

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE

MACEDONIA

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International Budget Partnership OPEN BUDGET QUESTIONNAIRE MACEDONIA

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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	Not Available
Budget Summary	2007
Executive's Budget Proposal	2007
Supporting Budget Documents	Not Available
Citizens Budget	Not Available
Enacted Budget	2007
In-Year Reports	2007
Mid-Year Report	2006
Year-End Report	2006
Audit Report	2006

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	Not Produced
Budget Summary	Minister speech on Budget-Proposal of Republic of Macedonia for year 2007, November 2006, http://www.finance.gov.mk/mk/razno/2006/ekspoze_budzet_2007.pdf
Executive’s Budget Proposal	2007 Budget-Proposal of Republic of Macedonia, November 2006, www.finance.gov.mk/mk/meni.htm Follow this link, then open “бѹѹети,” and you will see several options were Budget Summary and Executive Budget Proposal are listed
Budget Document One in Support of the Executive’s Budget Proposal	
Budget Document Two in Support of the Executive’s Budget Proposal	
Budget Document Three in Support of the Executive’s Budget Proposal	
Citizens Budget	Produced but not publicly available
Enacted Budget	Budget execution law for year 2007, December 2006, Publicly Available: www.finance.gov.mk/mk/meni.htm Follow this link, then open “бѹѹети,” and you will see several options were Enacted Budget is available

In-Year Reports	Budget of Republic of Macedonia (Quarterly report Jan-March 2007, 15.May.2007, www.finance.gov.mk/mk/fi/2007/budget_na_rm_jan-mar_2007.pdf
Mid-Year Review	2006 Budget of RM execution information (Jan-Jun 2006), 03.OCTOBER.2006, www.finance.gov.mk/mk/fi/2006/info_za_ostvaruvawe_periodot_januari_juni_2006.pdf
Year-End Report	Year End Report http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=271
Audit Report	Audit report for year 2006, March 2007, www.dzr.gov.mk/Uploads/PRVO%20str%201-78-voved.pdf Annex 1 http://www.dzr.gov.mk/Uploads/Aneks%201%20-%20ZBIRNO%20-%20%20str%2079-110.pdf
Other Documents	Organic Budget Law (Official Gazette of the Republic of Macedonia, number 64/2005). State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006), available at: http://www.dzr.gov.mk/en/Uploads/State%20Audit%20Law,%20PDF.pdf
Relevant Ministries & Departments	Ministry of Finance, Budget and Funds Department, Treasury Department, Department for Macroeconomic Policies

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	Yes	
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			
<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	Yes	Yes			
2. Advance notification of release is sent to users, media	Yes	Yes	Yes			
3. Released to public same day as official release to media	No	No	No			
4. Available on the Internet free of charge	Yes	Yes	Yes			
5. Free print copies available, limited distribution	No	No	No			
6. Free print copies available, mass distribution	No	No	No			
7. Readily available outside capital and/or big cities [†]	No	No	No			
8. Written in more than one language	No	No	No			
9. News conference is held to discuss release	No	Yes	Yes			

*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					
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	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	Yes	Yes	Yes
2. Advance notification of release sent to users, media	Yes	No	No	No	No
3. Released to public same day as official release to media	No	No	No	Yes	No
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	No	No	No	No	No
6. Free print copies available, mass distribution	No	No	No	No	No
7. Readily available outside capital/big cities ⁺	Yes	No	No	No	No
8. Written in more than one language	Yes	Yes	Yes	No	No
9. News conference is held to discuss release	No	No	No	No	No

⁺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> <p style="margin-left: 40px;">a. All expenditures are classified by administrative unit.</p> <p style="margin-left: 40px;">b. Expenditures are classified by administrative unit, but some small units are not shown separately.</p> <p style="margin-left: 40px;">c. Expenditures are classified by administrative unit, but a significant number of units are not shown separately.</p> <p style="margin-left: 40px;">d. No expenditures classified by administrative unit are presented.</p> <p style="margin-left: 40px;">e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_prihodi_na_centralen_buxet_po_buxetski_korisnici.pdf.</p> <p>The Executive Budget Proposal is actually quite a big document. Until 2007 it was published in several separate documents. These can be downloaded from the Ministry of Finance website: http://www.finance.gov.mk/mk/meni.htm Then click on "буџети" (which means "budgets") and then on "Предлог буџет 2007" (which means "Budget proposal 2007").</p> <p>The first link given is: "Образложение на предлог на Буџетот на Република Македонија за 2007 година." This is the main document of the Executive Budget Proposal (115 pages). It contains mainly narrative discussion and description of aggregate categories of expenditures, revenues, macroeconomic forecasts, etc.</p> <p>More detailed quantitative information is given in the links below. For instance, the next link: "Биланс на приходи на Буџетот на Република Македонија" contains detailed quantitative information on the individual sources of tax revenues and non-tax revenues. The link: "Биланс на расходи на Буџетот на Република Македонија" contains detailed economic classification of the expenditures, etc.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<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> <p>a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.</p> <p>b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.</p> <p>c. Some, but not all, expenditures are classified by function.</p> <p>d. No expenditures classified by function are presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “a.” The functional classification published online (http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/buxetski_rashodi_p_o_funkcii_na_centralen_buxet.pdf) corresponds to the functional classification as defined in the IMF Government Finance Statistics Manual, 2001 (p. 76, Table 6.2). The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain “b.” IMF Manual is not fully in line with IAS as the peer reviewer states.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain consistency with the criteria used for selecting answers across countries. According to the <i>Guide to Complete the Open Budget Questionnaire</i>, compliance with the IMF Government Finance Statistics Manual 2001, is enough to support an “a” answer.</p>	a
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<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> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006* Expenditure side is based od GFS 1986</p> <p>Official Gazette of RM 139/2006* Expenditure side is based od GFS 1986.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "b." The economic classification published online (http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_rashodi_na_centralen_buxet_po_stavki.pdf) does not correspond exactly to the economic classification as defined in the IMF Government Finance Statistics Manual, 2001 (p. 63, Table 6.1). The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b
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<p>4. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ol style="list-style-type: none"> a. Program-level data are presented for all expenditures. b. Program-level data are presented for at least two-thirds of, but not all, expenditures. c. Program-level data are presented, but for less than two-thirds of expenditures. d. No program-level data are presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p>Peer Reviewer One Comment: A more appropriate response to this question would be “a.” For instance, the Ministry of Health’s budget is broken down into the following subgroups: “administration,” “inspection,” “prevention,” etc. The budgets of other ministries and agencies are also broken down into several subgroups.</p> <p>The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/vtor_poseben_del_na_centralen_buxet.pdf.</p> <p>Peer Reviewer Two Comment:</p> <p>Researcher Response: I chose to keep my answer “d” because the Macedonian budget is not a program budget but a line budget and suggested subgroups of the budget users are not directly linked with the program of the user but are to its functions.</p> <p>IBP Comment: IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries.</p>	<p>d</p>
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<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.</p> <p>b. No, multi-year estimates of aggregate expenditure are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> The budget contains entire segments regarding the Mid-term Fiscal strategy and expenditure estimates.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “b.” I could not see any multi-year estimates in the executive’s budget proposal.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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<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> <ol style="list-style-type: none"> 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><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> It contains functional, economic and administrative mid-term expenditure limits.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” I could not see any multi-year estimates in the executive’s budget proposal. In addition, this response by the researcher is inconsistent with his/her response to question 4: as a response to question 4, it was indicated that no program-level data are presented.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>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?</p> <ol style="list-style-type: none"> a. All sources of tax revenue are identified individually. b. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. c. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. d. No sources of tax revenue are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Tax revenues are identified individually: Personal income tax, Profit tax, VAT, Excise, Costumes etc. (Official Gazette of RM 139/2006).</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p>The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_prihodi_n_a_centralen_buxet_po_stavki.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<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> 2007 Budget of RM</p> <p><u>Comment:</u> Non-tax revenues are identified individually: Administrative fees, Revenues from concessions, Other non-tax revenues, etc.(Official Gazette of RM 139/2006).</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p>The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_prihodi_na_centralen_buxet_po_stavki.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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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> Fiscal Strategy 2005-2007</p> <p><u>Comment:</u> Fiscal strategy contains aggregate mid-term revenues.</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.” I guess the researcher meant to say Fiscal Strategy 2007-2009, since it is about the 2007 budget. This document does not seem to be available to the public.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I chose to keep my answer “a” because the Fiscal strategy 2005-2007 which covers the period in question is available online and contains the mid term revenues: http://www.finance.gov.mk/mk/razno/fiskalna_strategija_2005-2007.pdf</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain consistency with the criteria used for selecting answers across countries. Peer Reviewer is correct in mentioning the Fiscal Strategy 2007-2009. The question is asking whether there are revenue estimates for the years that follow the budget year in question, in this case 2007, (and therefore for the following years, 2008, 2009.)</p>	<p>b</p>
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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)?
- 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).

Citation:

Fiscal strategy 2005-2007

Comment:

Fiscal strategy contain mid-term revenues by individual sources: tax and non-tax revenues.

Researcher's Response to this Question was "a."

Peer Reviewer One Comment: A more appropriate response to this question would be "d." I guess the researcher meant to say Fiscal Strategy 2007-2009, since this review concerns the 2007 budget. The Fiscal Strategy 2005-2007 is available to the public, but this document cannot be taken as a supporting document to the 2007 executive's budget proposal (it could be only taken as a supporting document to the 2005 executive's budget proposal).

Peer Reviewer Two Comment:

Researcher Response: I choose to keep my answer "a" because the fiscal strategy in question 2005-2007 is available at http://www.finance.gov.mk/mk/razno/fiskalna_strategija_2005-2007.pdf and contains aggregate estimates of mid term revenues

IBP Comment: IBP editors chose answer, "d." Peer Reviewer is correct in mentioning the Fiscal Strategy 2007-2009. The question is asking whether there are revenue estimates for the years that follow the budget year in question, in this case 2007, (and therefore for the following years, 2008, 2009.)

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> <p>a. 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).</p> <p>b. Yes, the data reflect the outstanding debt at the end of the budget year.</p> <p>c. Yes, the data reflect the outstanding debt at the start of the budget year.</p> <p>d. No, data on the outstanding debt are not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Public debt management strategy for the three years period is also presented, Official Gazette of RM 139/2006, Data also reflect the structure: external and domestic debt</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "d." Data are presented on estimated deficit, domestic borrowing, and foreign borrowing, but not on the outstanding government debt. The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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.</p> <p>b. No, interest payments on the debt are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</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.</p> <p>b. Yes, key additional information is presented, but some details are excluded.</p> <p>c. Yes, some additional information is presented, but it lacks important details.</p> <p>d. No, additional information related to the composition of government debt is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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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:

2007 Budget of RM

Comment:

Official Gazette of RM 139/2006

Researcher's Response to this Question was "a."

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The executive's budget proposal discusses the inflation and the real GDP growth, but it does not contain estimates of the unemployment rate and the interest rates. Both unemployment and interest rates are quite important for the Macedonian economy.

The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.

The appropriate citation would be:

http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/obrazlozenie_na_buxet_2007.pdf.

Peer Reviewer Two Comment:

Researcher Response: I agree with citation but not with the argument as the document has extensive macroeconomic projections including the issue of employment (page 3m last paragraph of point 2). I retain my answer "a."

IBP Comment: IBP editors chose answer, "b" to maintain consistency with the criteria used for selecting answers across countries.

b

<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> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I chose my answer because I agree with citation but not with the argument as the document has impact analysis. I retain my answer "a." The relevant information is presented on pages 3 and 4 of the following document: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/obrazlozenie_na_buxet_2007.pdf</p> <p><u>IBP Comment:</u> IBP editors chose answer, "a" to maintain consistency with the criteria used for selecting answers across countries.</p>	a
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<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> 2007 Budget of RM</p> <p><u>Comment:</u> The budget of RM can be downloaded from the Ministry of Finance website: http://www.finance.gov.mk/mk/meni.htm</p> <p><u>Peer Reviewer One Comment:</u> The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u> The policy proposals discuss expenditures of the given ministry, but do not seriously or methodologically consider the impact on other governmental and non-governmental stakeholders.</p>	b
<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> <ol style="list-style-type: none"> Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of policy proposals on revenues is not presented. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_rashodi_n_a_centralen_buxet_po_buxetski_korisnici.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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?

- a. All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards.
- b. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards.
- c. Some, but not all, expenditures are classified by function for BY-1.
- d. No expenditures classified by function are presented for BY-1.
- e. Not applicable/other (please comment).

Citation:

2007 Budget of RM

Comment:

Official Gazette of RM 139/2006

Researcher's Response to this Question was "a."

Peer Reviewer One Comment: A more appropriate response to this question would be "d."

The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be:

http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/buxetski_rashodi_po_funkcii_na_centralen_buxet.pdf.

Peer Reviewer Two Comment:

Researcher Response: I chose to keep my answer "a" because the question does not refer to the executive budget proposal exclusively but to other documents such as the enacted budget that is most publicly accessible and contains this information

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the assumptions used for selecting answers across countries. All questions 1-55 refer to the executive's budget proposal and its supporting documents only, and not to the Enacted Budget. The purpose of this section is to assess what information is available to citizens before the budget is approved. Therefore the enacted budget cannot be used to answer this question.

d

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?
- 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).

Citation:

2007 Budget of RM

Comment:

Official Gazette of RM 139/2006, Expenditure economic classification is comparable with GFS 1986

Researcher's Response to this Question was "a."

Peer Reviewer One Comment: A more appropriate response to this question would be "b," since the categorization is not entirely compatible with the IMF Government Finance Statistics Manual, 2001.

The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be:

http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_rashodi_na_centralen_buxet_po_stavki.pdf.

Peer Reviewer Two Comment:

Researcher Response: I chose to keep my answer "a" because IMF Manual is not completely compatible with IAS standards and the budget is.

IBP Comment: IBP editors chose answer, "b" to maintain consistency with the criteria used for selecting answers across countries. According to the *Guide to Complete the Open Budget Questionnaire*, an "a" answer should be supported by compliance with the IMF Government Finance Statistics Manual 2001.

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"> a. Program-level expenditure data are presented for all expenditures for BY-1. b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1. c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1. d. No program-level expenditure data are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "d." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/vtor_poseben_del_na_centralen_buxet.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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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> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</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> <ol style="list-style-type: none"> Yes, such prior-year estimates of aggregate expenditure are presented. No, such prior-year estimates of aggregate expenditure are not presented. 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>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></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<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> <ul style="list-style-type: none"> a. Yes, prior-year data are always adjusted to be comparable to the budget year data. b. Yes, in most cases, prior-year data are adjusted to be comparable. c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist. d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are 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>	<p>a</p>
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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)?
- 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).

Citation:

2007 Budget of RM.

Comment:

According to the Budget Law, Official Gazette of RM, number 64/05; and Law on Amendments of the Budget Law, Official Gazette of RM, number 4/07

Researcher's Response to this Question was "c."

Peer Reviewer One Comment: A more appropriate response to this question would be "a."

The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be:

http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_prihodi_na_centralen_buxet_po_stavki.pdf.

Peer Reviewer Two Comment:

Researcher Response: I chose to keep my answer "c" because the comment and answer refer to the executive budget proposal as well.

IBP Comment: IBP editors chose answer, "c" consistent with the researchers comment.

c

<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"> a. All non-tax revenues are identified individually for BY-1. b. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually. c. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually. d. No non-tax revenues are identified individually for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website. The appropriate citation would be: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/bilans_na_prihodi_na_centralen_buxet_po_stavki.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<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"> a. All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. b. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. c. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. d. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</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> <ol style="list-style-type: none"> 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><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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> <ol style="list-style-type: none"> 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><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<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> <p>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> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.” The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should be changed to “e” I chose my answer because the revenues or expenditures are not linked to outcomes...</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries.</p>	<p>d</p>
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<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> <ol style="list-style-type: none"> Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded. Yes, but only information on the level of debt is presented. No, information related to the government debt for BY-1 is not presented. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "d."</p> <p>The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.”</p> <p>The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest my answer should be changed to “e.” No outcomes are presented anywhere in the budget documentation.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” as per researcher’s comment. No information is presented, therefore to maintain consistency with the criteria used for selecting answers across countries, “d” is the most appropriate answer.</p>	d
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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"> Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on extra-budgetary funds is not presented. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<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> <p>a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on transfers to public corporations is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<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> <p>a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.</p> <p>b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on quasi-fiscal activities is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.” The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I choose to keep my answer “b.” Information is presented</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” consistent with the researcher’s comment.</p>	b
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<p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ol 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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “d” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> 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. 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 non-financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer, "d" to maintain consistency with the criteria used for selecting answer across countries.</p>	d
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<p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ol style="list-style-type: none"> Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on expenditure arrears is not presented. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 "d." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I choose to change my answer to be "d" because data on arrears is not presented in the narrative of the executive's budget. that can be find at: http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/obrazlozenie_na_buxet_2007.pdf</p>	d
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<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<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> <p>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> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Researcher’s Response to this Question was “b.”</u></p> <p><u>Peer Reviewer One Comment:</u> The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c.” Actually, there is a methodological issue here. Some sources of donor assistance are not at all accounted in the budget for as they are mainly transferred to the civil sector organizations. If donor assistance is meant to signify assistance to government than the author’s answer should be considered correct.</p> <p><u>Researcher Response:</u> I suggest the answer should remain “b.” Donors that provide assistance to mainstream policy and allow administration of donor funds to be handled by the government appear in the budget document; all other donors are just registered in the Governments donor assistance data base and they are not reflected in the budget document, as for these donor programs the Government is just a beneficiary and not a trustee.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain consistency with the criteria used for selecting answers across countries.</p>	<p>b</p>
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<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"> Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on tax expenditures is not presented. Not applicable/other (please comment). <p><u>Citation:</u> http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/obrazlozenie_na_bu_xet_2007.pdf</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 "d." The citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer, "d" to maintain consistency with the criteria used for selecting answers across countries.</p>	d
<p>46. Does the executive's budget or any supporting budget documentation identify all earmarked revenues?</p> <ol style="list-style-type: none"> All earmarked revenues are identified individually. At least two-thirds of, but not all, earmarked revenues are identified individually. Less than two-thirds of earmarked revenues are identified individually. No earmarked revenues are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> http://www.finance.gov.mk/mk/budget/2007/predlog_sobranie/obrazlozenie_na_bu_xet_2007.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<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> <ol style="list-style-type: none"> One percent or less of expenditure is dedicated to secret items. Three percent or less, but more than one percent, of expenditure is dedicated to secret items. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.” I cannot see how the percentage of secret expenditure can be calculated, since no information on this is provided in the budget documents. The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries.</p>	d
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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> <p>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.</p> <p>b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on the link between the budget and the government's stated policy goals is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "b" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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> 2007 Budget of RM</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.” The citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries</p>	<p>d</p>
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<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "c" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ol style="list-style-type: none"> The non-financial data are very useful for assessing program performance. The non-financial data are mostly useful for assessing program performance. The non-financial data are somewhat useful for assessing program performance. No non-financial data are provided or they are not useful for assessing program performance. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "c" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "d" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response "d" is correct, but the citation and the comment are not appropriate. The executive's budget proposal is not published in the Official Gazette; the enacted budget is. The executive's budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “d” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The executive’s budget proposal is not published in the Official Gazette; the enacted budget is. The executive’s budget proposal is available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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> <p>a. Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The budget contains some information about changes in tax rates and fees, but it does not contain extensive information on all tax rates and fees. Extensive information in taxes and fees for major revenues sources can be obtained from links provide at the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ol style="list-style-type: none"> Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. Yes, some analysis is presented, but it lacks important details. No analysis on the distribution of the tax burden is presented. Not applicable/other (please comment). <p><u>Citation:</u> 2007 Budget of RM, Fiscal strategy 2005-2007</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.” The citation and the comment are inappropriate. There is no information on the distribution of the tax burden in eth 2007 Budget. The Fiscal Strategy 2005-2007 can be considered a supporting document for the 2005 Budget, not for the 2007 Budget. In addition, the Fiscal Strategy 2005-2007 does not contain an analysis of the distribution of the tax burden.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I chose to keep my answer “b” because the fiscal strategy to which we refer is covering 2007 as budget year and contains tax burden distribution analysis.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries.</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> <ol style="list-style-type: none"> 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. Yes, information is presented, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on conditions associated with IFI assistance is not presented. Not applicable/other (please comment). <p><u>Citation:</u> www.vlada.mk www.nbrm.gov.mk</p>	b

<p><u>Comment:</u> The budget does not contain extensive information on the conditions associated with assistance from IFI. That information is usually reported in the media and the press. Sporadic information on conditionalities can be also found in online documents provided on the websites of various government institutions. This information on conditionalities can be found, for instance, on the website of the Government (www.vlada.mk) or on the website of the National Bank (www.nbrm.gov.mk). This information is usually not permanent and is provided mainly during the negotiations or at the time of signing of a new arrangement for financial assistance.</p> <p>Also, there is no evidence that sensitive information is being retracted from the IMF Letters of Intent or from the World Bank Country Assistance Strategies. The IMF Letters of Intent and the World Bank Country Assistance Strategies are published on the IMF and WB websites. The IMF Letters of Intent can be downloaded from the following website: http://www.imf.org/external/country/MKD/index.htm. The World Bank Country Assistance Strategies can be downloaded, for example, from the following links: http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/01/23/000012009_20040123110437/Rendered/PDF/265130rev.pdf; http://siteresources.worldbank.org/INTMACEDONIA/Resources/CPS.pdf.</p> <p><u>Peer Reviewer One Comment:</u> The response “b” is correct. In addition: Sporadic information on conditionalities can be found, for instance, on the website of the Government (www.vlada.mk) or on the website of the National Bank (www.nbrm.gov.mk). This information is usually not permanent and is provided mainly during the negotiations or at the time of signing of a new arrangement for financial assistance. The IMF Letters of Intent and the World Bank Country Assistance Strategies are published on the IMF and WB websites. The IMF Letters of Intent can be downloaded from the following website: http://www.imf.org/external/country/MKD/index.htm. The World Bank Country Assistance Strategies can be downloaded, for example, from the following links: http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/01/23/000012009_20040123110437/Rendered/PDF/265130rev.pdf; http://siteresources.worldbank.org/INTMACEDONIA/Resources/CPS.pdf</p> <p><u>Peer Reviewer Two Comment:</u></p>	
<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"> 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. Yes, information is presented, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on conditions associated with donor country assistance is not presented. Not applicable/other (please comment). 	b

Citation:

2007 Budget of RM.

Comment:

The budget does not contain extensive information on the conditions associated with assistance from donor countries. That information is usually reported in the media and the press. Sporadic information on conditionalities can be also found in online documents provided on the websites of various government institutions. This information on conditionalities can be found, for instance, on the website of the Government (www.vlada.mk) or on the website of the National Bank (www.nbrm.gov.mk). This information is usually not permanent and is provided mainly during the negotiations or at the time of signing of a new arrangement for financial assistance.

Also, there is no evidence that sensitive information is being retracted from the IMF Letters of Intent or from the World Bank Country Assistance Strategies.

The IMF Letters of Intent and the World Bank Country Assistance Strategies are published on the IMF and WB websites. The IMF Letters of Intent can be downloaded from the following website:

<http://www.imf.org/external/country/MKD/index.htm>. The World Bank Country Assistance Strategies can be downloaded, for example, from the following links:

[\[wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/01/23/00001200920040123110437/Rendered/PDF/265130rev.pdf\]\(http://wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2004/01/23/00001200920040123110437/Rendered/PDF/265130rev.pdf\);](http://www-</p></div><div data-bbox=)

<http://siteresources.worldbank.org/INTMACEDONIA/Resources/CPS.pdf>.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <p>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> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The budget speech by the Minister of Finance available at: http://www.finance.gov.mk/mk/razno/2006/ekspoze_budzet_2007.pdf would be a more appropriate citation.</p> <p><u>Peer Reviewer Two Comment</u></p>	<p>a</p>
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<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> <p>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> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</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 “d.” The citation and the comment are not appropriate. A “citizens' budget” is not published in the Official Gazette; the enacted budget is.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I chose to keep my answer “b” because the Ministry of finance does publish citizens’ budget as it is a requirement by the IMF but it is not publicly available.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries. As the researcher observes, the document is produced but not available to the public. As a consequence the most appropriate answer must be “d.”</p>	<p>d</p>
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<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> <p>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> <p><u>Citation:</u> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The budget does not contain thorough definitions of budget terms. These are provided in the Organic budget Law published in Official Gazette 64/2005. This is available online at: http://80.77.144.32/2005/6AB93026F74BA3488113E5A39FE334CC.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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63. Do citizens have the right *in law* to access government information, including budget information?

- 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).

Citation:

Law on free access to public information

The Law is posted on the web page of all Government institution without exception! For example, on the web page of Ministry of Finance can be found at <http://www.finance.gov.mk/mk/meni.htm>: Follow the link, then open “слободен пристап до информации,” you will receive the list of: 1/Law, 2/List of information which can be qualified as public, 3/Template for Request for Access, and finally 4/Template for Appeal.

Not only the Law but also documents about the types of information’s that are qualified as public, request for access, as well as template for appeal).

The Law is also published in Official Gazette of RM, numer 13/2006 (as stated in the comment.

The Law also can be found at www.foi.org.mk

Comment:

Researcher’s Response to this Question was “a.”

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be “b/c.” There have been reports by various non-governmental organizations (Transparency International, FOSIM) testifying that despite recently passing such a law actually the access to information is quite limited.

Researcher Response: I chose to keep my answer “a.”

IBP Comment: IBP editors chose answer, “b” to maintain consistency with the criteria used for selecting answers across countries.

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> <ol 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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c." In general, it is not impossible but it is quite difficult to get more highly disaggregated financial information than that which appears in the executive's budget proposal. The citation and the comment provided by the researcher are not appropriate. The question asks if citizens are able <i>in practice</i> to obtain more highly disaggregated information. This has nothing to do with the published budget itself.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</p>
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<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> <ol 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> 2007 Budget of RM.</p> <p><u>Comment:</u> Official Gazette of RM 139/2006</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.” In general, it is not impossible but it is quite difficult to get more highly disaggregated non-financial information than that which appears in the executive’s budget proposal. The citation and the comment provided by the researcher are not appropriate. The question asks if citizens are able <i>in practice</i> to obtain more highly disaggregated information. This has nothing to do with the published budget itself.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> According to this law the Parliament of the Republic of Macedonia shall adopt the Budget of the Republic of Macedonia for the next year by December 31st at the latest in the current year and publish it in the Official Gazette of the Republic of Macedonia.</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the comment is not appropriate. The question asks about the release date of the budget, not about the adoption date. According to the Organic Budget law, the executive has to present its budget proposal to the legislature by November 15 at the latest.</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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> Central government budget users and the Funds shall prepare the budget request and submit the draft budget requests to the Ministry of Finance by August 15th of the current year at the latest Ministry of Finance shall check the adjustment of the draft budget requests with reference to the adopted maximum, their harmonization with the directions and instructions given in the budget letter, as well as with reference to the efficiency, priority and rationality of the request. The Ministry of Finance shall inform the Government of the Republic of Macedonia about the made adjustments</p>	a

<p>in the maximum determined amounts of appropriations. Here are further details about the timetable:</p> <ol style="list-style-type: none"> 1. Projection of macroeconomic indicators – January and February 2. Defining the strategic priorities of the Government – March 3. Preparation and adopting mid-term Fiscal Strategy – end of April 4. Preparation of budget request – June 5. Submitting draft budget requests – end of August 6. Analysis of the requests – September 7. Revision of the macroeconomic indicators, as well as the projections of the revenues, expenditures and deficit – September and first half of October 8. Executive budget proposal – end of November 9. Enacted Budget – end of December <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Here are the deadlines within the abovementioned timetable I am aware of and are bit different than the ones above:</p> <ol style="list-style-type: none"> 1. Projection of macroeconomic indicators – January and February 2. Defining the strategic priorities of the Government – 15 April 3. Preparation and adopting mid-term Fiscal Strategy – 31 May the latest 4. Preparation of budget request – 15th June 5. Submitting draft budget requests – 15th of August 6. Analysis of the requests – September 7. Revision of the macroeconomic indicators, as well as the projections of the revenues, expenditures and deficit – September and first half of October 8. Executive budget proposal – 15 of November 9. Enacted Budget – end of December 	
<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ol style="list-style-type: none"> a. The executive adheres to the dates in its timetable. b. The executive adheres to most of the key dates in its timetable. c. The executive has difficulty adhering to most of the dates in its timetable. d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. e. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> In general government is managing budget process according to the key dates in its timetable.</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> <ul style="list-style-type: none"> a. Yes, the executive holds extensive consultations with a wide range of legislators. b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. c. Yes, the executive holds very limited consultations, involving only a few members of the legislature. d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. e. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> According to this law budget users shall prepare three-year strategic plan covering programs and activities for realization of the strategic priorities of the Government, as well as the goals and the priorities of the budget user for that period.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The citation and the comment are not appropriate. It is not codified in the Organic Budget Law that the executive should hold consultations with the members of the legislature while determining the budget priorities. There is also no evidence that such consultations happen in practice.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>70. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ol 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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u></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.” The citation is not appropriate. It is not codified in the Organic Budget Law that the executive should hold consultations with the members of the public while determining the budget priorities. There is also no evidence that such consultations happen in practice.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I chose to keep my answer “c.”</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries.</p>	<p>d</p>
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<p>71. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> The executive releases a pre-budget statement at least four months in advance of the start of the budget year. 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. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. The executive does not release a pre-budget statement. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> The Ministry of Finance shall prepare a mid-term (three-year) fiscal strategy pre-budget statement, proposing directions and objectives of the fiscal policy, and shall determine the amounts for the main categories of the estimated revenues and appropriations for that period. The Fiscal Strategy shall be adopted by the Government by May 31st of the current fiscal year at the latest.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” It is indeed codified in the Organic Budget Law that the Ministry of Finance should prepare a fiscal strategy, but this document does not seem to be released to the public (at least not since 2005).</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>72. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <p>a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, 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> -Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> Macroeconomic policy is elaborated in the separated government document and Fiscal Strategy as pre-budget statement shall contain the following: 1.Basic economic assumptions (macroeconomic policy) and directions for preparing the Draft Budget of the Republic of Macedonia, 2.Estimate of the amount of revenues, expenditures (fiscal policy) and financing of the Budget of the Republic of Macedonia for the current fiscal year, 3.Medium-term (three-year) estimate of the amount of revenues, expenditures and financing of the Budget of the Republic of Macedonia and 4.Other necessary data.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” It is indeed codified in the Organic Budget Law that the Ministry of Finance should prepare a fiscal strategy, but this document does not seem to be released to the public (at least not since 2005).</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</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> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, 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> -Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> The Government shall propose directions and objectives of the fiscal policy, and shall determine the amounts for the main categories of the estimated revenues and appropriations for the upcoming budget.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” It is indeed codified in the Organic Budget Law that the Ministry of Finance should prepare a fiscal strategy, but this document does not seem to be released to the public (at least not since 2005).</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
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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> <ol style="list-style-type: none"> a. The legislature receives the budget at least three months before the start of the budget year. b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. c. The legislature receives the budget less than six weeks before the start of the budget year. d. The legislature does not receive the budget before the start of the budget year. e. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> The Government shall submit the Draft Budget of the Republic of Macedonia to the parliament of the Republic of Macedonia by November 15th of the current year at the latest. Parliament of the Republic of Macedonia may not consider the Draft Budget of the Republic of Macedonia prior to expiry of 20 days from the day it was submitted to the Parliament of the Republic of Macedonia. During those 20 days the budget proposal is being discussed by many different Parliamentary Commissions (for comments, suggestions, etc.). However, the proposal will enter in the Parliamentary procedure after this period.</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 “b.” It is indeed codified in the Organic Budget Law that the executive should submit the budget proposal to the legislature by November 15 at the latest. The executive usually manages to meet this deadline, which is a little bit more than six weeks before the start of the budget year.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain consistency with the criteria used for selecting answers across countries.</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> <ol style="list-style-type: none"> 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. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). Rules of procedures of the Assembly of the Republic of Macedonia (www.sobranie.mk)</p> <p><u>Comment:</u> Budget proposal is subject on many relevant legislative committees</p> <p><u>Peer Reviewer One Comment:</u> The response “c” is correct, but the citation is not appropriate. It is not codified in the Organic Budget Law that legislative committees should hold public hearings on the macroeconomic and fiscal framework.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</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> <ol 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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). Rules of procedures of the Assembly of the Republic of Macedonia (www.sobranie.mk)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. It is not codified in the Organic Budget Law that legislative committees should hold public hearings on the individual budgets of central government administrative units. Nevertheless, the executive’s budget proposal is being considered and debated by 19 legislative commissions before its consideration by the Parliament.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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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?
- Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.
 - Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.
 - Yes, a limited number of hearings are held in which testimony from the public is heard.
 - No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.
 - Not applicable/other (please comment).

Citation:

Rules of procedures of the Assembly of the Republic of Macedonia
(www.sobranie.mk)

<http://www.sobranie.mk/mk/default.asp?vidi=komisii&MandatID=6&Naziv=%CA%EE%EC%E8%F1%E8%BC%E0+%E7%E0+%F4%E8%ED%E0%ED%F1%E8%F0%E0%9C%E5+%E8+%E1%F3%9F%E5%F2>. This is the link to the Parliamentary Commission for Financing and Budget, there is a link “Документи” and this document is uploaded here.

d

Comment:

Researcher’s Response to this Question is “c.”

Peer Reviewer One Comment: A more appropriate response to this question would be “d.” The citation is not appropriate. When you follow the link suggested by the researcher, there are no documents to be downloaded from the Parliamentary Commission on Financing and Budget link. In addition, there is no evidence that there are public hearings in which testimony from the public is heard.

Peer Reviewer Two Comment: A more appropriate response to this question would be “c but bordering on d.” As ordinary citizens are not well informed about these hearings they barely participate. Only elites that know about the hearings and have interest in them participate. In effect we can say that the circumstances amount to category ‘d.’

IBP Comment: IBP editors chose answer, “d” to maintain consistency with the criteria used for selecting answers across countries.

<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <p>a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings.</p> <p>b. Yes, the committees release reports, but some details are excluded.</p> <p>c. Yes, the committees release reports, but they are not very informative.</p> <p>d. No, the committees do not release reports or do not hold public hearings.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Rules of procedures of the Assembly of the Republic of Macedonia (www.sobranie.mk)</p> <p><u>Comment:</u></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.” The citation is not appropriate. The question asks whether the legislative committees release reports about public hearings to the public <i>in practice</i>. It does not ask whether such procedures are prescribed in the Parliamentary rules.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain consistency with the criteria used for selecting answers across countries.</p>	b
<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> <p>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.</p> <p>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.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Rules of procedures of the Assembly of the Republic of Macedonia (www.sobranie.mk)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>80. Does the legislature have authority <i>in law</i> to amend the budget presented by the executive?</p> <p>a. Yes, the legislature has unlimited authority <i>in law</i> to amend the budget.</p> <p>b. Yes, the legislature has authority <i>in law</i> to amend the budget, with some limitations.</p> <p>c. Yes, the legislature has authority <i>in law</i> to amend the budget, but its authority is very limited.</p> <p>d. No, the legislature does not have any authority <i>in law</i> to amend the budget.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Rules of procedures of the Assembly of the Republic of Macedonia (www.sobranie.mk)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “b” is correct. This is also codified in the Organic Budget Law published in Official Gazette 64/2005.</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> <p>a. The approved budget includes program-level detail.</p> <p>b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).</p> <p>c. The approved budget includes only departmental totals.</p> <p>d. The approved budget includes less information than departmental totals.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006). The enacted budget is also available at: http://www.finance.gov.mk/mk/meni.htm , then you open “Буджети,” then you open “Буджет 2007,” and after this you will receive entire list of links to documents that are covering each possible aspect.</p> <p><u>Comment:</u></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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u> Monthly reports on the budget execution on Ministry of finance web-site.</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but it should be emphasized that in-year reports are organized only by economic classification.</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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</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> <p>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> <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <p>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> <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>

<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> <ol style="list-style-type: none"> Yes, extensive information related to the composition of government debt is presented. Yes, key additional information is presented, but some details are excluded. Yes, some additional information is presented, but it lacks important details. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> <ol style="list-style-type: none"> Reports are released 1 month or less after the end of the period. Reports are released 2 months or less (but more than 1 month) after the end of the period. Reports are released more than 2 months after the end of the period. In-year reports are not released. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “b.” The citation is not appropriate. It should be simply indicated that the in-year reports are available on the Ministry of Finance website.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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> <p>a. 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.</p> <p>b. Yes, the mid-year review includes a discussion of the economy, but it lacks some details.</p> <p>c. Yes, the mid-year review includes a discussion of the economy, but it lacks important details.</p> <p>d. 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.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Available at: http://www.finance.gov.mk/mk/meni.htm, Then you open “финансиски извештаи,” and the mid-year reports are under “Јануари – Јуни 2007” for 2007, “Јануари – Јуни 2006” for 2006, etc.</p> <p>Also, the Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006)</p> <p><u>Comment:</u> Semi-annual Report on the Execution of the Budget The reports on the execution of the Budget of the Republic of Macedonia shall be published on the website of the Ministry of Finance on monthly basis. Until July 31st in the fiscal year at the latest, the Minister of Finance shall submit to the Government a report on the execution of the Budget of the Republic of Macedonia covering the first six months. The budget execution report referred shall be accompanied by an updated report on the macroeconomic indicators and projected revenues, commitments and expenditures for the budget year. The budget execution report shall be published on the website of the Ministry of Finance.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<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"> a. 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. b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided. c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided. d. 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. e. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “a.” The citation is not appropriate. The appropriate citation would be the mid-year review of the budget which is available on the Ministry of Finance website: http://www.finance.gov.mk/mk/fi/2006/info_za_ostvaruvawe_periodot_januari_juni_2006.pdf. Updated expenditure estimates and the reasons why estimates have changed are provided on page 3 of the mid-year review.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ol style="list-style-type: none"> The mid-year review includes program-level detail for expenditures. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs). The mid-year review includes only departmental totals (or functional totals). 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. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). 2007 Budget execution law (Official Gazette of the Republic of Macedonia 139/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d,” since the mid-year review provides detail for expenditures only by economic classification. The citation is not appropriate. The appropriate citation would be the mid-year review of the budget which is available on the Ministry of Finance website: http://www.finance.gov.mk/mk/fi/2006/info_za_ostvaruvawe_periodot_januari_juni_2006.pdf.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
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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?

- 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).

Citation:

Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).

Comment:

Semi-annual Report on the Execution of the Budget

The reports on the execution of the Budget of the Republic of Macedonia shall be published on the website of the Ministry of Finance on monthly basis.

Until July 31st in the fiscal year at the latest, the Minister of Finance shall submit to the Government a report on the execution of the Budget of the Republic of Macedonia covering the first six months.

The budget execution report referred shall be accompanied by an updated report on the macroeconomic indicators and projected revenues, commitments and expenditures for the budget year.

The budget execution report shall be published on the website of the Ministry of Finance.

Peer Reviewer One Comment: A more appropriate response to this question would be "a." The citation and the comment are not appropriate. The appropriate citation would be the mid-year review of the budget which is available on the Ministry of Finance website:

http://www.finance.gov.mk/mk/fi/2006/info_za_ostvaruvawe_periodot_januari_juni_2006.pdf. Updated revenue estimates and the reasons why estimates have changed are provided on page 2 of the mid-year review.

Peer Reviewer Two Comment:

a

<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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> The Parliament of the Republic of Macedonia shall make the decision on the reallocation of resources among the central administrative units (budget users and the Funds).</p> <p>The rewiring for central budget users and the Funds shall refer to all appropriations between programs and sub-programs, except for government and capital sub-programs and programs. Central budget users and the Funds can reduce, by re-wiring, the appropriations in the current fiscal year on program level by 15% at the most. Notwithstanding paragraph 3 of this Article, any budget user and Fund cannot make budget re-wiring that results in:</p> <ul style="list-style-type: none"> - increase of the budget approved for salaries and allowances, and - reduction of appropriations for specific capital sub-programs. <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</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></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>98. When does the legislature typically approve supplemental budgets?</p> <ol style="list-style-type: none"> a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify). b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify). c. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u> In case the expected revenues/inflows are realized on a level lower than the one in the approved plan, but not more than 5%, the Government, shall reduce the appropriations of the base budgets. In case the expected revenues and other inflows are realized on a level higher than the one in the approved plan, but not more than 5%, the government can make additional repayments of principal and interest. In case the deviation from the revenue exceeds 5%, the Government shall submit amendments and modifications to the budget to the Parliament (Supplementary Budget).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<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> <ol style="list-style-type: none"> Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget. Expenditures are approved after the funds are expended, but before the end of the fiscal year. Expenditures are approved after the end of the fiscal year, for example in the next budget. Such expenditure takes place without legislative approval. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).</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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the comment is not appropriate. Official Gazette 120/06 does not contain the year-end report; it contains the supplemental 2006 budget. Official Gazette 25/07 contains the year-end report for the 2005 budget. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p>Official Gazette of RM, issue number 120/06; and 25/07.</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p><u>Peer Reviewer One Comment:</u> The response “b” is correct, but the citation and the comment are not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response "d" is correct, but the citation is not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “d” is correct, but the citation is not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p><u>Peer Reviewer One Comment:</u> The response “b” is correct, but the citation and the comment are not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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> http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> Official Gazette of RM, issue number 120/06; and 25/07</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The year-end report for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<i>The Independence and Performance of the Supreme Audit Institution</i>	

<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> Law on Internal Audit of the Public Sector, Bylaws, and other regulation, Available at: http://www.finance.gov.mk/gb/index.html; You open this link, then go to Laws/Ministry of Finance/you will find it under item 64. http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. The audit accounts for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<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 has 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> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006). Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation is not appropriate. The audit reports for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<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> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006). http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> 2006 Year Report, State Audit Office (available at: http://dzt.gov.mk/Uploads/PRVO%20str%201-78-voved.pdf)</p> <p>State Audit Law Content: the Republic of Macedonia, the budgets of the local government units, the budgets of the Funds (as used further in this text: the budgets), budget funds beneficiaries and their unit beneficiaries, state-owned enterprises, the National Bank of the Republic of Macedonia, legal entities in which the state is the major shareholder, political parties funded by the budget, agencies and other institutions established by law, other organizations financed by public funds, and the beneficiaries of European Union funds and other international organizations.</p> <p>Purpose: examination of documents, papers and reports on performed internal controls and internal audits, accounting and financial procedures, electronic data and information systems and other records assessing whether the financial reports present truthfully and objectively the financial positions and the results of the financial activities, in accordance with the adopted accounting policies and accounting standards. The state audit law also includes the procedure of examining the financial transactions being government expenditures, in terms of legal and authorized spending.)</p> <p><u>Peer Reviewer One Comment:</u> The response "a" is correct, but the citation and the comment are not appropriate. The audit reports for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<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> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006). Rules of procedures of the Assembly of the Republic of Macedonia (www.sobranie.mk) http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> State Audit Law, Article 13 (available at: http://www.dzr.gov.mk/en/Uploads/State%20Audit%20Law,%20PDF.pdf)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol 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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005). State Audit Law (Official Gazette of the Republic of Macedonia 65/1997, 70/2001, 31/2003, 19/2004, 70/2006). http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Comment:</u> 2006 Year Report, State Audit Office (available at: http://dzt.gov.mk/Uploads/PRVO%20str%201-78-voved.pdf)</p> <p><u>Peer Reviewer One Comment:</u> The response “a” is correct, but the citation and the comment are not appropriate. The audit reports for the 2006 budget can be downloaded at the Parliament website: http://www.sobranie.mk/mk/default.asp?del=arhiva&vidi=pisarnica&start=281.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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<p>116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have <i>the discretion in law</i> to undertake those audits it may wish to?</p> <ol style="list-style-type: none"> The SAI has full discretion to decide which audits it wishes to undertake. The SAI has significant discretion, but faces some limitations. The SAI has some discretion, but faces considerable limitations. The SAI has no discretion to decide which audits it wishes to undertake. Not applicable/other (please comment). <p><u>Citation:</u> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006).</p> <p><u>Comment:</u> State Audit Law, Chapter 3: Conducting the State Audit (available at: http://www.dzr.gov.mk/en/Uploads/State%20Audit%20Law,%20PDF.pdf)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<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> Organic Budget Law (Official Gazette of the Republic of Macedonia 64/2005).State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006).</p> <p><u>Comment:</u> State Audit Law, Chapter 3-a: Working Assets (available at: http://www.dzr.gov.mk/en/Uploads/State%20Audit%20Law,%20PDF.pdf)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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"> a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate. b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate. c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate. d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector. e. Not applicable/other (please comment). <p><u>Citation:</u> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006).</p> <p><u>Comment:</u> State Audit Law, Chapter 3: Conducting the State Audit (available at: http://www.dzr.gov.mk/en/Uploads/State%20Audit%20Law,%20PDF.pdf)</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>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"> a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year. b. 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. c. 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. d. No, the SAI does not maintain any formal mechanisms of communication with the public. e. Not applicable. <p><u>Citation:</u></p> <p><u>Comment:</u> Law does not regulate this mechanism. The public has the opportunity to give complaints and suggestions to assist in determining audit programs via the open communication web-site: www.dzr.gov.mk</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <ol style="list-style-type: none"> a. Yes, all audit reports are scrutinized. b. Yes, most audit reports are scrutinized. c. Yes, some audit reports are scrutinized. d. No, audit reports are not scrutinized. e. Not applicable/other (please comment). <p><u>Citation:</u> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<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> <ol style="list-style-type: none"> Yes, the executive reports publicly on what steps it has taken to address audit findings. Yes, the executive reports publicly on most audit findings. Yes, the executive reports publicly on some audit findings. No, the executive does not report on steps it has taken to address audit findings. 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>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> <ol style="list-style-type: none"> Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations. Yes, a report is released, covering key audit recommendations, but some details are excluded. Yes, a report is released, but it lacks important details. No, a report is not produced or it is prepared for internal purposes only (please specify). Not applicable/other (please comment). <p><u>Citation:</u> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006), Chapter 3: Conducting the State Audit (available at: http://www.dzr.gov.mk/en/Uploads/State%20Audit%20Law,%20PDF.pdf).</p> <p><u>Comment:</u> ANNEX 1, Attachments (available at: http://dzr.gov.mk/Uploads/Aneks%201%20-%20ZBIRNO%20-%20str%2079-110.pdf)</p> <p>ANNEX 2, Findings from Audited Financial Reports for 2004 and 2005 (available at: http://dzr.gov.mk/Uploads/Aneks%202%20-%20str%20111-180.pdf)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<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> State Audit Law (Official Gazette of the Republic of Macedonia 65/1997,70/2001,31/2003,19/2004,70/2006).</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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