of these publications. Of note, a Brazilian government official met with the IBP in Washington, D.C., and subsequently recommended to the Brazilian Ministry of Finance that it publish a Citizens Budget.

Further, the Ministries of Finance in Kazakhstan, and Guatemala are in advanced stages of developing their first Citizens Budgets, and Mali has just released the first ever in Francophone Africa. The governments of Mali and Guatemala are receiving extensive technical assistance from the IBP as they develop these reports and plan for their dissemination, while the Kazakh government is consulting with an IBP partner in the country.

Some Governments Have Begun Publishing Budget Reports for the First Time

The Open Budget Survey 2010 specifically recommends that “[c]ountries should make public all of the eight key budget documents that they already produce.” Recently, such steps have been taken by the following governments:

- The Deputy Minister of Finance in Afghanistan attended the South Asia launch of the OBS 2010 and committed to improving budget transparency in the country. Since that event, the Afghan government has published a [Pre-Budget Statement and the Executive’s Budget Proposal](#) for the first time.
- With strong encouragement from the IBP’s partner, Réseau des Organisations Partenaires de l’IFES, the Democratic Republic of Congo released the [Executive’s Budget Proposal](#) and a budget timetable for the first time.
- In Georgia the supreme audit institution accepted recommendations made by Transparency International-Georgia, and for the first time released a [report](#) listing audit statements on various violations of law by public entities and an overview of the follow-up actions these audited entities undertook to address the problems.

The Open Budget Index Is Increasingly Used by Donors to Assess Countries and Develop Their Country Assistance Strategies

Several bilateral and multilateral donors have begun using the Open Budget Index as a key measure of budget transparency in the countries to which they give aid, and some have even used it to guide their country assistance strategies.

- The World Bank includes the Open Budget Index as a measure in its [Worldwide Governance Indicators](#) on Voice and Accountability.
- Recently, the Open Government Partnership, an initiative that is co-chaired by the U.S. and Brazilian governments, plans to solicit high-level commitments from various governments to expand the transparency of their governance systems. The initiative used Open Budget Index results as one criterion to assess whether individual countries will be eligible to participate.
- The Inter-American Development Bank noted in its [country assistance strategy](#) for El Salvador that one measure of the country's performance will be its subsequent scores on the Open Budget Index.
- In a technical report presenting its new strategy guiding the provision of direct budget support to countries, DFID has drawn extensively on OBS recommendations.

Governments Are Using OBI Information to Draft Legislation and Policies to Promote Greater Transparency and Public Engagement in Budgeting

The IBP and its civil society partners have begun receiving requests from some governments for information on how to develop legislation and policy measures to expand budget transparency and public engagement.

- In the Democratic Republic of Congo (DRC), the IBP's partner, Réseau des Organisations Partenaires de l'IFES, gave extensive inputs to the government prior to the publication of the country's recent public finance management reform report. The [report](#) emphasizes public participation in budgeting as a key pillar of the DRC's new approach to finance management.
- The Afghan Ministry of Finance has developed and is now implementing its Public Financial Management Roadmap, in which "improvements in transparency" is listed as a key commitment. The ministry recently informed the IBP that, after participating in an OBS conference in November 2010, the Deputy Minister has been continuously monitoring progress in this area.
- In Nigeria the IBP received a request from a government consultant for input into recommendations on provisions for budget transparency and public engagement that could be included in the government's plans for legislation on public finances. The IBP received an identical request from the World Bank in Kenya.

What we have reported here demonstrates that in national and international discussions on public finance management the Open Budget Survey is now widely accepted as the touchstone for transparent, participatory, and accountable budgeting.

However, There Is Much More to Be Done...

Although the IBP is delighted to note these extensive improvements in budget transparency as a result of the combined work of its partners and reputation of the Open Budget Survey, it also recognizes that the achievement of meaningful budget transparency continues to be a struggle in many countries.

As noted in the Open Budget Survey 2010 report, the overall state of budget transparency remains poor, and some countries like Niger, Chad, and Fiji slipped in their performance on the OBI and became even less transparent than they were earlier. The Survey also found that the efforts of many legislatures and supreme audit institutions to provide effective budget oversight are being undermined by their executives. Further, public engagement in budgeting is very weak in most countries assessed by the Open Budget Survey. In the absence of effective oversight institutions and public engagement, access to information is frequently an inadequate condition to promote accountability and better budgeting results in a country.

The IBP recognizes that its advocacy on budget transparency will not yield better budgeting results unless local organizations and individuals begin to use budget data to hold governments to account. Recognizing this need, the IBP is currently supporting a wide range of civil society organizations in 18 countries under its Partnership Initiative. This Initiative provides multi-year financial support together with mentorship assistance to civil society groups to help build and sustain their capacity to monitor government budgets in their country. The IBP has produced a number of [case studies](#) that are available on its website that showcase the successes achieved by these organizations in monitoring their governments' budgets.

Going forward, the IBP proposes to support more intensive advocacy work at the country level, particularly in a subset of the 41 countries that fall at the bottom of the Open Budget Index 2010. The IBP plans to make grants to its partners in these countries to advocate for improvements in their governments' budget transparency practices. To strengthen these grants, the IBP will also identify specific types of nonfinancial technical and advocacy assistance that it can provide to these partners.

Our progress-to-date gives us confidence that we will achieve the purposes of our program within the overall funding period. As reported in the OBI's Mid-Term Review, "the program as it stands is well on track...if it continues as it is, with no modifications, it could still satisfy and even surpass objectives and expectations...."

12. Innovation

The OBI's Mid-Term Review identifies a couple of innovations promoted by the OBI, including using audio diaries to publicize budget transparency challenges and in turning governments from targets to allies and collaborators. The previous OBI annual report documented our innovations in developing strategic collaborations with a wide network of civil society groups on the *Ask Your Government* campaign, all of which we have continued to implement during this reporting period. In this report, we profile another innovation that we are undertaking to promote global norms on budget transparency, participation, and accountability.

We believe that a Multi-Stakeholder Initiative (MSI) will provide the most effective approach to a global initiative on budget transparency and accountability. Substantial and sustainable change requires broad engagement, and MSIs have proved to be an

effective yet flexible approach to foster cross-sector collaboration. There are now several examples of such initiatives, such as the Extractive Industry Transparency Initiative, the Aarhus Convention, the Global Fund for HIV, TB, and Malaria, and the Global Water Partnership. Each has been successful in convening a broad range of stakeholders, led by governments, international agencies, the private sector, and civil society, to promote and secure improvements in practices over time. The core strength of the multi-stakeholder approach is that it engages all of the interested parties, improves coordination, and provides access to information and open space for dialogue between all constituencies. Another major strength of these initiatives is that the various capacities and activities of a wide range of stakeholders can be harnessed to scale impact.

In order to establish a MSI that can agree on global norms on budget transparency, participation, and accountability, the IBP is implementing concurrently a two-pronged process.

- 1) The IBP is convening a Civil Society Budget Assembly to prepare civil society to participate effectively in a MSI. The IBP will work with budget-focused organizations to come together in late 2011 to establish a common position on the possible content of global budget norms. The Assembly will also provide a space to discuss the formation of a longer-term civil society budget movement. During the past year, the IBP has held extensive discussions with partners in approximately 50 countries who are expected to attend the Assembly.
- 2) The IBP is working with a broad group of stakeholders, including civil society, governments, parliaments, and auditors, to establish a MSI to advance and operationalize the principles of open budgeting. The initial focus of the MSI will be on building international norms on budget transparency, participation, and accountability. The IBP is in advanced discussions with a number of governments, bilateral and multilateral agencies (including DFID), and professional associations about their participation in the MSI.

13. Learning from GTF

There are both external and internal factors that influence the likelihood of civil society budget groups having an impact on governance and transparency. A 2007 IBP publication (see <http://www.internationalbudget.org/pdf/BudgetMonitoring.pdf>) reports that such external factors include the political environment, the legal and institutional framework, the role of international donors, and literacy levels and public interest in budget issues. The report also identifies internal factors that influence the impact that a civil society group can achieve, including the organization's mission, leadership, capacity, and products/dissemination.

The three rounds of the Open Budget Survey published between 2006 and 2010 report an overall global trend toward improvements in budget transparency. The average score received by 40 countries for which comparable data is available across the three

surveys was 47 out of 100 in 2006. The average scores received by these same 40 countries went up to 54 in the 2008 Survey and to 56 in the 2010 Survey.

Understanding a government's behavior and its motives for changing practices requires an in-depth study of the political economy (and other factors) in the country. The IBP is supporting the development of a set of comprehensive case studies in 10 countries that will attempt to place changes in levels of budget transparency into each country's broader political and economic contexts; these case studies are to be completed by 2011. However, based on the changes observed over the Survey series, the IBP has had some preliminary conversations with researchers and international budget experts to develop some initial hypotheses about why changes occur.

The initial investigation of what caused these changes suggests that a range of factors can lead to an increase in budget transparency. These factors have been drawn from the Open Budget Survey 2010 report.

Changes in government. Improvement can occur after elections that result in a new government or the appointment of a new official committed to greater transparency. For example, in Ukraine a new finance minister changed a policy to require more documents to be published in order to improve discipline in the ministry, and in Azerbaijan a new head of the SAI made the national Audit Report public.

Internal pressure. Budget transparency can increase due to pressure from within a country from legislatures and CSOs. For example, in Liberia legislators have been supporting demands for greater transparency, and in the Democratic Republic of Congo civil society groups have been successful in advocating for greater transparency.

External pressure. Improvements in budget transparency can result from external pressure exerted by donors and from specific initiatives like the Heavily Indebted Poor Countries Initiative and the OBI. For example, in Angola and Mongolia pressure from international institutions and donors appears to have resulted in improvements in budget transparency, while in Malawi and Yemen, the Ministries of Finance may have begun to publish some budget reports when they realized that this could improve their scores on the Open Budget Index.

Technical assistance. Budget transparency improvements can be facilitated by technical assistance provided to countries. For example, experts from international development agencies or donor funding to support greater transparency helped advance public finance management reforms in Afghanistan, Nicaragua, and Rwanda.

These lessons will be used by the IBP to support more intensive advocacy work at the country level, particularly in a subset of the 41 countries that fall at the bottom of the Open Budget Index 2010.

ANNEX A1: Updated Baseline and Achievement Ratings Scale

Objective Statement	Achievement Rating for year being assessed ²	Logframe Indicators	Baseline Indicators for	Progress against the Indicators	Comments on changes over the last year, including unintended impacts
Purpose <i>More governments practice transparent, accountable, and participatory Public Finance Management (PFM)</i>	Overall Average: 3			1. Average score of 40 countries for which comparable data is available for all three years has increased from 47 (2006) to 54 (2008), to 56 (2010). Average score of 78 countries for which comparable data is available for 2008 and 2010 has increased from 40 (2008) to 43 (2010). 20 countries' scores have increased by more than 10 points from 2006-2010. Source: OBI 2010 report (IBP 2010).	1. 94 countries are included in OBS 2010, 4 more than originally intended. The average increases do mask backsliding in some countries (mostly due to coups), but overall trend is towards improvement. In 2011, the OBI will provide advocacy grants and technical assistance to partners countries that are at the bottom of the Open Budget Index 2010
	2	1. Composite Country Scores of the Open Budget Index in 90 countries.	1. OBI 2006 score for 59 countries, OBI 2008 score for the additional 26, and OBI score for five new countries in 2010.	2. Draft versions of 10 comparative case studies are now complete (although we plan to add a few more) and are currently being edited. In addition to these detailed case studies, the OBS 2010 report profiles and discusses three countries showing substantial increases: Afghanistan (from 8 in 2008 to 21 in 2010); Liberia (from 3 in 2008 to 40 in 2010); Mongolia (from 18 in 2006 to 36 in 2010).	
	4	2. Ten documented examples of verifiable country improvements.	2. Baseline to be determined by the terms of reference (T.O.R.) in commissioning the case studies.		

² Scale: 1 = fully achieved, very few or no shortcomings; 2 = largely achieved, despite a few short-comings; 3 = only partially achieved, benefits and shortcomings finely balanced; 4 = very limited achievement, extensive shortcomings; 5 = not achieved

<p>Output 1 <i>Increased provision by governments to the public of timely, accurate and useful public finance information [Accountability/Capability].</i></p>	<p>2</p>	<p>Open Budget Index sub-scores measuring public access to budget information in 90 countries</p>	<p>OBI sub-scores 2006 for 59 countries, OBI 2008 sub-scores for the additional 26, and for five new countries in 2010</p>	<p>For the 40 countries covered in 2006, 2008 and 2010, for 6 of the 8 subscores (i.e., for 6 of the 8 budget documents for which the survey assesses availability and comprehensiveness) documents there have been improvements; one has remained more or less constant and one has worsened slightly (see notes below for subscores). Refer to the Mid Term Review for more explanation on these scores.</p>	<p>Subscores reflect two things: availability of the 8 documents, and comprehensiveness of their coverage. Therefore an increase in subscore for given document does not necessarily indicate that more countries are making it available, but could indicate that its coverage is generally improving; and decrease in a subscore could mean content is worsening rather than less countries producing it.</p> <p>Achievement rating is up from 3 in Annual Report 2009-10, reflecting new subscores made available in October 2010 in OBS 2010 report.</p>
<p>Output 2 <i>New norms were created and implemented on best practices in public finance management as indicated by:</i> - More governments publishing Citizens Budgets. - More governments holding public hearings on the budget [Capability]</p>	<p>Overall Average 3 3 2</p>	<p>2(a) International standards and potential norms are introduced, debated and adopted in the appropriate international fora.</p> <p>2(b) The number of governments publishing Citizens Budgets increases to 25.</p>	<p>2 (a). Norms are not in place.</p> <p>2 (b) Ten governments publishing a Citizens Budget in OBI 2006.</p>	<p>Re 2 (a): Norm still not in place but theme has been positioned much more prominently and discussed more widely over past months and critical mass is growing. Also see Output 5.</p> <p>2 (b) 16 countries have published Citizens' Budget as per the OBI 2010 and 4 more (Brazil, Mexico, Egypt, and Lebanon) have published these reports since then. Further, 4 governments (Guatemala, Kenya, Mali, and Kazakhstan) are at advanced stages of publication of these reports.</p>	<p>Re 2(a): Ongoing discussions with a number of governments, bilateral and multilateral agencies, CSOs, etc. on need for Global Norm. Briefings produced outlining rationale and possible contents for norm. Consultations and discussions with partners held at all three international training workshops (Cambodia, S. Africa, and Mexico) in July – Aug 2010. All international launch events for OBI 2010 have discussed Global Norm. Annual Report 2009-10 rated it 3. Recent advances do not</p>

	2	2(c) The number of governments holding public hearings increases to 48.	2 (c.1) Thirty-five governments had held public hearings on macroeconomic framework in OBI 2006. 2 (c.2) Thirty-four governments had held public hearings on administrative units' budgets in OBI 2006.	2 (c.1) Fifty-seven governments had held public hearings on macroeconomic and fiscal frameworks have taken place 2 (c.2) Fifty-six governments had held hearings on administrative units' budgets at which Executive gave testimony. In 25 of these countries the public was also able to give testimony at the hearings, besides the Executive.	merit increase to 2 as much remains to be done, but there have been advances. Also see Output 5. Re 2 (c): Annual Report showed 4. While number holding public hearings exceeds objective, there is room for improvement if more public hearings enable public testimony, hence a 2 is assigned.
Output 3 Published Guides and case studies that document current Public Finance Management decision making practices to expand public knowledge [Accountability].	Overall Average 2 1 1 2	3 (a) Public Finance Management Guide - the guide is produced - number of copies printed - number of copies distributed (demand). 3 (b) Citizens' Budget Guide - the guide is produced - number of copies printed - number of copies distributed (demand). 3 (c) Documented examples, through case studies, of the impact of transparency on sectoral Public Finance Management	3 (a) No PFM guide designed for use by the public is currently available. 3 (b) No Citizens Budget Guide is currently available. 3(c) Baseline to be determined by the T.O.R. in commissioning the case studies.	Re 3 (a) and (b): Two twin documents published on IBP website end-Oct 2010, one a PFM Guide for governments including chapter on how to develop a Citizens' Budget; one a guide for civil society use. Government document: Web hits 9,000; number printed in hard copy 2000; number distributed in hard copy 600. Civil society document: Web hits 3,500. These indicators are therefore both fully accomplished Re 3(c): Case studies available in interim drafts: Ross (forthcoming) on natural resources; Hameed (forthcoming) on financial markets; Fukuda-Parr et al (forthcoming) on HDI; de Renzio (forthcoming) on aid. Case	Re 3 (a) and (b): Annual Report 2009-10 assigned 3. The two documents have been published since, open access. 'Mentoring Governments' programme of IBP is using and trialling Citizens' Budget guide, and is in the process of revising it to improve it by incorporating lessons from practice. This would be additional achievement beyond the accomplishment of Output 3 (b).

	3	3 (d) Documented examples, through case studies, of barriers to transparency on Public Finance Management and how to overcome them.	3 (d) Baseline to be determined by the T.O.R. in commissioning the case studies.	study available in final draft: Wehner & de Renzio (forthcoming) on political determinants. Series of additional thematic briefings also produced, in interim and final draft stages. Re 3 (d): Ten comparative case studies are now commissioned. Full final versions due in next few months.	3(d): Previous Annual Report assigned 3. Advances since then are not enough to merit increase to 2 but the ten-case comparative study have been submitted and are being edited.
Output 4 <i>Demonstrated the impact of greater transparency and citizen participation in public finance management on socio-economic outputs [Accountability/Capability].</i>	3	4 Documented examples of improvements in participation leading to reduced wasteful/inefficient expenditure in a selected set of countries.	Choice of the indicators and the countries to be determined by the T.O.R. in commissioning the case studies.	Ten comparative case studies which will contribute towards fulfilment of this indicator are now commissioned. Draft versions have been submitted and are currently being edited. In addition to these, another IBP program, the Partnership Initiative (PI), has commissioned case studies (that are relevant to this Output) on advocacy initiatives in Pakistan, Mexico and S. Africa which were published on IBP's website in 2010 and in print in OBI 2010 report pack. Further relevant work ongoing in context of four longitudinal case studies designed and commissioned by PI (Brazil, Tanzania, Mexico, S. Africa), commenced late 2009, which will deliver findings at end of PI (mid-2013).	Advances made since last Annual Report in that all ten case studies have now been commissioned and the four PI case studies have moved forward slightly; but not enough advances to merit increase to 2.

<p>Output 5 <i>An effective international platform carries out advocacy calling for greater transparency in public finance management [Accountability].</i></p>	<p>Overall Average 2</p>	<p>5 (a) Number of organizations that participate in meetings convened by the international platform</p> <p>5 (b) Agreements on international advocacy strategy and joint actions undertaken</p> <p>5 (c) Country advocacy strategies approved and funded by IBP and implemented by partners.</p>	<p>5 (a) The platform does not currently exist yet.</p> <p>5(b) No examples of collaboration of CSOs in international advocacy.</p> <p>5 (c) Grant-making has not begun.</p>	<p>Re 5 (a): IBP is in advanced discussion with governments, multilateral and bilateral agencies, professional associations, and civil society on their participation in a Multi Stake Holder Initiative to promote global norms on budget transparency, accountability, and engagement</p> <p>5 (b): IBP is in advanced discussion with partners in over 50 countries to establish a global movement that will work in parallel to the Multi Stakeholder Initiative (described above) to promote the development of global norms on budget transparency, accountability, and engagement.</p> <p>5(c): We expect to make grants to OBI partners in countries that received the lowest scores on the OBI 2010 in the next few months.</p>	<p>Achievement rating increased from the 3 assigned in Annual Report 2009-10.</p>
<p>Activities</p>					
<p>Activities and Outputs related to Budget Heading 1:</p> <p>-Implement Open Budget Survey in 2010 and 2012 [Output 1, 2b, 2c]</p>				<p>-Open Budget Survey 2010 completed (see http://internationalbudget.org/what-we-do/open-budget-survey/ . This webpage includes numerous resources related to the Survey.</p> <p>-Open Budget Survey 2012 activities have begun in April 2011</p>	

<p>Activities and Outputs related to Budget Heading 2:</p> <p>-Design and implement number of diagnostic tools for use at subnational level to measure and promote accountable, participatory and transparency PFM practices [Output 1]</p>				<p>-Grants were made to 10 groups to pilot subnational studies and results from these pilot studies have been submitted. We are currently compiling the reports and are in the process of developing a webpage on which this information will be made available</p> <p>-Grants will be made for a second-round of subnational studies in the next few months</p>	
<p>Activities and Outputs related to Budget Heading 3:</p> <p>-Make grants to partners to support advocacy in favour of good practices in PFM [Output 2a]</p> <p>-International standards and potential norms are introduced, debated and adopted in the appropriate international fora [Output 5a, 5b, 5c]</p>				<p>-We completed the Ask Your Government Initiative! in 80 countries. See http://www.internationalbudget.org/files/AYG_Brochure.pdf. A number of other resources related to this activity are also available on our website.</p> <p>-We have received completed RfPs from 12 partners and are currently in the process of reviewing them</p> <p>-IBP is in advanced discussion with governments, multilateral and bilateral agencies, professional associations, and civil society on their participation in a Multi Stake Holder Initiative to promote global norms on budget transparency</p> <p>-IBP is in advanced discussion with partners in over 50 countries to establish a global movement that will work in</p>	

				parallel to the Multi Stakeholder Initiative (described above) to promote the development of global norms on budget transparency	
<p>Activities and Outputs related to Budget Heading 4:</p> <p>-Public Finance Management Guide produced and distributed [Output 3a]</p> <p>-Citizens' Budget Guide produced and distributed [Output 3b]</p> <p>-Documented examples, through case studies, of the impact of transparency on sectoral Public Finance Management (e.g. extractive industries, security and health) [Output 3c]</p> <p>-Documented examples, through case studies, of barriers to transparency on Public Finance Management and how to overcome them [Output 3d]</p>				<p>-Two twin documents published on IBP website end-Oct 2010 (see http://www.internationalbudget.org/files/Government_Transparency_Guide.pdf and http://www.internationalbudget.org/files/Civil_Society_Transparency_Guide.pdf), one a PFM Guide for governments including chapter on how to develop a Citizens' Budget; one a guide for civil society use.</p> <p>-Case studies available in interim drafts: Ross (forthcoming) on natural resources; Hameed (forthcoming) on financial markets; Fukuda-Parr et al (forthcoming) on HDI; de Renzio (forthcoming) on aid. Case study available in final draft: Wehner & de Renzio (forthcoming) on political determinants. Series of additional thematic briefings also produced, in interim and final draft stages.</p>	

<p>Documented examples of improvements in participation leading to reduced wasteful/inefficient expenditure in a selected set of countries [Output 4]</p>				<p>-Ten comparative case studies are now commissioned. Full final versions due in next few months.</p> <p>-IBP's Partnership Initiative (PI) has commissioned case studies (that are relevant to this Activity and Output) on advocacy initiatives in Pakistan, Tanzania and S. Africa which were published on IBP's website in 2010 and in print in OBI 2010 report pack. See http://internationalbudget.org/pdf/CaseStudySouthAfrica.pdf and http://internationalbudget.org/pdf/CaseStudyPakistan.pdf and http://internationalbudget.org/pdf/CaseStudyTanzania.pdf</p> <p>Further relevant work ongoing in context of four longitudinal case studies designed and commissioned by PI (Brazil, Tanzania, Mexico, S. Africa), commenced late 2009, which will deliver findings at end of PI (mid-2013).</p>	
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ANNEX 2 – Programme Logframe

Narrative Summary	Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Goal:</p> <p>Governments use public financial resources more efficiently, effectively and responsively.</p>	<p>Targeted countries improve their annual rankings on the Open Budget Index and on selected governance indicators.</p>	<p>1(a) Government policy documents.</p> <p>1(b) Evaluations of government policies and practices at national and local levels.</p> <p>1(c) IBP Budget Transparency rankings and reports.</p> <p>1(d) Community based and participatory service delivery reviews.</p>	<p>(1) Access by the public to public finance information and decision-making is fundamental for the improvement of public finance management.</p> <p>(2) The ability of Civil Society Organizations to demand and participate in Public Finance Management is subject to a conducive country environment (political, social and economic).</p>
<p>Purpose:</p> <p>More governments practice transparent, accountable, and participatory Public Finance Management.</p>	<p>1. Composite country scores of the Open Budget Index in 90 countries.</p> <p>2. Ten documented examples of verifiable country improvements.</p>	<p>1. Biennial Open Budget Index in 2008, 2010 and 2012.</p> <p>2(a) Approximately five case studies demonstrating improved performance/capacity in Public Finance Management at the national level.</p> <p>2(b) Approximately five case studies demonstrating improved performance/capacity in Public Finance Management at the sub-national level.</p>	<p>(3) The definition of government implies work at national and sub-national levels.</p>

<p>Outputs:</p> <p>1) Accountability/Capability Increased the provision by governments to the public of timely, accurate and useful public finance information.</p> <p>2) Capability- 2(a)-New norms on best practices in Public Finance Management are created and implemented, as indicated by:</p> <p>2(b)- More governments publishing Citizens Budgets.</p> <p>2(c)-More governments holding public hearings on the budget.</p> <p>3) Accountability- Published Guides and case studies to document current decision making practices to expand public knowledge of Public Finance Management.</p>	<p>1. Open Budget Index sub-scores measuring public access to budget information in 90 countries.</p> <p>2(a) International standards and potential norms are introduced and debated and adopted in the appropriate international fora.</p> <p>2(b) The number of governments publishing Citizens Budgets increases to 25.</p> <p>2(c) The number of governments holding public hearings increases to 48.</p> <p>3 (a) Public Finance Management Guide: - the guide is produced - number of copies printed - number of copies distributed (demand)</p> <p>3 (b) Citizens Budget Guide. -the guide is produced</p>	<p>1. Biennial Open Budget Index in 2008, 2010 and 2012.</p> <p>2(a) Transcripts or minutes of meetings.</p> <p>2(b) Scores on relevant questions from the Open Budget Survey.</p> <p>2(c.1) Country scores on Question 61 of the Open Budget Survey.</p> <p>2(c.2) Country scores on Questions 75-78 on the Open Budget Survey.</p> <p>3(a) Number of copies of the Guide which are - Printed - Distributed</p> <p>3(b) Number of copies of the Citizens Budget Guide which are</p>	<p>(4) The definition of public includes both citizens and residents of a country.</p> <p>(5) For the public to take advantage of opportunities to oversee government operations, they need to be empowered with knowledge on the political economy of decision making in Public Finance Management.</p>

<p>- number of copies printed - number of copies distributed (demand)</p> <p>3 (c) Documented examples, through case studies, of the impact of transparency on sectoral Public Finance Management (e.g. extractive industries, security and health).</p> <p>3 (d) Documented examples, through case studies, of barriers to transparency on Public Finance Management, and how to overcome them.</p> <p>4) Accountability/Capability Demonstrated the impact of greater transparency and citizen participation in Public Finance Management on socio-economic outputs.</p> <p>5) Accountability- An effective international platform carries out advocacy calling for greater transparency in Public Finance Management.</p>	<p>- Printed - Distributed</p> <p>3 (c) Two-three case studies documenting the impact of transparency on sectoral Public Finance Management.</p> <p>3 (d) Two-Three case studies documenting the impact of barriers to transparency on Public Finance Management.</p> <p>4. Approximately five case studies submitted to IBP, demonstrating reduced wasteful and inefficient expenditure in a selected set of countries.</p> <p>5(a) Number of organizations that participate in meetings convened by the international platform.</p> <p>5(b) Agreements on international advocacy strategy and joint actions undertaken.</p> <p>5(c) Country advocacy strategies approved and funded by IBP and implemented by partners.</p>	<p>(6) The exact number of case studies/research products/grants will be determined after we hold strategic discussions with partners in the IBP network.</p> <p>See Assumption (6).</p> <p>See Assumption (6).</p> <p>See Assumption (6).</p>
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ANNEX A3 – Annual Financial Report

A3.1 Program Identification

1. GTF Reference No.	GTF-334
2. Organization Name	International Budget Partnership

A3.2 Reporting Period

1. Start of Period	01 April 2010
2. End of Period	31 March 2011

A3.3 Funds received from DFID during Reporting Period

Payment No.	Date Received	Amount GBP
Payment 1	17 February 2011	79,992
Payment 2	31 March 2011	616,395.07
Total received during Period		696,387.07

A3.4 – Expenditure during Period from 01 April 2010 to 31 March 2011

Agreed Budget Lines	Budget for April 1, 2010- March 31, 2011	Actual Expenditure for April 1, 2010- March 31, 2011	Variance (GBP)	Variance (Percentage)	Note
ACTIVITY 1 - Open Budget Survey					
Researcher Consultant Fees	100,800	96,013	4,787	5%	
Peer Reviewer Consultant Fees	32,000	15,277	16,723	52%	1
External Reviewer Consultant Fees	5,760	-	5,760	100%	2
Training and Technical Assistance for Researchers	-	(257)	257	-	
Translation of Questionnaire, Answers, Report	52,200	49,145	3,055	6%	

Design/Print (D/P)	43,200	71,997	(28,797)	(67%)	3
Dissemination/Creative Media	46,800	28,711	18,089	39%	3
International, Regional, and National Launches	111,600	100,669	10,931	10%	
ACTIVITY TWO - Sub national Work					
Concept Note	-	1,358	(1,358)	-	4
Meeting	20,000	29,768	(9,768)	(49%)	5
Research Grants	190,500	24,201	166,299	87%	6
Technical Assistance	13,800	-	13,800	100%	6
Translation, Printing, Dissemination	15,000	5,518	9,482	63%	6
ACTIVITY THREE - Advocacy					
Grants for Transparency Campaigns	134,638	43,757	90,881	68%	7
International Platform	71,600	68,210	3,390	5%	
ACTIVITY FOUR - Public Education					
Consultant to write sections of PFM Guide	12,320	7,695	4,625	38%	8
Peer review, Designing, Printing, Postage	25,200	13,416	11,784	47%	8
Further Research on Transparency (causes and impact)	28,800	47,719	(18,919)	(66%)	8
ACTIVITY FIVE - Administration					
Senior Administrative Assistant	20,000	2,886	17,114	86%	9
External Evaluation	18,000	13,211	4,789	27%	10
TOTAL	942,218	619,294	322,924	34%	

Explanations for differences in excess of 10 percent between agreed budget and actual expenditures

Note 1: Although our budget allocated GBP 720 for each of 140 peer reviewers in 70 countries (overall budget GBP 100,800), the actual payments averaged GBP 600 for each peer reviewer (overall expenditure GBP 84,000).

Note 2: This activity has a small overall budget and cumulatively we spent less on these costs than anticipated.

Note 3: The costs for the design and printing of the Open Budget Survey 2010 report and the costs of the dissemination and creative media should be considered together. We spent more on the design and printing of the reports than anticipated. We offset these additional costs with savings on the dissemination and creative media line item because the media consultancy firm we used charged us less than what we had anticipated.

Note 4: We incurred a minor consultancy cost on this activity that we had not anticipated.

Note 5: As this was the first meeting we organized to pilot our subnational budget transparency work, there was significant interest in this event among our partners and we incurred higher travel costs and interpretation costs than anticipated.

Note 6: Our partners were delayed in the completion of their pilot budget transparency studies – we anticipated they would submit final reports by the end of 2010 but most of these studies were not submitted until March 2011. As a result, our subnational work is a little behind schedule and therefore we have not yet made grants to partners for the planned second round subnational budget transparency studies; these grants will be made in 2011-12. This delay has also slowed payments to the consultants working on the subnational project (both for technical assistance services and for translation and interpretation services) as their work was delayed by the overall delay in the receipt of the studies.

Note 7: We have not made any grants to support advocacy efforts by our partners regarding the results from the Open Budget Survey 2010. Pursuant to our work plan, we had anticipated making these grants by March 2011 but we decided to delay this process until after we developed a clear strategy to guide the selection of grant recipients. We are currently in the process of identifying recipients and this money will be disbursed shortly.

Note 8: We spent less on consultancy costs and costs associated with the peer review, design and printing of our “Public Education” activity than anticipated. However, the consultancy fee that we agreed to pay researchers working on the 10-country case studies volume was higher than anticipated. Taken together, the excess spending on Activity 4 (Public Education) only barely exceeds the original budget for this activity.

Note 9: This item’s budget is for an administrative assistant and indirect costs associated with the OBI. We spent less than anticipated in this line item because we recruited the administrative assistant only in April 2011 (later than expected).

Note 10: The external evaluation cost less than anticipated.

A3.5 – Expenditure to Date (31 March 2011) since start of Program (27 August 2008)

Agreed Budget Lines	Budget until March 31, 2011	Actual Expenditure until March 31, 2011	Variance (GBP)	Variance (Percentage)	Note
ACTIVITY 1 - Open Budget Survey					
Researcher Consultant Fees	247,291	243,067	4,224	2%	
Peer Reviewer Consultant Fees	145,958	129,235	16,723	11%	1
External Reviewer Consultant Fees	40,653	34,893	5,760	14%	2
Training and Technical Assistance for Researchers	124,703	124,908	(205)	-	
Translation of Questionnaire, Answers, Report	62,074	59,019	3,055	5%	
Design/Print (D/P)	43,200	71,997	(28,797)	67%	3
Dissemination/Creative Media	54,033	35,944	18,089	33%	3
International, Regional, and National Launches	195,287	185,106	10,181	5%	
ACTIVITY TWO - Sub national Work					
Concept Note	1,059	2,417	(1,358)	(128%)	4
Meeting	20,000	29,768	(9,768)	(49%)	5
Research Grants	384,341	218,042	166,299	43%	6
Technical Assistance	13,800	-	13,800	100%	6
Translation, Printing, Dissemination	15,000	5,518	9,482	63%	6
ACTIVITY THREE - Advocacy					
Grants for Transparency Campaigns	352,150	261,269	90,881	26%	7
International Platform	91,626	88,236	3,390	4%	
ACTIVITY FOUR - Public Education					
Consultant to write sections of PFM Guide	12,320	7,695	4,625	38%	8
Peer review, Designing, Printing, Postage	25,200	13,416	11,784	47%	8
Further Research on Transparency (causes and impact)	29,818	48,738	(18,920)	63%	8

ACTIVITY FIVE - Administration					
Senior Administrative Assistant	30,774	13,970	16,804	55%	9
External Evaluation	18,000	13,211	4,789	27%	10
TOTAL	1,907,287	1,586,449	320,838	17%	

Explanations for differences in excess of 10 percent between agreed budget and actual expenditures

Note 1: Although our budget allocated GBP 720 for each of 140 peer reviewers in 70 countries (overall budget GBP 100,800), the actual payments averaged GBP 600 for each peer reviewer (overall expenditure GBP 84,000).

Note 2: This activity has a small overall budget and cumulatively we spent less on these costs than anticipated.

Note 3: The costs for the design and printing of the Open Budget Survey 2010 report and the costs of the dissemination and creative media should be considered together. We spent more on the design and printing of the reports than anticipated. We offset these additional costs with savings on the dissemination and creative media line item because the media consultancy firm we used charged us less than what we had anticipated.

Note 4: We incurred a minor consultancy cost on this activity that we had not anticipated.

Note 5: As this was the first meeting we organized to pilot our subnational budget transparency work, there was significant interest in this event among our partners and we incurred higher travel costs and interpretation costs than anticipated.

Note 6: Our partners were delayed in the completion of their pilot budget transparency studies – we anticipated they would submit final reports by the end of 2010 but most of these studies were not submitted until March 2011. As a result, our subnational work is a little behind schedule and therefore we have not yet made grants to partners for the planned second round subnational budget transparency studies; these grants will be made in 2011-12. This delay has also slowed payments to the consultants working on the subnational project (both for technical assistance services and for translation and interpretation services) as their work was delayed by the overall delay in the receipt of the studies.

Note 7: We have not made any grants to support advocacy efforts by our partners regarding the results from the Open Budget Survey 2010. Pursuant to our work plan, we had anticipated making these grants by March 2011 but we decided to delay this

process until after we developed a clear strategy to guide the selection of grant recipients. We are currently in the process of identifying recipients and this money will be disbursed shortly.

Note 8: We spent less on consultancy costs and costs associated with the peer review, design and printing of our “Public Education” activity than anticipated. However, the consultancy fee that we agreed to pay researchers working on the 10-country case studies volume was higher than anticipated. Taken together, the excess spending on Activity 4 (Public Education) only barely exceeds the original budget for this activity.

Note 9: This item’s budget is for an administrative assistant and indirect costs associated with the OBI. We spent less than anticipated in this line item because we recruited the administrative assistant only in April 2011 (later than expected).

Note 10: The external evaluation cost less than anticipated.

**ANNEX A4 – Material Produced during Period
For the Period 1 April 2010 to 31 March 2011**

Item	Date	Title or description of mater	Access via web (if applicable)
1.	October-December 2010	Ask Your Government Podcasts: Five partners in Kenya, Malawi, South Africa, Uganda, and Zambia recorded audio diaries of their efforts to request and obtain budget information from their governments on issues, such as maternal health, aid effectiveness, and environmental protection.	http://www.internationalbudget.org/library/index.cfm?fa=view&id=3754
2.	July 2010	“Ask Your Government Fact Sheet” (available in English and Spanish)	http://www.internationalbudget.org/cms/index.cfm?fa=view&id=3653
3.	15/10/10	Open Budget Survey 2010 Video	http://www.youtube.com/watch?v=7d-mSv0eSOE
4.	19/10/10	“Guide to Transparency in Government Budget Reports: Why are Budget Reports Important, and What Should They Include?”	http://www.internationalbudget.org/what-we-do/open-budget-survey/advocacy/advocacy-tools/?fa=budget-transparency-guide
5.	19/10/10	“Guide to Transparency in Government Budget Reports: How Civil Society Can Use Budget Reports for Research and Advocacy”	http://www.internationalbudget.org/what-we-do/open-budget-survey/advocacy/advocacy-tools/?fa=budget-transparency-guide
6.	19/10/10	“Open Budgets. Transform Lives: The Open Budget Survey 2010” (available in Arabic, English, French, Portuguese, Russian and Spanish)	http://www.internationalbudget.org/what-we-do/open-budget-survey/?fa=full-report
7.	19/10/10	“Open Budgets. Transform Lives: The Open Budget Survey 2010 Data Tables” (available in Arabic, English, French, Portuguese, Russian and Spanish)	http://www.internationalbudget.org/what-we-do/open-budget-survey/research-resources/data/
8.	19/10/10	Open Budget Survey 2010 Key Findings (available in Arabic, English, French,	http://www.internationalbu

		Portuguese, Russian and Spanish)	dget.org/what-we-do/open-budget-survey/?fa=key-findings
9.	19/10/10	“What People Are Saying About the Open Budget Survey 2010?”	http://www.internationalbudget.org/what-we-do/open-budget-survey/advocacy/?fa=obsa
10.	19/10/10	Open Budget Survey Methodology	http://www.internationalbudget.org/what-we-do/open-budget-survey/research-resources/?fa=methodology
11.	August 2010	Open Budget Initiative Brochure (available in Arabic, English, French, Russian and Spanish)	http://www.internationalbudget.org/what-we-do/open-budget-initiative/
12.	19/10/10	Open Budget Survey 2010 Press Release	http://www.internationalbudget.org/files/International_Press_Release_OBI_2010_English.pdf
13.	19/10/10	“2010 Excel Database of Answers to Open Budget Questionnaire 2010”	http://www.internationalbudget.org/files/OBI_2010_Database.xls
14.	19/10/10	Open Budget Survey 2010 Country Summaries for 94 Countries (available in English and in national language(Arabic, French, Portuguese, Russian and Spanish only))	http://www.internationalbudget.org/what-we-do/open-budget-survey/?fa=country-info
15.	July 2010	“The OBI Budget Advocacy Plan Workbook”	
16.	July 2010	“OBI 2010: Analysis and launch training”	
17.	December 2010	Burton, M. & M. Stewart 2010, ‘Tax Expenditures’, unpublished brief	
17.	August 2010	McGibney, J. 2010, ‘Brief on the Legislative Budget Approval Phase’, unpublished brief	
18.	August 2010	Atsikpasis, N. 2010, ‘Budget Transparency and the Greek Debt Crisis’, unpublished paper	

19.	July 2010	Moon. S, 2010, 'Practical approaches to the aid effectiveness agenda: Evidence in aligning aid information with recipient country budgets', ODI Working Paper 317. London: ODI	http://www.odi.org.uk/resources/details.asp?id=4801&title=aid-effectiveness-agenda-recipient-countries-budget
20.	December 2010	Ross, M. forthcoming, 'Natural Resource Wealth and Budget Transparency', unpublished draft	
21.	December 2010	Fukuda-Parr, S., P. Guyer and T. Lawson-Remer forthcoming, 'Does Budget Transparency lead to Stronger Human Development Outcomes and Commitments to Economic and Social Rights?', unpublished draft	
22.	October 2010	Wehner J. & P. de Renzio 2010, 'Citizens, legislators, and executive disclosure: The political determinants of fiscal transparency', unpublished paper	
23.	November 2010	Overy N. 2010, 'Parastatal Loans', unpublished paper	
24.	January 2011	McGee, Rosie. Open Budget Initiative - Mid-Term Review Report, unpublished report	
25.	February 2011	Draft case studies on budget transparency in Brazil, China, India, Mexico, Peru, Senegal, South Africa, South Korea, Uganda, Vietnam	
26.	March 2011	Open Budget Questionnaire and Guide for Nigerian states: Adaptation of Open Budget Survey to measure budget transparency in 7 Nigerian states	

ANNEX A5 – Web Update

In 2010 the International Budget Partnership's (IBP) Open Budget Initiative (OBI) released the results from its third Open Budget Index — the only independent and comparative global measure of budget transparency in the world. The 2010 Index assesses and ranks 94 countries on how much budget information they make available to the public and whether the information is timely and useful. The findings from all three rounds of the Open Budget Index make up the largest databank on budget transparency currently available. In national and international discussions on public finance management the Open Budget Index is now widely accepted as the touchstone for transparent, participatory, and accountable budgeting.

Evidence shows that when citizens have information on how public money will be spent and opportunities to engage in budget processes it results in better budget policies and outcomes, especially those for the poorest and most vulnerable in society. Based on this understanding, the IBP is also supporting the development of a Multi-Stakeholder Initiative (MSI) on open and accountable government budgeting. The initial focus of the MSI will be on building international norms on budget transparency, participation, and accountability. The IBP is in advanced discussions with a number of governments, bilateral and multilateral agencies, professional associations, and civil society groups about their participation in the MSI.

The OBI's Annual Report to the Global Transparency Fund is available at <http://internationalbudget.org/who-we-are/?fa=major-donors>. More information on the OBI and the IBP can be found at www.internationalbudget.org.

ANNEX A6 – Annual Work Plan For the Period 1 April 2011 to 31 March 2012

Below, we present the main activities and results expected to be achieved during the forthcoming year.

Activity 1: Open Budget Survey 2012

We will begin work on the next round of the Open Budget Survey. The Survey is likely to be published in early 2013. During 2011-12, we will undertake various activities to support the completion of the Survey. These activities include the following:

- We will revise the Open Budget Questionnaire and the guide to the Questionnaire. We will add new questions that examine public engagement and legislative oversight of national budgets.
- We will identify and contract with research partners in 100 countries (including six countries that will be added to the 94 countries examined in the previous Survey).
- We will organize three training courses for new researchers to familiarize them with the Survey requirements. Further, technical assistance will be provided to approximately 20 partners during the Survey period.
- We will identify 200 peer reviewers (two per country) and assist them in reviewing the draft Survey questionnaires submitted by the researchers.
- We will contact government officials in all 100 countries and seek their comments on the draft Survey questionnaires and will assist willing governments in submitting their comments on the draft Survey questionnaires.
- We will identify 4-5 external reviewers who will work with OBI staff to review and vet questionnaires by comparing responses from the relevant country researcher, peer reviewers, and governments (where available).

These activities will result in the publication of the Open Budget Survey 2012 results in March 2013.

Activity 2: Subnational Work

During 2011-12, we will undertake the following activities to support our subnational work:

- We will prepare a synthesis report based on the findings and lessons learned from the 10 pilot subnational studies.
- We will develop a webpage to publish various resources we have collected from our subnational work.
- We will identify 4-5 partners and make new grants to them to support a second-round of subnational budget transparency studies.

The main result that we hope to achieve from these activities is to deepen research work on subnational budget transparency issues and to stimulate dialogue within countries on the need to improve budget transparency standards at the subnational (as well as the national) level.

Activity 3: Open Budget Survey (Plus)

During 2011-12, we will design a toolkit to enable more detailed assessments of budget transparency to be made than are currently conducted in the Open Budget Survey and the subnational budget transparency projects. Once the toolkit is developed, we will commission research studies in select countries. The results from this project are only expected in 2012-13.

The main result that we hope to achieve from this activity is to measure government budget transparency against more stringent budget transparency standards.

Activity 4: Grants for Advocacy Campaigns

During 2011-12, we will undertake the following activities to support budget transparency advocacy work:

- We will make grants to 10 partners (selected from those countries that perform worst on the Open Budget Index 2010).
- We will organize a training course and multiple technical assistance meetings to assist these partners in undertaking advocacy campaigns.

Although the advocacy projects will not be complete in 2011-12, the main result that we expect from these activities is more discussion and dialogues in these countries between civil society and government regarding how budget transparency practices can be improved.

Activity 5: Research Studies

In 2011-12 we will undertake the following research studies:

- We will finalize and publish the draft case studies that assess the impact of transparency on sectoral public finance management, including access to credit markets and human development indicators (draft studies were submitted in 2010-11).
- We will finalize and publish the draft case studies that assess the impact of barriers to transparency on public finance management (draft studies were submitted in 2010-11).
- We will finalize the 10-country case studies volume that assesses the factors that influence budget transparency practices and examines outcomes related to more open systems (draft studies were submitted in 2010-11).

The result of these activities will be a deepening of our understanding of the causes and consequences of budget transparency, which in turn will help us fine-tune advocacy strategies directed at improving budget transparency practices around the world.

Activity 6: Norm Building

In 2011-12, we will undertake the following activities to support the development of global norms on budget transparency:

- We will establish a Multi-Stakeholder Initiative that will include civil society, governments, parliaments, and auditors to advance and operationalize the principles of open budgeting.
- We will organize a Civil Society Budget Assembly to prepare civil society to participate effectively in a Multi-Stakeholder Initiative on budget transparency.

The main result from these activities will be the establishment of a Multi-Stakeholder Initiative that can help develop global norms on budget transparency.

