









# Nepal

## Open Budget Index 2006



## Open Budget Index Highlights

Nepal scores 36 percent out of a possible 100 percent on the *Open Budget Index 2006*. The *Index* evaluates the quantity of information provided to citizens in the seven key budget documents that all governments should make public during the course of the budget year. Nepal's performance indicates that the government provides citizens with **minimal information** on the central government's budget and financial activities and that there is much room for improvement.

Public Availability of Key Budget Documents	
Budget Document	Availability
Pre-Budget Statement	
Executive's Budget Proposal	
Citizens' Budget	
In-Year Reports	
Mid-Year Review	
Year-End Report	
Auditor's Report	
Available to the Public	Produced but for internal Use Only
	
	Not Produced
	

The **executive's budget proposal** is one of the most important documents released during the budget year. Nepal's proposal provides some information to the public, scoring 47 percent out of a possible 100 percent of the information needed to present the public with a comprehensive picture of the government's financial activity. This suggests that there is room for improvement.

Governments should report to citizens regularly during the budget year on their spending, revenue collection and borrowing with **in-year reports**. Nepal provides some information in its in-year reports; however it would greatly strengthen public accountability by increasing the comprehensiveness of the in-year reports as well as that of the **mid-year review**. This document provides the public with updates on what can be expected for the second half of the budget year. **Year-end reports** by the executive are not released in a timely manner and lack the details needed to facilitate comparisons between enacted levels and actual outcomes. While Nepal does make its **audit report** public, it does not provide any information on whether the audit report's recommendations are successfully implemented.

Citizens require both access to information, and opportunities during the budget's consideration to use that information, to ensure their informed participation in budget debates. Nepal's score on the *Open Budget Index* suggests that the public's access

to information has to be improved. The researchers also found that opportunities for citizen participation could be increased. For example, the legislature does not hold public hearings on the budget in which the public can participate.

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*The International Budget Project was established as part of the Center on Budget and Policy Priorities, a Washington, DC-based non-partisan non-profit research organization, in 1997 to support civil society organizations around the world interested in strengthening public budget processes, institutions and outcomes. For more information on the IBP and the Open Budget Initiative 2006, please visit [www.openbudgetindex.org](http://www.openbudgetindex.org)*