Peru

Open Budget Index 2006

<table>
<thead>
<tr>
<th>0%</th>
<th>50%</th>
<th>77%</th>
<th>100%</th>
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<tbody>
<tr>
<td>Scant or None</td>
<td>Minimal</td>
<td>Some</td>
<td>Substantial</td>
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Open Budget Index Highlights

Peru scores 77 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. Peru’s performance indicates that the government provides citizens with substantial information on the central government’s budget and financial activities, but that there is some room for improvement.

The executive’s budget proposal is one of the most important documents released during the budget year. Peru’s proposal provides substantial information to the public, scoring 75 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 some room for improvement.

Governments should report to citizens regularly during the budget year on their spending, revenue collection and borrowing with in-year reports. Peru provides extensive information in its in-year reports as well as a comprehensive mid-year review. This document provides the public with updates on what can be expected for the second half of the budget year. The executive does not release a year-end report in a timely manner; however the information presented facilitates comparisons between enacted levels and actual outcomes, but needs some improvement to be on par with the level of information provided in the rest of the budget documents. While Peru 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. Peru’s score on the Open Budget Index suggests that the public’s access to information could be improved. The researcher also found that opportunities for citizen participation could be increased. For example, the legislature does hold public hearings on the budget – but there are no hearings in which the public can participate.

Research to complete the Open Budget Questionnaire was undertaken by:
Ms. Tamiko Hasegawa
Centro de Investigación de la Universidad del Pacífico (CIUP)

Av. Salaverry 2020, Jesus Maria
Peru
Tel: (+511) 219 0100
E-mail: pthasega@maxwell.syr.edu
Website: www.up.edu.pe/ciup

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