

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE

BULGARIA

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International Budget Partnership OPEN BUDGET QUESTIONNAIRE BULGARIA

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Section One: The Availability of Budget Documents

Table 1. Budget Year of Documents Used in Completing the Questionnaire

Please indicate the budget year of the document used to complete the questionnaire. If the document is not available to the public, please state, "Not Available."

Budget Documents Used in Completing the Questionnaire	
<i>As explained in the guide to the questionnaire, documents from a variety of fiscal years are referred to throughout the questionnaire. Please indicate below for which fiscal year responses to questions relating to each report or experience were based on.</i>	
	Budget Year Used
Pre-Budget Statement	Available
Budget Summary	Not Available
Executive's Budget Proposal	2007
Supporting Budget Documents	2007
Citizens Budget	Not Available
Enacted Budget	2007
In-Year Reports	2007
Mid-Year Report	Not Available
Year-End Report	2006
Audit Report	2005

Table 2. Key Budget Documents Used: Full Titles and Internet Links

Please provide the full title, date and Internet link for all documents to be cited in Sections 2 & 3.

If an Internet link is not available for the document, please indicate one of these three answers: “Not Produced,” “Produced but Not Available to the Public,” “Publicly Available, but Not on the Internet.”

Budget Document	Full Title, Date, and Internet Link
Pre-Budget Statement	Available
Budget Summary	Not Produced
Executive's Budget Proposal	State Budget 2007 Draft Act http://www.parliament.bg/pub/budget2007/Zakon%20Budget%202007.pdf
Budget Document One in Support of the Executive's Budget Proposal	Report on the State Budget Act for 2007 October 2006 http://www.minfin.bg/document/2852
Budget Document Two in Support of the Executive's Budget Proposal	Program oriented budgets for 2007 of ministries October 2006 http://www.parliament.bg/pub/budget2007/
Budget Document Three in Support of the Executive's Budget Proposal	
Citizens Budget	Not Produced
Enacted Budget	State Budget Act 2007 29 December 2006 http://www.minfin.bg/document/2882
In-Year Reports	Monthly bulletin on the budget http://www.minfin.bg/bg/statistics/?cat=1&from=0&fyear=0&to=0&tyear=0&dq=&pokaz=0
Mid-Year Review	Produced but not Available to the Public

Year-End Report	Report on the Execution of the State Budget in 2006 30 June 2007 http://www.minfin.bg/document/3526
Audit Report	Audit Report on the Execution of the State Budget for 2005 14 November 2006 http://www.bulnao.government.bg/files/bg/Doklad-NS-DB-2005.doc
Other Documents	
Relevant Ministries & Departments	Ministry of Finance http://www.minfin.bg/en/

Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

DISTRIBUTION OF BUDGET DOCUMENTS						
<i>For the following reports, place “Yes” in the appropriate row below to indicate if the report is:</i>						
	Pre-budget	Executive’s Budget Proposal				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
A. Not produced, even for internal purposes			Yes			Yes
B. Produced for internal purposes, but not available to the public						
C. Produced and available to the public, but only on request						
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes		Yes		
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>						
	Pre-budget	Executive’s Budget				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
1. The release date is known at least one month in advance		Yes	NA	Yes		NA
2. Advance notification of release is sent to users, media		Yes	NA	Yes		NA
3. Released to public same day as official release to media		Yes	NA	Yes		NA
4. Available on the Internet free of charge		Yes	NA	Yes		NA
5. Free print copies available, limited distribution		No	NA	No		NA
6. Free print copies available, mass distribution		No	NA	No		NA
7. Readily available outside capital and/or big cities [†]		Yes	NA	Yes		NA
8. Written in more than one language		No	NA	No		NA
9. News conference is held to discuss release		Yes	NA	Yes		NA

*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

[†]Mark “Yes” if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Table 4. Distribution of the Enacted Budget and Other Reports

DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS					
<i>For the following reports, place a “Yes” in the appropriate row below to indicate if the report is:</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
A. Not produced, even for internal purposes					
B. Produced for internal purposes, but not available to the public			Yes		
C. Produced and available to the public, but only on request					
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes		Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
1. The release date is known at least one month in advance	Yes	Yes	NA	No	No
2. Advance notification of release sent to users, media	Yes	Yes	NA	Yes	No
3. Released to public same day as official release to media	Yes	Yes	NA	Yes	No
4. Available on the Internet free of charge	Yes	Yes	NA	Yes	Yes
5. Free print copies available, limited distribution	No	No	NA	No	No
6. Free print copies available, mass distribution	No	No	NA	No	No
7. Readily available outside capital/big cities ⁺	Yes	Yes	NA	Yes	Yes
8. Written in more than one language	No	No	NA	No	No
9. News conference is held to discuss release	Yes	Yes	NA	Yes	Yes

⁺Mark “Yes” if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Section Two: The Executive's Budget Proposal

Notes on abbreviations:

BY = budget year (year for which the budget proposals are being made)

BY+1 = one year beyond the budget year

BY-1 = one year before the budget year

Please mark your answer by placing the appropriate letter in the box to the right of the question. For all answers marked "not applicable/other," please provide a brief explanation indicating either why the answer choices provided are not applicable or why another response would be more appropriate.

The Executive's Budget Proposal	
Estimates for the Budget Year and Beyond	
<p>1. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit. Expenditures are classified by administrative unit, but some small units are not shown separately. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in Appendix 1 of the "Report on the 2007 Law on the State Budget of the Republic of Bulgaria" entitled "Budget 2007 by Responsibilities," available at: http://minfin.bg/document/2852</p> <p>Additional information is presented at the program budgets of the ministries which are part of the budget 2007 documentation and are available at: http://parliament.bg/pub/budget2007/start.htm</p> <p><u>Comment:</u> The answer demonstrates an improvement in performance from the 2006 round of research since the government started producing and publishing program budgets for the ministries.</p> <p><u>Researcher's response to this question was "a."</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "b," because the small units are just listed and their financing is not explicitly stated. Some of these small units sometimes accrue a considerable amount of budgetary funds.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, "a." We retain our view that "a" is the most appropriate answer. All expenditures are classified by first-level spending units.</p> <p><u>IBP Comment:</u> IBP editors chose answer, "b" to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	b

<p>2. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification, and the categorization is compatible with international standards. All expenditures are classified by functional classification, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function. No expenditures classified by function are presented. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 5, Chapter 2 entitled “State Expenditures by Functions” (pp.63-89), available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u> The categorization is not compatible with international standards especially in the subgroups of the major functions.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification, and the categorization is compatible with international standards. All expenditures are classified by economic classification, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification. No expenditures classified by economic classification are presented. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 5, Chapter 1 entitled “Public Expenditures by Economic Elements” (pp. 59-64), available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u> The categorization is not compatible with international standards especially in the subgroups of the major functions.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

4. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the budget year?
- Program-level data are presented for all expenditures.
 - Program-level data are presented for at least two-thirds of, but not all, expenditures.
 - Program-level data are presented, but for less than two-thirds of expenditures.
 - No program-level data are presented.
 - Not applicable/other (please comment).

Citation:

This information is presented at the program budgets of the ministries which are part of the budget 2007 documentation and are available at:
<http://parliament.bg/pub/budget2007/start.htm>

Comment:

The answer demonstrates an improvement in performance from the 2006 round of research since government started producing and publishing program budgets for the ministries.

Researcher's response to this question was "a."

Peer Reviewer One Comment: A more appropriate response to this question would be "c" as some individual programs are just mentioned and the data related is more optimistic than realistic.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "a." We retain our view that "a" is the most appropriate answer. Data is provided for all programs. Program budgets are official documents, supplementing the draft state budget.

IBP Comment: IBP editors chose answer, "a" to maintain the consistency of the assumptions used in selecting answers across the countries. This question does not ask about the credibility of the data.

a

<p>5. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate expenditure are presented. b. No, multi-year estimates of aggregate expenditure are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> The Bulgarian government prepared a It is Medium-Term Expenditure Framework, called “Budget Forecast for 2007-2009.” available at: http://old.minfin.bg/docs/MTFF%202007-2009.pdf</p> <p><u>Comment:</u> “Budget Forecast for 2007-2009” is not released alongside the budget, and is not based on the same macroeconomic assumptions as the budget, nor do the projections reflect the same levels of revenue and expenditure in years in which they overlap.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>6. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <p>a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> See question 5.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?
- All sources of tax revenue are identified individually.
 - Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually.
 - Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually.
 - No sources of tax revenue are identified individually.
 - Not applicable/other (please comment).

Citation:

In the "Report on the 2007 Law on the State Budget of the Republic of Bulgaria," (page 47) all major tax revenues are identified. However, the data is too aggregated and less than two-thirds of taxes are identified individually by their source. There is no detailed data (except of the aggregate totals) on different excise taxes, social security taxes, and the property taxes are not shown at all (they are part of the "other taxes" category).

The report is available at: <http://minfin.bg/document/2852>

Comment:

Researcher's response to this question was "a."

Peer Reviewer One Comment: Property taxes are municipal taxes and they normally are not shown in the state budget. Even from these years they are gathered separately.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "c." We retain our view that "c" is the most appropriate answer. The draft budget report covers the consolidated budget, including state, municipal and all other budgets of government bodies. Property taxes are included in the "other category" with other taxes. There is no detailed data (except of the aggregate totals) on different excise taxes, social security taxes.

IBP Comment: IBP editors chose answer, "c."

C

<p>8. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <ul style="list-style-type: none"> a. All sources of non-tax revenue are identified individually. b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually. c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually. d. No sources of non-tax revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> In the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” (page 57-58) major non-tax revenues are identified. However, the data are too aggregated and there is no data on different types of fees (they comprise one third of the non-tax revenues) or on different types of property incomes. The report is available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>9. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate revenue are presented. b. No, multi-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> See question 5.</p> <p><u>Researcher’s response to this question was “b.”</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “a.” Aggregate revenue estimates for two years beyond the budget year are presented on page 42 in the <i>Report on the Three Year Budget Forecast for the Period 2007 - 2009</i>.</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. There is a 3-year budget forecast, but it doesn't qualify for the purpose of this questionnaire as it is not released alongside the budget, and is not based on the same macroeconomic assumptions as the budget, nor do the projections reflect the same levels of revenue and expenditure in years in which they overlap.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>b</p>
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<p>10. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. Yes, multi-year estimates are presented, but only for some individual sources of revenue. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See question 5.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ol style="list-style-type: none"> Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget). Yes, the data reflect the outstanding debt at the end of the budget year. Yes, the data reflect the outstanding debt at the start of the budget year. No, data on the outstanding debt are not presented. Not applicable/other (please comment). <p><u>Citation:</u> In the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” the forecast for the domestic and external government debt in the beginning of the budget year is presented (page 91). The internal and external borrowing for the budget year (page 93) is also presented. The report is available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>a. Yes, interest payments on the debt are presented. b. No, interest payments on the debt are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 5, Chapter 1 entitled “Public Expenditures by Economic Elements” (page 59-60). The report is available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>13. Does the executive’s budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?</p> <p>a. Yes, extensive information related to the composition of government debt is presented. b. Yes, key additional information is presented, but some details are excluded. c. Yes, some additional information is presented, but it lacks important details. d. No, additional information related to the composition of government debt is not presented. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> The “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (pages 90-93) presents information on the composition of government debt. Information is provided relating to domestic/external division, currency denomination, interest rates composition (fixed vs. floating rates). The report is available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u> There is no information on the maturity and the interest rates on the debt.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

14. Does the executive's budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?
- Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.
 - Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.
 - Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.
 - No, information related to the macroeconomic forecast is not presented.
 - Not applicable/other (please comment).

Citation:

The "Report on the 2007 Law on the State Budget of the Republic of Bulgaria" (pages 10-15) presents information on the macroeconomic forecast upon which the budget projections are based, such as inflation, real growth of GDP, employment rate, foreign exchange rates, international interest rates, current account. The report is available at: <http://minfin.bg/document/2852>

Comment:

Researcher's response to this question was "a."

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The information in this part does not overlap with the real situation on the market. For example the oil price is set at \$30 per barrel, which is ridiculous.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "a." We retain our view that "a" is the most appropriate answer. The question asks about the scope, rather than the quality, of the macroeconomic assumptions. The fact that the reviewer knows about the "ridiculous" assumptions is indicative that they are published.

IBP Comment: IBP editors chose answer, "a" to maintain the consistency of the assumptions used in selecting answers across the countries. The question asks about the scope, rather than the quality, of the macroeconomic assumptions.

a

<p>15. Does the executive’s budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?</p> <ol style="list-style-type: none"> Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of different macroeconomic assumptions on the budget is not presented. Not applicable/other (please comment). <p><u>Citation:</u> In the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” there is some narrative discussion of the risks before the budget (pp. 38-43). There is a sensitivity analysis only with respect to the government debt (pp. 43-45). The report is available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>16. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?</p> <ol style="list-style-type: none"> Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of policy proposals on expenditures is not presented. Not applicable/other (please comment). <p><u>Citation:</u> In the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” there is some information (in the chapter 3.2. Policies of 2007 budget, pp. 34-37 and in Part 5. “Budget 2007 - expenditures and expenditure policies”), but it lacks important details.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>17. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of policy proposals on revenues is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> The “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” presents data on new policies proposals (in Part 4: Revenues and tax policy), but some details are excluded.</p> <p><u>Comment:</u> There is detailed information on the effects of corporate tax reform (both narrative and calculations), some information on the effect of the excise increases (proposed change and aggregated effect on revenues), as well as for the changes in the customs duties and income tax. However, there is no information on the effect of the social security reform on revenues. The same hold for the non-tax revenues.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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Estimates for Years Prior to the Budget Year	
<p>18. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit for BY-1. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented at Appendix 1 of the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” entitled “Budget 2007 by Responsibilities” and at the program budgets of the ministries which are part of the budget 2007 documentation. They are available at: http://parliament.bg/pub/budget2007/start.htm</p> <p><u>Comment:</u> The answer demonstrates an improvement in performance from the 2006 round of research since government started producing and publishing program budgets for the ministries.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>19. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function for BY-1. No expenditures classified by function are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 5, Chapter 2 entitled “State Expenditures by Functions” (pp.63-89) and appendix 2b. "Consolidated fiscal program by function," available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u> This year the functional classification table is part of the budget report.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>20. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification for BY-1. No expenditures classified by economic classification are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 5, Chapter 1 entitled “Public Expenditures by Economic Elements” (pp. 59-64) and and appendix 2a. "Consolidated fiscal program by economic elements," available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> Program-level expenditure data are presented for all expenditures for BY-1. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1. No program-level expenditure data are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> In their program budgets most ministries present expenditures for individual programs for the budget year and for the preceding year. However, there are exceptions - for example the Ministry of Economy and Energy does not publish program level expenditures for the previous year; the same is for Ministry of Health. http://minfin.bg/document/2852</p> <p><u>Comment:</u> The answer demonstrates an improvement in performance from the 2006 round of research since government started producing and publishing program budgets for the ministries</p> <p><u>Researcher’s response to this question was “b.”</u></p> <p><u>Peer Reviewer One Comment:</u> The proper answer should be “c” since there are more talking than real programs.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. The question is not about the substance of the programs, but concerns the availability of data.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>b</p>
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<p>22. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?</p> <ul style="list-style-type: none"> a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 3, Chapter 3.1.1 entitled “Execution of the fiscal program on the 31st of August 2006 ” (pp.27-34), available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>23. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <ul style="list-style-type: none"> a. Yes, such prior-year estimates of aggregate expenditure are presented. b. No, such prior-year estimates of aggregate expenditure are not presented. c. Not applicable/other (please comment). <p><u>Citation:</u> The “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 41) presents data for the aggregate level of expenditure for two years before the budget year.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>24. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ol style="list-style-type: none"> Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation:</u> The “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 59) presents economic classification for two years before the budget year. No data is provided for administrative and functional classifications.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>25. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ol style="list-style-type: none"> Two years prior to the budget year (BY-2). Three years prior to the budget year (BY-3). Before BY-3. No actual data for all expenditures are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation:</u> The “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 59) presents actual outcomes by economic classification for two years before the budget year.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?</p> <ol style="list-style-type: none"> Yes, prior-year data are always adjusted to be comparable to the budget year data. Yes, in most cases, prior-year data are adjusted to be comparable. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u> This is not done very often.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</p>
<p>27. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> All tax revenues are identified individually for BY-1. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually. No tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> see q. 7.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The answer is correct. Though should be mentioned that the BY-1 is not the outcome but the budgetary prognosis.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, "c." We retain our view that "c" is the most appropriate answer. Of course it is forecast data - but this is taken into account in question 22.</p>	<p>c</p>

<p>28. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> All non-tax revenues are identified individually for BY-1. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually. No non-tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> see q. 8</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>29. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u> This information is presented in the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 3, Chapter 3.1.1 entitled “Execution of the fiscal program on the 31st of August 2006 ” (pp.27-34), available at: http://minfin.bg/document/2852</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>30. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate revenue are presented. b. No, such prior-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> The “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 47) presents data for the aggregate level of revenues for two years prior to the budget year.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>31. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue. d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 47)</p> <p><u>Comment:</u> Not presented for every individual source of revenue.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>32. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for all revenues are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 47)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>33. Does the executive’s budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?</p> <ul style="list-style-type: none"> a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year. b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded. c. Yes, but only information on the level of debt is presented. d. No, information related to the government debt for BY-1 is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 6 "Debt policy"</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>34. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for government debt are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> “Report on the 2007 Law on the State Budget of the Republic of Bulgaria,” Part 6 "Debt policy"</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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Comprehensiveness	
<p>35. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on extra-budgetary funds is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Appendix 10 of the draft budget presents a list of the extrabudgetary funds. There is information about the expenditures of the state extrabudgetary funds in the 2007 draft budget and the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria.” Both are available at: http://parliament.bg/pub/budget2007/start.htm</p> <p><u>Comment:</u></p> <p><u>Researcher’s response to this question was “b.”</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.” Listing them is not enough; there must be more information on these.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. There is not only a list, but also data for key funds (subsidy, expenditures, but not enough details).</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	b

<p>36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on intergovernmental transfers is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Data for all transfers is available at the draft budget. The mechanism for defining transfers for the local authorities is part of the draft budget law. See draft 2007 Law on State Budget, Appendix 5 to article 10 (1).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c."</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, "b." We retain our view that "b" is the most appropriate answer. There is data, although not as detailed as to qualify for "a."</p> <p><u>IBP Comment:</u> IBP editors chose answer, "b" to maintain the consistency of the data across the countries.</p>	b
<p>37. Does the executive's budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ol style="list-style-type: none"> Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on transfers to public corporations is not presented. Not applicable/other (please comment). <p><u>Citation:</u> "Report on the 2007 Law on the State Budget of the Republic of Bulgaria," Chapter 5.1.1. Current transfers, p. 60; additional information - in the 2007 draft budget.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</p> <ul style="list-style-type: none"> a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates. b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on quasi-fiscal activities is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> No information on such activities is presented.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value. b. Yes, information is presented, highlighting key information, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> The "Report on the 2007 Law on the State Budget of the Republic of Bulgaria" (page 32) presents data on the aggregate level of the fiscal reserve of the government (financial assets held in the central bank and commercial banks). No other information is presented.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</p>

<p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <p>a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value.</p> <p>b. Yes, information is presented, highlighting key information, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on non-financial assets is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> No information.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <p>a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on expenditure arrears is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> No information, except a figure for the public hospital corporations (p. 39 of the 2007 Budget Report).</p> <p><u>Comment:</u> This is not a significant problem in Bulgaria.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "d."</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, "e." We retain our view that "e" is the most appropriate answer. Expenditure arrears are not significant problem in Bulgaria so that, according to the methodology, "e" is applicable.</p> <p><u>IBP Comment:</u> IBP editors chose answer, "e" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	e

<p>42. Does the executive's budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ol style="list-style-type: none"> Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on contingent liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u> In the 2007 draft budget law there is a list of loans that will receive a state guarantee. See appendix 9 to paragraph 17 (1). http://parliament.bg/pub/budget2007/Zakon%20Budget%202007.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key future liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on future liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u> No.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ol style="list-style-type: none"> a. All sources of donor assistance are identified individually. b. At least two-thirds of, but not all, sources of donor assistance, are identified individually. c. Less than two-thirds of sources of donor assistance are identified individually. d. No sources of donor assistance are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> In the “Report on the 2007 Law on the State Budget of the Republic of Bulgaria” (page 58) there is aggregate data on donor assistance. In appendix 2 it is shown that most of it comes from the EU. No further information is available.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. Almost all of the donor assistance comes from the EU.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	b
<p>45. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ol style="list-style-type: none"> a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on tax expenditures is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> No.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> a. All earmarked revenues are identified individually. b. At least two-thirds of, but not all, earmarked revenues are identified individually. c. Less than two-thirds of earmarked revenues are identified individually. d. No earmarked revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> No earmarked revenues are identified individually. One needs prior knowledge to know that some revenues are earmarked.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?</p> <ul style="list-style-type: none"> a. One percent or less of expenditure is dedicated to secret items. b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items. c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items. d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There is no mention of secret information in the budget documents.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

The Budget Narrative & Performance Monitoring	
<p>48. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals, by administrative unit (or functional category), for the budget year?</p> <ol style="list-style-type: none"> a. Yes, extensive information on the link between the budget and the government’s stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the link between the budget and the government’s stated policy goals is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There is some information in the program budgets.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<p>49. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> a. Yes, extensive information on the link between the budget and the government’s stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the major policy goals, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> There is some information in the program budgets, but only in limited cases.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C

<p>50. Does the executive’s budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</p> <ol style="list-style-type: none"> Non-financial data are presented for all programs. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures. Non-financial data are presented for programs representing less than two-thirds of expenditure. No non-financial data are presented. Not applicable/other (please comment). <p><u>Citation:</u> There is such data in most of the program budgets. For example, in the program budget of the Ministry of Labour in program 1. "Increasing the suitability for jobs and lifelong learning" there is non-financial data on number of people employed in ministry's employment programs, number of people attending professional courses, number of people to receive professional orientation etc.</p> <p><u>Comment:</u> There is improvement because of the introduction of program budgets.</p> <p><u>Researcher’s response to this question was “b.”</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. There is non-financial data for most, but not all of the programs.</p>	<p>b</p>
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<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ul style="list-style-type: none"> a. The non-financial data are very useful for assessing program performance. b. The non-financial data are mostly useful for assessing program performance. c. The non-financial data are somewhat useful for assessing program performance. d. No non-financial data are provided or they are not useful for assessing program performance. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There is not much experience with program budgets and the focus of the data is not clear in many cases.</p> <p><u>Researcher’s response to this question was “c.”</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “c.” We retain our view that “c” is the most appropriate answer. There is non-financial data for many programs and it is sometimes very useful.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>c</p>
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<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ol style="list-style-type: none"> Performance indicators are presented for all programs. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. Performance indicators are presented for programs representing less than two-thirds of expenditures. No performance indicators are presented. Not applicable/other (please comment). <p><u>Citation:</u> There are such indicators in all of the program budgets.</p> <p><u>Comment:</u> There is improvement because of the introduction of program budgets - they made the existence of performance indicators obligatory.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “a.” I chose my answer because we retain our view that “a” is the most appropriate answer. Performance indicators are presented for all programs. Most of them are not well designed, but this is reflected in another question (q. 53).</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	a
<p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ol style="list-style-type: none"> All performance indicators are well designed. Most performance indicators are well designed. Some performance indicators are well designed, but most are not. No programs have performance indicators, or they are not well designed. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There is improvement because of the introduction of program budgets. However, the program budgets are used in all ministries for the first time so there is not much practise and know-how.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <p>a. All performance indicators are used in conjunction with performance targets. b. Most performance indicators are used in conjunction with performance targets. c. Some performance indicators are used in conjunction with performance targets, but most are not. d. No performance indicators are used in conjunction with performance targets. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> There is improvement because of the introduction of program budgets</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. Almost all performance indicators are used in conjunction with performance targets.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	b
<p>55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on policies intended to alleviate poverty is not presented. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> There is information in the program budget of the Ministry of Labour and Social Policy. However, it is mainly focused on the number of beneficiaries (as performance target) and almost no attention is paid to the effects of the programs and policies on the poverty levels, for example.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

Additional Key Information for Budget Analysis & Monitoring	
<i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive's budget proposal or supporting documents, but may be found in other documents issued by the executive.</i>	
<p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?</p> <ol style="list-style-type: none"> Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> All information is published in the relevant tax laws and government decrees. They are published in the State Gazette</p> <p><u>Researcher's response to this question was "a."</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c."</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should be changed to "b." I chose my answer because there is a small change in the methodology for the question compared to the previous study in 2006. There is a clear improvement in the transparency of concessions (for extractive industries etc.) - as a result of the creation of the online National Concession Register that is freely available to the public (http://www.nkr.government.bg). Still, there were cases with nontransparent concessions so we downgrade our initial response from "a" to "b" (however, "c" - suggested by the reviewer - is not justified as there is enough information in most cases).</p> <p><u>IBP Comment:</u> IBP editors chose answer, "b" to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	b

<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ul style="list-style-type: none"> a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. c. Yes, some analysis is presented, but it lacks important details. d. No analysis on the distribution of the tax burden is presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ul style="list-style-type: none"> a. Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with IFI assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Bulgarian Government pre-paid all the debts to the IMF. Information on the World Bank projects is available at www.worldbank.bg Information on the EU programs is available at the websites of the relevant ministries.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “b.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “a.” We retain our view that “a” is the most appropriate answer. Conditions associated with assistance from international financial institutions are published.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	a

<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ol style="list-style-type: none"> a. Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with donor country assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> The information is published by the relevant international institutions and/or the Bulgarian Government (mainly Ministry of Finance).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “b.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “a.” We retain our view that “a” is the most appropriate answer. Ministries started publishing many documents on their websites. For example, Ministry of Finance published <i>“Memorandum of Understanding on the Implementation of the Norwegian Cooperation Program for Economic Growth and Sustainable Development between the Republic of Bulgaria and the Kingdom of Norway”</i> (http://www.eufunds.bg/?cat=321). Also, country donor assistance is not a significant source of revenues. Most donor assistance comes from the EU (close to 100% of all assistance)</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	a
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<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ul style="list-style-type: none"> a. Yes, it provides a summary that is very informative. b. Yes, it provides a summary that is somewhat informative. c. Yes, but the summary is not very informative. d. No, it does not provide a summary. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>61. Does the executive publish a “citizens budget” or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <ul style="list-style-type: none"> a. Yes, it publishes a citizens budget that is very informative. b. Yes, it publishes a citizens budget that is somewhat informative. c. Yes, but the citizens budget is not very informative. d. No, it does not publish a citizens budget. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <ul style="list-style-type: none"> a. Yes, thorough definitions of budget terms are provided. b. Yes, definitions are provided, but some details are excluded. c. Yes, some definitions are provided, but it lacks important details. d. No, definitions are not provided. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No such information.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ul style="list-style-type: none"> a. Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information. b. Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information. c. Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information. d. No, the right to access government information has not been codified into law, or this right does not include access to budget information. e. Not applicable/other (please comment). <p><u>Citation:</u> Access to Public Information Act, State Gazette, 55, 2000</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?</p> <ul style="list-style-type: none"> a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence. b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures. c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures. d. In practice, no highly disaggregated expenditure information is available. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>65. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it from a ministry or agency?</p> <ul style="list-style-type: none"> a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence. b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures. c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures. d. In practice, no highly disaggregated non-financial expenditure information is available. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

Section Three: The Budget Process

The Budget Process	
Executive's Formulation of the Budget	
<p>66. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> The release date is set in permanent law. The executive announces the release date at least two months in advance. The executive announces the release date less than two months but more than two weeks in advance. The executive announces the release date two weeks or less before the release, or makes no announcement. Not applicable/other (please comment). <p><u>Citation:</u> Deadline 31 October; set in the State Budget Compilation Act (1996), art. 20 http://www.minfin.bg/document/3542</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>67. Does the executive release to the public its timetable for preparation of the executive's budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or what ever central government agency is in charge of coordinating the budget's formulation)?</p> <ol style="list-style-type: none"> Yes, a detailed timetable is released to the public. Yes, a timetable is released, but some details are excluded. Yes, a timetable is released, but it lacks important details. No, a timetable is not issued to the public. Not applicable/other (please comment). <p><u>Citation:</u> Decision of the Council of Ministers, published in the State Gazette, e.g. for Budget 2008: http://www.minfin.bg/document/2885</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ol style="list-style-type: none"> The executive adheres to the dates in its timetable. The executive adheres to most of the key dates in its timetable. The executive has difficulty adhering to most of the dates in its timetable. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Short delays usually occur during the last stages before the approval of the draft Budget Act by the government (might take several days). This year the 3-year budget forecast, to be used in the 2008 budget preparation, was announced about 3 months (end-July, whereas the date was beginning of May)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> Yes, the executive holds extensive consultations with a wide range of legislators. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. Yes, the executive holds very limited consultations, involving only a few members of the legislature. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. Not applicable/other (please comment). <p><u>Citation:</u> Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> Also the executive sends the control figures to the units and they have little freedom in increasing these control figures.</p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>70. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> a. Yes, the executive holds extensive consultations with a wide range of constituencies. b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded. c. Yes, the executive holds very limited consultations, involving only a few constituencies. d. No, the executive does not typically consult with the public as part of the budget preparation process. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> With few exceptions, the consultations are carefully picked to meet government’s own public relations needs. E.g. this might include press conference to present new tax priorities. However, this year the 3 parties in the coalition government decided upon tax proposals for 2008 without any prior notice or discussion.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The researcher’s answer is closer to d than b.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> We retain our view that “c” is the most appropriate answer. The executive meets with various employers’ associations and trade unions, as well as most influential think-tanks and NGOs discussing budget priorities.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>c</p>
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<p>71. When does the executive release a pre-budget statement to the public?</p> <ul style="list-style-type: none"> a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year. b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year. c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. d. The executive does not release a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The MoF holds a press conference in August or September to announce some budget priorities.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>72. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See 71. The MoF releases most important information in its 3-year budget forecast. In June 2006 it issued the 2007-2009 forecast (to be used in 2007 budget procedure). In 2007 the process was delayed and in August the government approved the major guidelines and assumptions to be used in the 2008-2010 budget forecast http://www.minfin.bg/document/3591</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “b” or “c.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “a.” We retain our view that “a” is the most appropriate answer. We cannot think of any important details related to major fiscal and macroeconomic objectives that are not discussed in the pre-budget statement</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>a</p>
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<p>73. Does the pre-budget statement describe the government's policies and priorities that will guide the development of detailed estimates for the upcoming budget?</p> <p>a. Yes, an extensive explanation of the government's budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, an explanation is presented, highlighting key aspects of the government's budget policies and priorities, but some details are excluded.</p> <p>c. Yes, some explanation is presented, but it lacks important details.</p> <p>d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> See 71 and 72. This year (2007, for the 2008 procedure) the government announced at a press conference in August its major fiscal priorities and macroeconomic assumptions, which coincided with the presentation of the 2008-2010 budget forecast http://www.minfin.bg/document/3591</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
Legislative Approval of the Budget	
<p>74. How far in advance of the start of the budget year does the legislature receive the budget?</p> <p>a. The legislature receives the budget at least three months before the start of the budget year.</p> <p>b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year.</p> <p>c. The legislature receives the budget less than six weeks before the start of the budget year.</p> <p>d. The legislature does not receive the budget before the start of the budget year.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Deadline 31 October; set in the State Budget Compilation Act (1996), art. 20 http://www.minfin.bg/document/3542</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?</p> <ul style="list-style-type: none"> a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies. b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies. c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard. d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The constituencies that testify are typically limited number of think-tanks, major trade unions and major business associations. Media representatives are present, but cannot ask questions or comment during the hearings.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” We retain our view that “b” is the most appropriate answer. There is a practice in the finance and budget committee of the parliament to have major nation-wide labor unions and employers’ associations present opinions on the budget priorities.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>b</p>
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<p>76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ul style="list-style-type: none"> a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard. b. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard. c. Yes, a limited number of hearings are held in which testimony from the executive branch is heard. d. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?</p> <ul style="list-style-type: none"> a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard. b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard. c. Yes, a limited number of hearings are held in which testimony from the public is heard. d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>

<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings. b. Yes, the committees release reports, but some details are excluded. c. Yes, the committees release reports, but they are not very informative. d. No, the committees do not release reports or do not hold public hearings. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Members and sometimes chairpersons of committees frequently give interviews on discussion. However, the committees do not issue formal reports</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?</p> <ul style="list-style-type: none"> a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures. b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items. c. Not applicable/other (please comment). <p><u>Citation:</u> Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party)</p> <p><u>Comment:</u> Some categories are presented in aggregated manner. There is a slight improvement since 2005, mainly due to change of executive's practice. The introduction of program-format budgeting also contributed to increased transparency.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>

<p>80. Does the legislature have authority <i>in law</i> to amend the budget presented by the executive?</p> <ol style="list-style-type: none"> Yes, the legislature has unlimited authority <i>in law</i> to amend the budget. Yes, the legislature has authority <i>in law</i> to amend the budget, with some limitations. Yes, the legislature has authority <i>in law</i> to amend the budget, but its authority is very limited. No, the legislature does not have any authority <i>in law</i> to amend the budget. Not applicable/other (please comment). <p><u>Citation:</u> State Budget Compilation Act (1996), art. 21 (2) states that the budget and finance committee should scrutinize all proposals by MPs to make sure the budget balance as proposed by the executive is not changed http://www.minfin.bg/document/3542.</p> <p>Otherwise the Constitution provides for unrestricted legislative initiative of the Parliament.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ol style="list-style-type: none"> The approved budget includes program-level detail. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs). The approved budget includes only departmental totals. The approved budget includes less information than departmental totals. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Starting from 2007, all departments and ministries present their expenditure budget in program format. However, the Parliament only approves department totals, while adjustments in programs are made by the separate ministries afterwards to meet the expenditure ceilings set down by the legislature.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

Executive's Implementation of the Budget	
<p>82. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> In-year reports on actual expenditure are released at least every month. In-year reports on actual expenditure are released at least every quarter. In-year reports on actual expenditure are released at least semi-annually. In-year reports on actual expenditure are not released. Not applicable/other (please comment). <p><u>Citation:</u> The MoF provides data on both the central and the consolidated budget on a monthly basis, together with a monthly bulletin (since January 2006) http://www.minfin.bg/bg/statistics/?cat=1</p> <p>http://www.minfin.bg/bg/page/216</p> <p><u>Comment:</u> Organized by economic classification only.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> Yes, in-year reports cover all expenditures. Yes, in-year reports cover at least two-thirds, but not all, of expenditures. Yes, in-year reports cover less than two-thirds of expenditures. No in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Data is reported on a cash basis, see links on q82. Expenditures are classified according to economic classification - wages, social security payments, current maintenance, capital expenditures, interest payments, etc.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>84. What is the most detail provided in the in-year reports on actual expenditures organized by <i>administrative unit</i>?</p> <ol style="list-style-type: none"> The in-year reports on actual expenditures organized by administrative unit contain program-level detail. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs). The in-year reports on actual expenditures organized by administrative unit contain only departmental totals. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No in-year reports organized by administrative unit are produced.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ol style="list-style-type: none"> Yes, comparisons are made for all expenditures. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. Yes, but comparisons are made for less than two-thirds of expenditures. No, comparisons are not made, or no in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Actual expenditures are compared to estimate (enacted budget) within the monthly release that is published on the Ministry of Finance's website. However, anyone can access the last-year monthly numbers and make a comparison if necessary. Data on: http://www.minfin.bg/bg/statistics/?cat=1 http://www.minfin.bg/bg/page/216</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ol style="list-style-type: none"> In-year reports on actual revenue collections by source of revenue are released at least every month. In-year reports on actual revenue collections are released at least every quarter. In-year reports on actual revenue collections are released at least semi-annually. In-year reports on actual revenue collections by source of revenue are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> On a monthly basis http://www.minfin.bg/bg/statistics/?cat=1 http://www.minfin.bg/bg/page/216</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>87. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ol style="list-style-type: none"> In-year reports cover the actual revenue collections of all sources of revenue. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue. In-year reports cover actual revenue collections of less than two-thirds of revenue sources. In-year reports on actual revenue collections are not released to the public. Not applicable/other (please comment). <p><u>Citation:</u> http://www.minfin.bg/bg/statistics/?cat=1</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>88. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> a. Yes, comparisons are made for all revenue sources. b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources. c. Yes, but comparisons are made for less than two-thirds of revenue sources. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> Monthly reports at: http://www.minfin.bg/bg/statistics/?cat=1 http://www.minfin.bg/bg/page/216</p> <p><u>Comment:</u> Same as expenditures, see q85</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> a. Yes, in-year reports on actual borrowing are released at least every month. b. Yes, in-year reports on actual borrowing are released at least every quarter. c. Yes, in-year reports on actual borrowing are released at least semi-annually. d. No, in-year reports on actual borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> Monthly public debt bulletin at: http://www.minfin.bg/bg/page/71</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?</p> <ul style="list-style-type: none"> a. Yes, extensive information related to the composition of government debt is presented. b. Yes, key additional information is presented, but some details are excluded. c. Yes, some additional information is presented, but it lacks important details. d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The monthly report covers extensive amount of detail on size, structure, maturity, service of debt.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>91. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?</p> <ul style="list-style-type: none"> a. Reports are released 1 month or less after the end of the period. b. Reports are released 2 months or less (but more than 1 month) after the end of the period. c. Reports are released more than 2 months after the end of the period. d. In-year reports are not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Typically, at the end of the following month (ca 30 days).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ol style="list-style-type: none"> Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The executive does not release the mid-year review to the public. However, starting from 2007, the government will present the mid-year report to the legislature. Excerpts of the data in the review were provided on the government's web page http://www.government.bg/cgi-bin/e-cms/vis/vis.pl?s=001&p=0011&n=000759&g=</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?</p> <ol style="list-style-type: none"> Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> see question 92</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ul style="list-style-type: none"> a. The mid-year review includes program-level detail for expenditures. b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs). c. The mid-year review includes only departmental totals (or functional totals). d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> see q92</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>95. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?</p> <ul style="list-style-type: none"> a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided. c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided. d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> see question 92</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain <i>minimal</i> level specified in law or regulation)?</p> <ol style="list-style-type: none"> a. Yes, the executive seeks approval from the legislature before shifting funds between administrative units. b. Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment. c. Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented. d. No, the executive shifts funds between administrative units without seeking input from the legislature, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below). e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There are, however, legal limitations on the discretionary power to spend. The Minister of Finance has authority to increase expenditure above the aggregate amount approved by the National Assembly up to 1.5% of the total revenue for the year, and only when revenues exceed the plan. According to the art. 34 of the State Budget Compilation Act (1996), art. 35 http://www.minfin.bg/document/3542 the Minister of Finance can shift funds between units only if the overall balance is unchanged (i.e. compensatory shifts) and only to follow the provisions of a normative act (law or decree of the Council of Ministers). The MoF also has to approve any internal shifts of funds within the budgets of separate units, even if they do not alter the approved budget of the respective unit</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?</p> <ol style="list-style-type: none"> a. There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year. b. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities. c. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities. d. No, the procurement process was not open and competitive in practice. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> As an indirect indication of this is the fact that several huge procurement procedures were contested at court or were dismissed or delayed several times by the procurement agency (e.g. the purchases of battleships for the navy, or computers for municipalities. According to our observations, there is a slight improvement compared to 2 years ago, although this judgment cannot be supported by any empirical study of ours.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c.” Procurement is considered by many experts as one of the main governance field generating political corruption (see for example: <i>Anti-corruption Reforms in Bulgaria: Key Results and Risks, Centre for Study of Democracy, 2007</i>, p. 37-51 (http://www.csd.bg/fileSrc.php?id=2152)). Over the last year there have been many media reports of corruption practices in procurement procedures, especially those involving EU financial assistance. The situation might have improved slightly (most probably in terms of procedures) over the last two years, but it is still far from the well established western standards.</p> <p><u>Researcher Response:</u> I suggest the answer should be changed as suggested by Peer Reviewer two, “c.”</p>	<p>c</p>
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<p>98. When does the legislature typically approve supplemental budgets?</p> <ol style="list-style-type: none"> Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify). Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify). Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The executive uses its power to provide additional funds within the limits of Art. 35 of the State Budget Compilation Act (1996), http://www.minfin.bg/document/3542 , e.g. up to 1.5% of the earmarked annual revenue; no funds above the threshold have been asked and granted by the legislature in the last 2 years.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>99. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ol style="list-style-type: none"> Supplemental budgets are generally equal to 2 percent or less of the original budget. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Funded by excess in revenues and budget surplus.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</p> <ul style="list-style-type: none"> a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget. b. Expenditures are approved after the funds are expended, but before the end of the fiscal year. c. Expenditures are approved after the end of the fiscal year, for example in the next budget. d. Such expenditure takes place without legislative approval. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Each year the parliament approves the ceiling for contingency funds; during the year the executive can use funds up to the ceiling without legislative sanction.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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Executive's Year-end Report and the Supreme Audit Institution	
<p>101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget's actual outcome for the year?</p> <ol style="list-style-type: none"> The report is released six months or less after the end of the fiscal year. The report is released 12 months or less (but more than six months) after the end of the fiscal year. The report is released more than 12 months after the end of the fiscal year. The executive does not release a year-end report. Not applicable/other (please comment). <p><u>Citation:</u> Published on Ministry of Finance's website: Report on the execution of the state budget for 2006: http://www.minfin.bg/document/2853</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>102. In the year-end report have the data on the actual outcomes been audited?</p> <ol style="list-style-type: none"> Yes, all data on actual outcomes have been audited. At least two-thirds, but not all, of the data on actual outcomes have been audited. Less than two-thirds of the data on actual outcomes have been audited. None of the data on actual outcomes has been audited, or a year-end report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The data present by the executive are audited, however, the findings of the SAI are not included in the annual report; the SAI issues its own report typically in October or November (i.e. 4-5 months after the year-end report of the executive is released).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See: http://www.minfin.bg/document/3526 This year (2007, on 2006 budget) the ministries provided brief reports on expenditures at program level for 2006, however, these still lack some detail: http://www.minfin.bg/bg/page/306</p> <p><u>Comment:</u> There is a change compared to 2 years ago due to the introduction of program budgeting in all parts of the executive in 2006.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>104. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report?</p> <ol style="list-style-type: none"> The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases). The explanation focuses on a higher level of aggregation than departmental totals (or functional totals). No explanation of the differences is provided, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See 103</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See section II. 3. (p 32 - 44) of Report of the execution of the state budget for 2006 http://www.minfin.bg/document/3526</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See section I. (p 3 - 1) of Report of the execution of the state budget for 2006 http://www.minfin.bg/document/3526</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See p 34 - 110 of Report of the execution of the state budget for 2006 http://www.minfin.bg/document/3526 Also, from this year, see program level report of separate departments : http://www.minfin.bg/bg/page/306</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> In some cases, the program level reports of ministries are formal, very brief and lack detail http://www.minfin.bg/bg/page/306. This should not be interpreted as deterioration compared to the situation 2 years ago, as we commented back then, explanation was provided only in cases where separate programs were accounted for. These however were a small part of the overall spending. Now, we have program-budgeting for all administrative units, but our view is that explanations are not sufficient.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See report of the Ministry of Labor and Social Policy for 2006: http://www.minfin.bg/document/3562</p> <p><u>Comment:</u> The MLSP budget is in program format and allows some analysis on the programs directed at the impoverished parts of the population.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
<p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key issues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented on extra-budgetary funds, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
<p><i>The Independence and Performance of the Supreme Audit Institution</i></p>	

<p>111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> a. Final audited accounts are released to the public six months or less after the end of the fiscal year. b. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year. c. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year. d. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Reports on audits are usually produced within 12 months after the end fiscal year, but they are not all released to the public. The Supreme Audit Institution has discretion to publish the reports. It presents a report based on the audit results (but not separate audits of government departments/administrative units) to the parliament, which is publicly available.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?</p> <ol style="list-style-type: none"> a. All expenditures have been audited and the reports released to the public. b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited. c. Expenditure representing less than two-thirds of expenditure have been audited. d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See q111. All expenditures are audited within this timeframe, however, not all reports are made available to the public.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</p>

<p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <p>a. The annual audit report(s) includes one or more executive summaries summarizing the report's content.</p> <p>b. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or was released more than 24 months after the end of the fiscal year.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> See Audit Report on the 2006 Budget : http://www.bulnao.government.bg/files/_bg/Doklad-izp-ДБ-2006-061107.doc</p> <p><u>Comment:</u> There is no executive summary of the report.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>114. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?</p> <p>a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.</p> <p>b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> As per art. 11 of the Supreme Audit Institution Act, http://www.bulnao.government.bg/index.php?p=67</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ul style="list-style-type: none"> a. Yes, the SAI releases to the public audits of all extra-budgetary funds. b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The SAI publishes some of the audit reports on departmental expenditures, including extra-budgetary funds, but not all of them.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have *the discretion in law* to undertake those audits it may wish to?

- a. The SAI has full discretion to decide which audits it wishes to undertake.
- b. The SAI has significant discretion, but faces some limitations.
- c. The SAI has some discretion, but faces considerable limitations.
- d. The SAI has no discretion to decide which audits it wishes to undertake.
- e. Not applicable/other (please comment).

Citation:

See art. 9 of the Supreme Audit Institution Act,
<http://www.bulnao.government.bg/index.php?p=67>

Comment:

The SAI may audit any part of the executive, social and health security funds (the state-managed ones), budgets of municipalities, budgets of public universities, national TV and radio, the Bulgarian National Bank or any other budget, approved by the Parliament. Audits however should be included in an annual program of audits beforehand. Other audits can be performed only by decision of the parliament.

Researcher's response to this question was "c."

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." In my view, the SAI institution has enough power to initiate audits with some exceptions. There are some restrictions in the law, including the provision that the audits should be included in the annual program of the institution, but it would be too strong to call these limitations "considerable."

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "c." We retain our view that "c" is the most appropriate answer. The SAI cannot start an audit if it is not called upon, or if the audit is not included in its annual program. This means that it cannot make "surprise" audits if irregularities are suspected.

IBP Comment: IBP editors chose answer, "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

c

<p>117. Who determines the budget of the Supreme Audit Institution?</p> <ol style="list-style-type: none"> The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Not applicable/other (please comment). <p><u>Citation:</u> See art. 23 of the Supreme Audit Institution Act, http://www.bulnao.government.bg/index.php?p=67</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?</p> <ol style="list-style-type: none"> The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector. Not applicable/other (please comment). <p><u>Citation:</u> See the Internal Rules for the Organization of Work in the SAI: http://www.bulnao.government.bg/files/_bg/pravilnik-nov190607.doc</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?</p> <ol style="list-style-type: none"> Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit. No, the SAI does not maintain any formal mechanisms of communication with the public. Not applicable. <p><u>Citation:</u> See Internal Rules http://www.bulnao.government.bg/files/_bg/pravilnik-nov190607.doc and the Supreme Audit Institution Act, http://www.bulnao.government.bg/index.php?p=67</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <ol style="list-style-type: none"> Yes, all audit reports are scrutinized. Yes, most audit reports are scrutinized. Yes, some audit reports are scrutinized. No, audit reports are not scrutinized. Not applicable/other (please comment). <p><u>Citation:</u> Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party)</p> <p><u>Comment:</u> The parliamentary budget & finance committee debates the annual report on the audit activity of the Supreme Audit Institution. Other than that, the legislature has discretion to scrutinize whichever report it wishes to scrutinize; in practice, they view a limited number of reports, mostly ones that were requested by the parliament itself.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</p> <ul style="list-style-type: none"> a. Yes, the executive reports publicly on what steps it has taken to address audit findings. b. Yes, the executive reports publicly on most audit findings. c. Yes, the executive reports publicly on some audit findings. d. No, the executive does not report on steps it has taken to address audit findings. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Neither annual reports (on the execution of the budget or supporting draft budgets) nor any special report makes comment on the recommendation of the SAI and the actions that the executive should undertake are made available to the public.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?</p> <ul style="list-style-type: none"> a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations. b. Yes, a report is released, covering key audit recommendations, but some details are excluded. c. Yes, a report is released, but it lacks important details. d. No, a report is not produced or it is prepared for internal purposes only (please specify). e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See q121</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>

<p>123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?</p> <ul style="list-style-type: none">a. Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs.b. Yes, legislators are provided audit reports on secret items, but some details are excluded.c. Yes, legislators are provided audit reports on secret items, but they lack important details.d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).e. Not applicable/other (please comment). <p><u>Citation:</u> Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party)</p> <p><u>Comment:</u> It appears from our interview with the MP that the parliament receives some brief audited reports.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
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