

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE

MEXICO

September, 28 2007

International Budget Partnership
Center on Budget and Policy Priorities
820 First Street, NE
Suite 510
Washington, DC 20002
www.internationalbudget.org
www.openbudgetindex.org

This questionnaire was completed by:

Name:	Alberto Serdán and Jorge Romero León
Organization:	Fundar, Centro de Análisis e Investigación, A.C.
Address:	Cerrada de Alberto Zamora No. 21, Villa Coyoacán, México DF - 04000
Telephone:	+52-55-5554-3001
E-mail:	<u>alberto@fundar.org.mx</u>, <u>jorge@fundar.org.mx</u>

International Budget Partnership OPEN BUDGET QUESTIONNAIRE MEXICO

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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	2008
Budget Summary	2008
Executive's Budget Proposal	2008
Supporting Budget Documents	2008
Citizens Budget	NA
Enacted Budget	2007
In-Year Reports	2007
Mid-Year Report	2007
Year-End Report	2006
Audit Report	2005

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

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

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

Budget Document	Full Title, Date, and Internet Link
Pre-Budget Statement	<p>"Documento relativo al cumplimiento de las disposiciones contenidas en el Artículo 42, Fracción I, de la Ley Federal de Presupuesto y Responsabilidad Hacendaria":</p> <p>http://www.apartados.hacienda.gob.mx/novedades/espanol/docs/2007/Informes%20especiales/art42_lfprh_30032007.pdf</p>
Budget Summary	<p>http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/index2.html</p>
Executive's Budget Proposal	<p>http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/index2.html</p>
Budget Document One in Support of the Executive's Budget Proposal	<p>http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ilif_2008.pdf</p> <p>http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ifc_2008.pdf</p>
Budget Document Two in Support of the Executive's Budget Proposal	<p>http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/idra_2008.pdf</p> <p>http://www.aplicaciones.hacienda.gob.mx/ucs/reformahacendaria/index.html</p> <p>http://www.aplicaciones.hacienda.gob.mx/ucs/reformahacendaria/pdf/cetu.pdf</p> <p>http://www.aplicaciones.hacienda.gob.mx/ucs/reformahacendaria/pdf/lici.pdf</p> <p>http://www.aplicaciones.hacienda.gob.mx/ucs/reformahacendaria/pdf/miscelaneo.pdf</p>
Budget Document Three in Support of the Executive's Budget Proposal	<p>http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/cp_2008.pdf</p>

Citizens Budget	N.A.
Enacted Budget	http://www.apartados.hacienda.gob.mx/presupuesto/temas/pef/2007/index.html
In-Year Reports	http://www.apartados.hacienda.gob.mx/finanzas_publicas/html/informacion_trimestral.html
Mid-Year Review	http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/index.html
Year-End Report	http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/index.html
Audit Report	http://www.asf.gob.mx/trans/Informes/IR2005i/index.htm
Other Documents	<p>Fiscal Reform http://www.aplicaciones.hacienda.gob.mx/ucs/reformahacendaria/index.html</p> <p>Fiscal Expenditures 2007 http://www.apartados.hacienda.gob.mx/novedades/espanol/docs/2007/Informes%20especiales/presupuesto_gastos_fiscales_2007.pdf</p> <p>General Budget Information http://www.apartados.hacienda.gob.mx/presupuesto/index.html</p> <p>General Accountability Information http://www.apartados.hacienda.gob.mx/contabilidad/index.html</p> <p>Capital Investment http://www.apartados.hacienda.gob.mx/cartera/index.html</p> <p>Macroeconomic estimates http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf</p> <p>Revenue estimates & Approved estimates http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ilif_2008.pdf http://www.apartados.hacienda.gob.mx/politica_ingresos/documentos/ley/2007/dof_lif_2007.PDF</p> <p>Public Finances (Español and English) http://www.apartados.hacienda.gob.mx/clon_estadisticas/index.html http://www.apartados.hacienda.gob.mx/clon_estadisticas/english/html/mensual.html</p>

	<p>Public Credit (Español and English) http://www.apartados.hacienda.gob.mx/clon_estadisticas/index.html http://www.apartados.hacienda.gob.mx/clon_estadisticas/english/html/mensual.html</p> <p>Subnational Transfer Figures http://www.apartados.hacienda.gob.mx/ucef/index.html</p> <p>Legal Framework http://www.hacienda.gob.mx/index_marco_juridico_.html http://www.apartados.hacienda.gob.mx/marco_juridico/documentos/marco_juridico_global/dpef.pdf http://www.diputados.gob.mx/LeyesBiblio/pdf/1.pdf http://www.diputados.gob.mx/LeyesBiblio/pdf/LFPRH.pdf</p> <p>Programa Nacional del Financiamiento del Desarrollo 2002 - 2006. (PRONAFIDE) http://www.apartados.hacienda.gob.mx/pronafide/documentos/s_d020611.html</p>
<p>Relevant Ministries & Departments</p>	<p>http://www.shcp.gob.mx/ http://www.asf.gob.mx/ http://www.ifai.org.mx/ http://www.diputados.gob.mx/ http://www.scjn.gob.mx/</p>

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

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

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

Table 4. Distribution of the Enacted Budget and Other Reports

DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS					
<i>For the following reports, place a “Yes” in the appropriate row below to indicate if the report is:</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
A. Not produced, even for internal purposes					
B. Produced for internal purposes, but not available to the public					
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	No	No	No	No	No
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	Yes	Yes	Yes	Yes	Yes
6. Free print copies available, mass distribution	No	No	No	No	No
7. Readily available outside capital/big cities ⁺	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	No	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> <ol style="list-style-type: none"> All expenditures are classified by administrative unit. Expenditures are classified by administrative unit, but some small units are not shown separately. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> All the expenditures are presented by administrative unit and the budget includes detailed analytical information on the type of expenditure made by each administrative unit.</p> <p><u>Researcher's Response to this Question was "a."</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be "b." Even if the administrative expenditure presents responsible units, these are detailed at a very high level (like general directorates) so the units in charge of implementing specific programs are not shown.</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, "a." The budget is presented at the level of responsible executor units which can be audited through the Public Account. The catalogue of the PEF 2008 has 1,242 responsible units in which budgetary information is disaggregated. http://www.apartados.hacienda.gob.mx/presupuesto/temas/pef/documentos/analiticos_pef_2008/setup_ap-pef2008.zip</p> <p><u>IBP Comment:</u> IBP editors chose answer, "a" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	a	

2. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?

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

Citation:

Comment:

The expenditure is detailed in a functional classification in the executive summary presented as the Statement of Purpose of the Budget Proposal. However, it should be mentioned that the functional classification is not consistent from one year to the next. That is, within a sole function there are different ones which are frequently changed, thus making cross-time and cross-national comparison of classifications is difficult.

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" The functional classification is not consistent from one year to the next. That is, within a sole function there are different categories in each year, which complicates cross-time and cross-national comparisons of classifications.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "a."

Because the question concerns the fiscal year, although the reviewer is right, it is not always easy to monitor previous years since the classification of some categories has changed. Nonetheless, the classification in the period of study is compatible with international standards.

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

a

<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> <ul style="list-style-type: none"> a. All expenditures are classified by economic classification, and the categorization is compatible with international standards. b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by economic classification. d. No expenditures classified by economic classification are presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The Statement of Purpose of the Budget Proposal breaks down the expenditure into economic classification.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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4. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the budget year?
- Program-level data are presented for all expenditures.
 - Program-level data are presented for at least two-thirds of, but not all, expenditures.
 - Program-level data are presented, but for less than two-thirds of expenditures.
 - No program-level data are presented.
 - Not applicable/other (please comment).

Citation:

See programmatic structure in "Análisis Funcional Programático Económico" in: PEF 2007:

<http://www.apartados.hacienda.gob.mx/presupuesto/temas/pef/2007/index.html>

PPEF 2008:

<http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/index2.html>

Comment:

Nearly all the expenditure is presented at the program level with two exceptions: the national security expenditure is not detailed and the expenditure of state enterprises and entities is not presented by programs, since the planning and programming of such entities is coordinated, but is not determined by the government's secretariats or sectorial agencies. The 2008 Project has a change in its programmatic structure with one good and one bad consequence. The good one is that it groups what were the programmatic activities (AP) in budget programs (PP), giving better visibility of the governmental programs as such. However, the Program category disappeared, and it referred to the corresponding Sectorial Program for those activities, and was thereby the clearest link to the National Development Plan.

b

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

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "a." The above means that since 2005 the whole PEF is classified in programs.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "b." I chose my answer because the fact that there is a classification by programs does not mean that all the expenditure is presented by programs, as it is pointed out and exemplified in the first comment.

BP Comment: IBP editors chose answer, "b" consistent with researcher's response.

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)?

- a. Yes, multi-year estimates of aggregate expenditure are presented.
- b. No, multi-year estimates of aggregate expenditure are not presented.
- c. Not applicable/other (please comment).

Citation:

Exposición de Motivos del PEF en:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em006.pdf

Criterios Generales de Política Económica en:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/cgpe_2008.pdf

Comment:

The Statement of Purpose of the Expenditure Budget 2008 has a section for provisions of the net expenses and the programmable expenses for 2009 and 2013, which is presented in a very aggregate way, without establishing specific amounts since it is presented as a proportion of the GDP. This is very important because, even if the CGPE establish estimates of increases of the GDP and the inflation (under very vague assumptions in its presentation, pp. 89-92), it is not enough for the analysts to calculate the provisions of the expenditures at present values with adequate reliability. Moreover, it should be the government the one offering those estimations.

This information complements the provisions of growth of the economy and of the GDP, as well as the financial requirements of the public sector in the General Criteria of Economic Policy (also as a percentage of the GDP). Only some categories of expenditures and the investment expenses included multi year provisions since it is required by law after the Fiscal Reform was approved.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

b

<p>6. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. 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. No, multi-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> Same comment as for question 5.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<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"> All sources of tax revenue are identified individually. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. No sources of tax revenue are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ilif_2008.pdf</p> <p><u>Comment:</u> There is a very important omission: the estimations of incomes from the Rent Tax are not divided in the estimations of incomes from physical people (individuals) and moral people (companies). The Rent Tax represents 47% of tax income and 23% of the government's total income.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "a." The sources of income are presented individually in an aggregate manner (VAT, Income tax, vehicle tax, etc.), which is sufficient to know the aggregate information of the income sources of the federal government, topic on which this question is about. The desegregation in types or classes of tax payers (how much companies or individuals pay, or what proportion of the governmental income comes from each one of the deciles, for example) is different from the individual identification of the sources of tax income (VAT, Rent Tax, Property</p>	c

Tax, etc.). It is possible to know the contribution of individuals versus companies, and there is also an estimate of the composition of income by decile (see for example, referred to in question 57): http://www.apartados.hacienda.gob.mx/politica_ingresos/documentos/presupuesto/resupuesto_gastos_fiscales_2007.pdf). That is, the statistical disaggregation of tax contributions by tax payer is public information, but it is not, and there is no reason why it should be, in the PEF's information. The next answer, on other sources of income, is "a"; this one is too.

Peer Reviewer Two Comment: A more appropriate response to this question would be "d." However, there is no publication in which oil revenues and the different kinds of them are listed, a very important concept due to the current debate in the country on energy reform.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "c." I chose my answer because the Budget for Fiscal Expenditures is not presented along with the Federal Budget, and thus it is not possible to know what was effectively not earned through this category once the fiscal year has ended, even when the taxes paid by individuals are therein separated from those paid by companies. Furthermore, the Budget for Fiscal Expenditures does not specify the estimated incomes for the following fiscal year, it rather shows what is estimated not to be earned (by the way, with a very questionable reliability as it was evidenced by the debate over the Fiscal Reform on the deductions of donations). In turn, oil revenues are actually presented at an aggregate level, but it is enough to know that it is a source of additional income apart from the other sources. Finally, as we have mentioned, the incomes are not divided in "income tax" and "corporate tax" as it is suggested by this questionnaire, which is the division between Rent Tax on individuals and companies. Lastly, the answer guidebook specifies that "Taxes are compulsory transfers that result from government exercising its sovereign power. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as a sales tax or a value-added tax," but it does not establish whether the answer should consider "personal and business income" separately or aggregated, if this separation is not relevant, then the answer must be "a."

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

<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> <ol 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> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ilif_2008.pdf</p> <p><u>Comment:</u> Although all the income sources are identified for all federal government's offices, the information related to some public companies and social security agencies does not include this level of information.</p> <p><u>Researcher’s Response to this Question was “a.”</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “b.”</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “a.” I chose my answer because it is true that some income sources managed by some public companies are not included in the initiative, but all the federal governments are included.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>a</p>
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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)?
- Yes, multi-year estimates of aggregate revenue are presented.
 - No, multi-year estimates of aggregate revenue are not presented.
 - Not applicable/other (please comment).

Citation:

Ver CGPE en:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

Comment:

The information is included within the General Criteria of Economic Policy for 2008 (CGPE: 92-96), however, it is only showed as a percentage of the GDP, leaving aside the total amounts. This is very important because, although the CGPE establish estimates on the GDP's and inflation growth (under very vaguely presented assumptions; pp. 89-92), it is not enough for the analysts to calculate the provisions of expenditure in present value with an adequate reliability. Moreover, it should be the government who offers those estimates. Also, it should be mentioned that this information is not included in the statement of purpose of the Income Law.

Peer Reviewer One Comment: A more appropriate response to this question would be "a." According to the answer, the information actually exists, as a percentage of the GDP. This is why it is worth reconsidering the assessment and comment: if the information on income is presented as a percentage of the GDP, the total amounts, in present value, would be the result of applying the foreseen variability rate (i.e., if the VAT will increase one point regarding the GDP for 2009, the present estimate of its increase is there, in 2008 prices). As a percentage of the GDP, the GDP and inflation rate increase are irrelevant.

a

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "b." I chose my answer because a reliable estimation of the GDP would be enough to know the aggregate levels of the incomes. However, the government has made a mistake, in the average of its GDP estimates regarding the observed GDP, in 0.3 percentage points in the CGPE 2005, 0.1 percentage points in the CGPE 2006, 0.8 percentage points in the CGPE 2007 and 1.2 percentage points in the CGPE 2008. These variations added up to one billion 511 thousand million pesos (approximately 138.7 billion dollars) of deviation regarding the GDP observed in those years. Also, for the estimates of its incomes there have been significant variations between the amounts foreseen and what actually was earned. Due to all of the above, plus what was expressed in the original comment, we consider that it is not enough to know the estimates as a percentage of the GDP, it is necessary that the government offer its own income estimates for incomes in order to better identify the expenditure provisions in current currency.

IBP Comment: IBP editors chose answer, "a" to maintain the consistency of the assumptions used in selecting answers across the countries. But the researcher response should be included as a comment.

BP Comment: IBP editors chose answer, "x"

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:

Comment:

See comment for question 9. The information is not at a detailed level on all income sources (particularly regarding tax incomes, since it only shows estimates for rent tax and VAT).

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

Peer Reviewer One Comment: A more appropriate response to this question would be "c." The answer itself acknowledges that the information is available for the VAT and the rent tax, so it cannot be "d."

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one, "c." I chose my answer because the peer reviewer is right, there are some multi year provisions, although not with the same level of detail as the perspective of annual income.

BP Comment: IBP editors chose answer, "c" consistent with the researcher's comment.

C

11. Does the executive's budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?

- 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).
- b. Yes, the data reflect the outstanding debt at the end of the budget year.
- c. Yes, the data reflect the outstanding debt at the start of the budget year.
- d. No, data on the outstanding debt are not presented.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/informe_trimestral/2007/2do_trim/02_anexos_trime%202007.pdf

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

Comment:

The information is included within the General Criteria of Economic Policy for 2008 (CGPE: 101), however, this is only presented as a percentage of the GDP; leaving aside the pending amounts to be paid. This is very important because, although the CGPE establish estimates for the GDP's and inflation growth (under very vaguely presented assumptions; pp. 89-92), it is not enough for the analysts to calculate the previsions of expenditures at present value with adequate reliability.

Moreover, it should be the government the one offering those estimates.

In turn, the information is presented in a detailed way in the Reports on the Economic Situation, Public Finance and Public Debt, which IS NOT part of the Economic Package nor of the Budget. However, it should be mentioned that in the last report which was available (2nd Trimester of 2007) before the Budget Proposal was presented, there is information on the evolution of the remainders of the net external and internal debt.

C

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

Peer Reviewer One Comment: A more appropriate response to this question would be "c." The answer itself acknowledges that the information exists, so "d" would not be likely to be justified. Again, the presentation as a percentage of the GDP presents advantages for the analysis and temporary comparison (for years) as well as spacial comparison (between countries). It also offers the idea of flow, if the nominal figures are known for previous years, which does happen.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one, "c." I chose my answer because the peer reviewer is right. Some information is incorporated, although neither extensively nor detailed for the level of debt.

BP Comment: IBP editors chose answer, "c" consistent with the researcher's comment.

12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?

- a. Yes, interest payments on the debt are presented.
- b. No, interest payments on the debt are not presented.
- c. Not applicable/other (please comment).

Citation:

<http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/index2.html>

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/informe_trimestral/2007/2do_trim/02_anexos_trime%202007.pdf

Comment:

The information on the payment of the interests of the debt is detailed, and also by type of financing.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b" It would be convenient to include the link where the information that backs up this assessment can be found.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "a." I chose my answer because the information of the debt payment for the year is in the Budget and its Statement of Purpose. Further, there is additional information in several sources throughout the year, but the foreseen obligations of the payment are incorporated in the budget itself.

IBP Comment: IBP editors chose answer, "a" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

a

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?
- 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.
 - Not applicable/other (please comment).

Citation:

Comment:

See comment for question 11.

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

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The amount of the internal debt is known; the components of the external debt are known (Bonds, Investment Units, administrators of retirement funds (afores) and societies for their investment (siefors) etc.) and the corresponding balances. See:

http://www.apartados.hacienda.gob.mx/estadisticas_oportunas/esp/index.html.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d."

The prompt statistics are not part of the Executive's Budget Proposal. Although the information exists, it is not part of the bulk of documents of the budget which are sent for approval of Congress with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be taken into consideration.

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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:

Criterios Generales de Política Económica (CGPE: 89-92) ver en:
http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

Comment:

It is worth pointing that even if the macroeconomic estimates are presented, even in the context of the world economy and the national economy's performance, the calculation principles used for the estimates are not made explicit, as it happens in other countries.

Peer Reviewer One Comment: A more appropriate response to this question would be "b." Internationally compared, the level of detail is still not the best.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one, "b." The relevant information for the answer is shown in the presented link, although the calculation principles are not made explicit.

IBP Comment: IBP editors chose answer, "b" consistent with researcher's response.

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> See CGPE 2008 in http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf For the very uneven results of 2006 and insufficient explanation of Hacienda see: Cuenta Publica 2006, Política de Ingresos, en: http://www.apartados.hacienda.gob.mx/contabilidad/temas/informe_cuenta_publica/2006/contenido/resultados_generales/r02/r02d10.pdf</p> <p><u>Comment:</u> Although the CGPE 2008 proposes the possibility that the macroeconomic projections foreseen may not be fulfilled, there are not quantitative estimates of its potential effects on the budgetary variables.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> Statement of Purpose of the Budget Proposal (PPEF) for 2008 see: Exposición de Motivos del Proyecto de Presupuesto de Egresos de la Federación (PPEF) para 2008 ver: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em007.pdf Especially the summary of the first part, related to the Functional Classification of the Expenditure, in http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em005.pdf</p>	d

Comment:

The government does not present the necessary information to promote an informed debate on the changes of public policy. It is not even possible to see which are the new proposals and which the existing policies. This is one of the greatest deficiencies of the Mexican budgetary process, and its implications are generally negative for the negotiation and discussion of the budget by the legislators, who don't have neither the information nor the necessary instruments of analysis to discern between different programs and actions of public policy. Only when a great change is being considered, for example, the Program for Childcare Centers, are the new policies mentioned. However, the explanation and details on the operation of a recently created program as is the case of the Program for Childcare Centers, was not more than one paragraph (one paragraph!) in the Statement of Purpose.

Peer Reviewer One Comment: A more appropriate response to this question would be “d.” Regarding the comment, it is difficult to sustain that there is no information on impacts. In previous occasions, different impact scenarios on public expenditure of certain tax proposals have been presented; the same thing happens with the estimates of the average price of the Mexican oil, or on the expenditure side, with the investment in oil infrastructure or highways. It may be worth considering “c,” as in the following question.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, “d.” I chose my answer because the Executive's proposal does not present the impact on the expenditure of its new policies (we consider as impact not only the allocations for the program considered, which sometimes were not presented in the budget proposal in a detailed manner, but also the impact on public expenditure).

IBP Comment: IBP editors chose answer, “d” consistent with researcher's response.

<p>17. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of policy proposals on revenues is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ilif_2008.pdf</p> <p><u>Comment:</u> The information is highly summarized in the Statement of Purpose of the Income Law, and a bit more detailed in the fiscal package (which is the sum of the reforms to diverse fiscal laws which the Executive presents with its proposal of Income Law). But this information is not a detailed analysis of the impact of the new proposals, both in collection terms and for the different sectors and citizens in general. In addition, it is also not explained how the elimination of the existing policies would give as a result an increase in the benefits. The clearest examples in the deficiency of the information presented in the Income Law and the documents which accompany it took place in 2002, when a new Law on Rent Tax was approved along with other important measures, and it happened again in 2007, with the information related to the Fiscal Reform.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> I think that the date of the reform they are referring to is 2006, with the introduction of the IETU to the fiscal package.</p>	<p>C</p>
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Estimates for Years Prior to the Budget Year	
<p>18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit for BY-1. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em005.pdf</p> <p><u>Comment:</u> In the Statement of Purpose of the Budget, by agency and function. By agency in the Provisions of Programmable Expenditure for 2008 of the Statement of Purpose. It should be mentioned that these figures are published according to the approved amount and not the spent one, which sometimes underestimates the amount of resources approved compared to the previous year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> However, these figures are published according to the amount which was approved and not the one spent, which sometimes underestimates the amount of approved resources compared to the previous year.</p>	a
<p>19. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function for BY-1. No expenditures classified by function are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em005.pdf</p> <p><u>Comment:</u> By function, in the Statement of Purpose (first part).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>20. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?</p> <ul style="list-style-type: none"> a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by economic classification for BY-1. d. No expenditures classified by economic classification are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em005.pdf</p> <p><u>Comment:</u> In the Statement of Purpose, first part, "Economic classification of the expenditure."</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>21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> Program-level expenditure data are presented for all expenditures for BY-1. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1. No program-level expenditure data are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em007.pdf (Página 95).</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> I think it is important that the author justifies his answer, due to the precision of the assessment: “less than two-thirds...”</p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “a.” All the PEF is detailed at a programmatic level. What happens is that the concepts of these programs are very general and are only defined as functions, for example the function of national security.</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “c.” I chose my answer because the question refers to previous years. In the attached link it can be seen that for the programs of science and technology, information of the BY-1 is presented, But there is no more information than that. Furthermore, being more strict, due to the marginal quantity that this program represents answer “d” could be chosen.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “c” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	<p>C</p>
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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)?

- a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.
- b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.
- c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.
- d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf (p. 48)

http://www.apartados.hacienda.gob.mx/contabilidad/temas/informe_avances/2007/index.html

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/informe_trimestral/2007/2do_trim/01_informe_trime_207.pdf

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/informe_trimestral/2007/2do_trim/02_anexos_trime%20207.pdf

Comment:

Only estimated closures are presented per year and it is assumed that they take into consideration the first six months of the year, even when the real spent budget is not distinguishable at six months-time and the projected one for the remaining six months. The text of the General Criteria of Economic Policy (CGPE, pp. 48-50) mentions that the estimates of the end of the year take into consideration the behavior of the economy during the first semester and it presents information with an estimate closure from 2007 (p. 82). Only in the quarterly reports and, starting from 2005 in the mid-year report (Report on the Development of the Management) is the real spent amount established.

b

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

Peer Reviewer One Comment: A more appropriate response to this question would be "b." According to the author himself, the answer corresponds more to a "b" or "c."

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one "b." I chose my answer because although the document of the CGPE establishes that the amounts have been updated to the first semester of the year according to the macroeconomic information, it does not happen that way according to the budget information: the document does not differentiate that the first semester has been the spent one and the remaining six months are estimates. This lack of clearness leads to consider the answer "b" as the peer reviewer suggests.

IBP Comment: IBP editors chose answer, "b" consistent with the researcher's response.

<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> <p>a. Yes, such prior-year estimates of aggregate expenditure are presented. b. No, such prior-year estimates of aggregate expenditure are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Evolución del Gasto Público 2003-2007, in: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em003.pdf</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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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)?
- 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).

Citation:

Evolución del Gasto Público 2003-2007, en:
http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em003.pdf (pp. 36 y 40)

Comment:

Some information is disaggregated for the BY-2, but not for all programs.

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

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c."

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "b." I chose my answer because such information is presented in the Statement of Purpose for all the functional and administrative classifications at an aggregate level, but not for all the budgetary programs.

IBP Comment: IBP editors chose answer, "b" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

b

<p>25. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ol style="list-style-type: none"> Two years prior to the budget year (BY-2). Three years prior to the budget year (BY-3). Before BY-3. No actual data for all expenditures are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation:</u> Evolución del Gasto Público 2003-2007, in: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em003.pdf</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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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?
- 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).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em003.pdf

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em005.pdf (pp. 56-59)

Comment:

In the provisions for programmable expenditure for 2008 (Statement of Purpose of the PPEF part V, pp. 56-59) it was not specified whether the comparisons 2007 and 2008 corresponded to adjusted data. As of the analyst's experience it is known that they are comparable, but several users (mainly journalists) did not know in the first place that it was adjusted data.

a

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

Peer Reviewer One Comment: A more appropriate response to this question would be "a." The answer itself establishes that the data are comparable. It is requested to assess the availability of the information, beyond the capabilities of the potential users.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one "a." I chose my answer because the information related to the answer is available, but a mistake in the caption of the tables can mislead the public. The peer reviewer is right in pointing out that the question refers to the availability of the information.

IBP Comment: IBP editors chose answer, "a" consistent with the peer reviewers comment.

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)?

- a. All tax revenues are identified individually for BY-1.
- b. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually.
- c. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually.
- d. No tax revenues are identified individually for BY-1.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em004.pdf

Comment:

In the Statement of Purpose of the Budget, fourth part, "Estimates of public expenditures for 2008" (p. 43), are the aggregated data for previous years. It should be mentioned that these comparisons are not found in the Statement of Purpose for the Income Law.

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

Peer Reviewer One Comment: A more appropriate response to this question would be "a." The information on federal incomes of previous years is public, both in public account and in the quarterly reports on the state of public finances presented by the SHCP, which legally obliges the Executive to present it to Congress. See:

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/bimestral/2007/informe_bimestral_congreso_5obim07.pdf See answers 86 to 89.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered.

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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)?

- 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).

Citation:

Comment:

See comment for question 27.

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

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/bimestral/2007/informe_bimestral_congreso_5obim07.pdf The non-tax incomes have an inferior level of disaggregation, but they are there.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d" I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered.

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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)?

- 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).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

Comment:

Neither the budget, nor any other supporting information which accompanies the Executive's initiative specifies the amount of the real observed income. Only in the quarterly reports and in the mid-year report can this information be known. However, the text of the General Criteria of Economic Policy (CGPE: 48-50) mentions that the estimates for the end of the year take into consideration the behavior of the economy during the first semester, without giving figures, and information is presented as an estimate closure of 2007 (p.82)

Peer Reviewer One Comment: A more appropriate response to this question would be "a." The information is public, it is in the official website.

http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/bimestral/2007/informe_bimestral_congreso_5obim07.pdf; see answers 86 to 89

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered.

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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)?

- 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).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em004.pdf

Comment:

In the income initiative this information is not presented nor is the observed real income amount specified. In the General Criteria of Economic Policy (CGPE: 112), the incomes are presented as a percentage of the GDP, but not the observed real income amount. This is very important because, despite the fact that the CGPE establish estimates for the GDP's and inflation growth (under very vaguely presented assumptions; pp. 89-92), it is not enough for the analysts to calculate the provisions of expenditures at present value with adequate reliability. Moreover, it should be the government the one offering those estimates.

Furthermore, it should be mentioned that this information is not included in the Statement of Purpose of the Income Law. In the quarterly reports and in the mid-year report this information can be found, and also in the Statement of Purpose of the Federal Budget (p. 43).

Peer Reviewer One Comment: A more appropriate response to this question would be "a." The information is available in:

http://www.apartados.hacienda.gob.mx/estadisticas_oportunas/esp/index.html

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies.

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

b

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)?
- Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).
 - Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.
 - Yes, such prior-year estimates are presented, but only for some individual sources of revenue.
 - No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all.
 - Not applicable/other (please comment).

Citation:

Comment:

See comment for question 30.

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The information is available in: http://www.apartados.hacienda.gob.mx/estadisticas_oportunas/esp/index.html

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered

IBP Comment: IBP editors chose answer, "d," to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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?

- 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).

Citation:

Comment:

See comment for question 30.

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

Peer Reviewer One Comment: A more appropriate response to this question would be "c." As in the previous comment, the information is public.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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?

- a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.
- b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.
- c. Yes, but only information on the level of debt is presented.
- d. No, information related to the government debt for BY-1 is not presented.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

Comment:

In the income initiative this information is not presented and the amount of the observed real debt is not specified. In the General Criteria of Economic Policy (CGPE: 109-111) the debt and the financial requirements of the public sector are presented as a percentage of the GDP, but not the real observed amount. This is very important because, despite the fact that the CGPE establish estimates for the GDP's and inflation growth (under very vaguely presented assumptions; pp. 89-92), it is not enough for the analysts to calculate the previsions of expenditures at present value with adequate reliability. Moreover, it should be the government the one offering those estimates. In the bimonthly and quarterly reports and in the mid-year report this information can be found.

Peer Reviewer One Comment: A more appropriate response to this question would be "a." The full information on public debt is in the Internet:

<http://www.apartados.hacienda.gob.mx/ucp/esp/index.html>

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

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?

- 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).

Citation:

Comment:

See comment for question 33.

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

Peer Reviewer One Comment: A more appropriate response to this question would be "c." Same as the previous one.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

Comprehensiveness

35. Does the executive's budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?
- 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).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf y

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/ingresos/ilif_2008.pdf

Comment:

There are sporadic and insufficient mentions in the CGPE (pp.45-46 and 111) and in the Initiative of Federal Income Law (ILIF, Art. 1 and 23); although the amounts are shown in the Statements of Purpose of the sectors and in their programmatic structure, they do not constitute special sections with detailed narrative information nor quantitative information of previous years. See comments on question 38.

Peer Reviewer One Comment: The information regarding the public trusts is now public; and entities which do not depend on the Federal Budget, as Infonavit, are subject to much more transparency than in the past.

Peer Reviewer Two Comment: It would be advisable to clarify what ILIF means, since it is the first time it appears in the comments.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "c." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered.

IBP Comment: IBP editors chose answer, "c" consistent with researcher's observations.

C

36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?

- a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on intergovernmental transfers is not presented.
- e. Not applicable/other (please comment).

Citation:

Comment:

Information related to the calendars for administration is excluded (when the funds will be transferred), as well as information related to the exceeding incomes and the way in which the offices can make use of these resources. Although this information exists in the notices and letters of the Ministry of Finance, it is not included in the Budget nor in the Economic Package. By law the responsibility of publishing the calendars of administration for the states is of the Executive, but once the PEF has been approved by Congress. This is why they currently do not form part of the documents which accompany the Executive's proposal. These calendars are published during the first days of January in the Official Diary of the Federation (DOF). Unfortunately, sometimes these are not disaggregated into the different types of transfers (8 funds of the 33 category, for example). Further, it would be important that the information related to the exceeding incomes and the way in which the agencies can make use of these resources were incorporated in the Budget or the Economic Package.

Peer Reviewer One Comment: But it is publicly accessible, it is on the Internet and it is accompanied by reports. See <http://www.apartados.hacienda.gob.mx/ucef/index.html>

Peer Reviewer Two Comment: By law the responsibility of publishing the calendars of administration for the states is of the Executive, but once the PEF has been approved by Congress. This is why they currently do not form part of the documents which accompany the Executive's proposal. These calendars are published during the first days of January in the Official Diary of the Federation (DOF). Unfortunately, sometimes these are not disaggregated into the different types of transfers (8 funds of the 33 category, for example). Further, it would be important that the information related to the exceeding incomes and the way in which the agencies can make use of these resources were incorporated in the Budget or the Economic Package.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "b." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered.

IBP Comment: IBP editors chose answer, "b" consistent with guidance in the IBP Guide to the Open Budget Questionnaire.

b

<p>37. Does the executive's budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ul style="list-style-type: none">a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.c. Yes, some information is presented, but it lacks important details.d. No, information on transfers to public corporations is not presented.e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Specifically, information related to the incomes from state enterprises is excluded, along with information related to the use of surpluses when the enterprises generate their own incomes. Such detailed information is found in the Quarterly reports and in the pages of the enterprises themselves, but neither in the Budget nor in the Economic Package. See comment for question 36.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
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38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?

- a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.
- b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on quasi-fiscal activities is not presented.
- e. Not applicable/other (please comment).

Citation:

There is more information which is not included in the Economic Package, and which barely begins to be public (estimated fiscal credits), in http://www.apartados.hacienda.gob.mx/politica_ingresos/documentos/presupuesto/documento_presupuesto_gastos_fiscales_2006.pdf
<http://www.dof.gob.mx/index.php?fecha=06/9/2004&mes=8&ano=2004>

Comment:

Although the most important subsidy programs are detailed, there are some quasi-fiscal activities, specially related to trusts and subsidies to agricultural production, which do not have enough level of detail for an informed discussion. This was a reason for reforms to the Expenditure Budget and to the Income Law in 2005, through which the Ministry of Finance was required to inform on the state and features of several trusts. This information has been presented according to this mandate, but it has not been formally incorporated in the Economic Package 2008. It should be mentioned that in the Official Diary of the Federation of September 6th, 2004, the "Agreement which establishes the measures that the Federal Public Administration's agencies and entities must follow for control, accountability and reports and the proof of the transparent management of federal public resources given to trusts, mandates or analogous contracts" was established, so this information should be available and is not incorporated in the budget as it should be.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

C

39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?

- 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).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/tomos/18/r18_tzz_oar.pdf

Comment:

In the General Criteria of Economic Policy the information is presented without many details. Especially for public enterprises, CFE (electricity), PEMEX (Oil) and the IMSS (Social Security), these assets, financial and non financial, represent important sums. However, they are not detailed in the budget, although the information exists in each agency with different levels of accessibility. See for example the information on the origin of PEMEX resources which includes in the Budget (one sole page) the proposed increases of assets but not the total amount of its assets (link).

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be “d.”

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer two, “d.”

The view that the information corresponds to flows of cash and variation of the assets but not to the total quantification of the assets is correct.

IBP Comment: IBP editors chose answer, “d.”

d

<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></p> <p><u>Comment:</u> See comment for question 39.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “d.”</p> <p><u>Researcher Response:</u> I suggest the answer should be changed as suggested by Peer Reviewer two “d.” See comment on the previous question.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d.”</p>	<p>d</p>
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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> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/30ra.pdf; y: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/tomos/30/r30_afpe30.pdf</p> <p><u>Comment:</u> The documents present information on debts from the previous fiscal year (ADEFAS), although the information is neither disaggregated nor detailed. The amounts, however, are generally small (they represent less than 0.2% of the total expenditure), and the detail can be obtained from other official documents. See explanation (of only one page) of the budget allocated to ADEFAS.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c” I consider that the amounts are not small, especially when compared with the resources received by some states for the development of infrastructure. Thereby I suggest eliminating the adjective “small.”</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b” I chose my answer because even though the amounts are important, the answer must be “b” because the information is included.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>b</p>
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<p>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> http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf</p> <p><u>Comment:</u> The information is detailed in the Quarterly Reports for the deferred investment projects in the registration of the expenditure (or Pidiregas), but is not detailed in the Economic Package. In some cases general information is included, as the one for pensions, which in this period had important details derived from the approval of the new ISSSTE law. To see how this issue is treated en 2008, for example, see the General Criteria of Economic Policy (pp. 71,78, 80, 84, 97, 114) which reduce the discussion to one general reform proposal and only include the increase in the expenditure in previous years and in the ones to come, as a proportion of the GDP but they do not present the observed and estimated amounts in national currency.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key future liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on future liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comment for question 43.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C

44. Does the executive's budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?

- 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).

Citation:

Comment:

The amounts of the donations are very small, when they exist. But they cannot be identified individually in the Budget, though they can be in the Annexes of the Quarterly Reports.

Peer Reviewer One Comment: A more appropriate response to this question would be "e." The amount would be in any case irrelevant in the PEF; if there is no information it is not because of a lack of transparency, but rather of importance; practically, it can be said that there are no donations to the Federal Government. The other way around, the donations made by the federal government are clearly identified, legally framed and overseen.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because although it is true that the donations can be insignificant in the amounts recently, the question does not refer to its significance or lack of it. There are donations whose amount is minimal, but whose political importance is high, this is the case of the donation from the Inter American Development Bank which was given to the Mexican government to prepare the Budget Based on Results and the System of Performance Evaluation, which caused changes in the Constitution in 2008.

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

d

45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?

- a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on tax expenditures is not presented.
- e. Not applicable/other (please comment).

Citation:

The information (without consistency regarding previous years, without much detail of the legal bases and justification of the fiscal credits, also) can be found in La información (sin consistencia con años anteriores, sin mucho detalle de las bases legales y justificación de los créditos fiscales, además) puede encontrarse en: http://www.apartados.hacienda.gob.mx/politica_ingresos/documentos/presupuesto/documento_presupuesto_gastos_fiscales_2006.pdf

Comment:

Although the Executive generated the information according to its legal obligation, it didn't include it in the 2008 Budget.

Peer Reviewer One Comment: A more appropriate response to this question would be "c." The information is public and accessible on the Internet for previous years: http://www.apartados.hacienda.gob.mx/politica_ingresos/documentos/presupuesto/resupuesto_gastos_fiscales_2007.pdf

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "d." I chose my answer because the information is not included in the Executive's Proposal and neither in the complementary budgetary documents supporting this document, as the question specifies. Even if the information exists, it is not part of the bulk of documents of the budget that are submitted for Congressional consideration with the economic package, so according to the Guide prepared for the Questionnaire, they cannot be considered

IBP Comment: IBP editors chose answer, "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

<p>46. Does the executive's budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> a. All earmarked revenues are identified individually. b. At least two-thirds of, but not all, earmarked revenues are identified individually. c. Less than two-thirds of earmarked revenues are identified individually. d. No earmarked revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Only expenditures for some income sources are specified, such as IMSS and PEMEX, and some rates which are transferred to the states. But the detailed information of the destination is not included in the Budget, though it does exist.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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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?

- a. One percent or less of expenditure is dedicated to secret items.
- b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.
- c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.
- d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.
- e. Not applicable/other (please comment).

Citation:

See Article 5 Fraction I of the Federal Budget 2008. Ver: Artículo 5 Fracción I del Proyecto de Presupuesto de Egresos de la Federación 2008:
http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/id_2008.pdf

Comment:

There are no reserved allocations in Mexico (in the conditions established by the Law) although the Constitution does allow it (Art 74 Frac IV). As a matter of fact, the term “secret allocation” has been substituted in the new Federal Law for Budget and Fiscal Responsibility (LFPRH) by the term special expenses. It should be highlighted that the LFPRH determines that these can be destined exclusively to expenses on public and national security and that they will be subject to oversight by the Superior Audit of the Federation (ASF). It is worth to mention that in the Rules of the LFPRH, Chapter XV, Article 210, Fraction IV, there is a prevision that in no case at all these resources can be transferred to other allocations.

Peer Reviewer One Comment: A more appropriate response to this question would be “a.” The Center for Research and National Security; the higher cadres of the Army, the Marine and the Presidency, some administrative units of the General Attorney's Office related to intelligence activities or protected witnesses, spend their resources like information classified as reserved, which is not publicly accessible (it follows the assumption of secret item to which the question refers to).

Peer Reviewer Two Comment: As a matter of fact, the term “secret allocation” has been substituted in the new Federal Law for Budget and Fiscal Responsibility (LFPRH) by the term special expenses. It should be highlighted that the LFPRH determines that these can be destined exclusively to expenses on public and national security and that they will be subject to oversight by the Superior Audit of the Federation (ASF). It is worth to mention that in the Rules of the LFPRH, Chapter XV, Article 210, Fraction IV, there is a prevision that in no case at all these resources can be transferred to other allocations

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one “a.”

The comment actually refers to the fact that, according to the Constitution there may be secret allocations even when resources have not been allocated to them (less than 1% of the expenditure).

The legal basis of the Peer Reviewer 1’s assertion is unknown. Up to where we have checked, it does not appear in the legislation related to the budget. In any case, the prevision for reserve is not a budget category.

BP Comment: IBP editors chose answer, “a” consistent with researcher’s observations.

a

The Budget Narrative & Performance Monitoring

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?
- 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.
 - Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on the link between the budget and the government's stated policy goals is not presented.
 - Not applicable/other (please comment).

Citation:

See: "metas de la Secretaría de Gobernación", in http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/tomos/04/r04_id.pdf
"Metas de Oportunidades" in: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/tomos/20/r20_id.pdf

Comment:

The indicators and aforementioned goals are generally deficient and not too useful for evaluating the performance of public management. Consider, for example, this indicator of the federal government, which, in order to evaluate the government's function and the promotion of democratic values and civic culture calculates the index of "Actions of promotion which contribute to the political development of the country carried out X 100/ programmed activities of promotion which contribute to the political development of the country." The indicator is silly, but it exists since a long time ago. And there are worse ones. To measure the promotion of the protection of human rights and prevention of discrimination there is the indicator (one out of two): "Given opinions regarding the requests of opinion from the Ministry of the Interior." This indicator is not only easy to manipulate, but also does not say anything regarding the ability or capacity of the government to promote an agenda, neither does it establish the bases to know the quality of that "opinion." (See goals of the Ministry of the Interior.)

Another case is the Program Oportunidades, which in Category 20 (Ramón 20) has only one indicator with the formula: "Total of families incorporated divided by the total of families freed from the basic census for incorporation. All this is multiplied by one hundred." This indicator is related to 16 thousand, 637.8 million pesos. Such indicator does not propose anything regarding the expected impact of integrating the energy component to the program, or the one for elderly people or the impact in the nourishment category, thus only allowing for a merely administrative perspective to prevail.

This budget included performance evaluation mechanisms, linked to the objectives of public policy and governmental programs, but in the 2008 PPEF neither the Ministry of Public Surveillance, the Presidency, its Legal Councilor, nor the Marine have performance indicators. In turn, two thirds of the budget of the Ministries of Finance, Public Education, Health, Environment and Energy do not have performance indicators. Out of the few which exist, they have a questionable quality as it was seen. Only Sedesol and the PGR have indicators for more than 90% of its budget.

C

<p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	
<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"> 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. Yes, information is presented, highlighting the major policy goals, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> This information is only included in the budget for the current year.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.” The package is related, due to legal mandate and political convenience, to the National Development Plan. It might be deficient, but it cannot be stated that there is no reference to a medium-run governmental plan.</p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “d.” I chose my answer because in the proposal of the Executive there are no explanations about the explicit relation of the budget information with the level of development of the specific strategies of the sectorial development plans: in fact, the budget information is presented by administrative categories and functions, both classifications are not the same as for those for the sectorial plans for development. Moreover, for the 2008 budget the category “program” was eliminated, and it was the one which referred to the sectorial development plans in previous years. Finally, the phrase “National Development Plan” only appears at the beginning of the Statement of Purpose as a reference, without explicitly relating budget allocations with the strategies and previsions of the Plan. The phrase in these conditions is also mentioned in some of the Ministries (not all) without having explicit links either. .</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	<p>d</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?

- a. Non-financial data are presented for all programs.
- b. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.
- c. Non-financial data are presented for programs representing less than two-thirds of expenditure.
- d. No non-financial data are presented.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em007.pdf.

Comment:

The Economic Package and the Budget include information of this type for some "priority" programs, as the Human Development Program Opportunities and some of the programs of agricultural support. But not for all programs. See, for example, the information for "Special Programs" and for Opportunities in 2008 in (link). Elsewhere, there is data and non financial information in the goals and indicators of coverage, but it is not specified in general the existing universe. Furthermore, only 20% of the programmable expenditure has performance indicators and non financial related information. Then, although the information exists and is sometimes easily accessible in the webpages of the Ministries and agencies or in the governmental reports, it is not associated to the expenditure, and if we add to that the bad design of the indicators, even when non financial information is presented it is difficult to evaluate the impact of the expenses.

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The information about those who benefit from the expenditure is public; the decree of the Budget itself establishes it should be that way. The information is on the Internet. To think that the lists of beneficiaries should be directly linked with the package of the budget means not to take into consideration the size of the databases that are involved.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "c."
Only 20% of the programmable budget has non financial information associated to the budget.

IBP Comment: IBP editors chose answer, "c" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

C

<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ul style="list-style-type: none"> a. The non-financial data are very useful for assessing program performance. b. The non-financial data are mostly useful for assessing program performance. c. The non-financial data are somewhat useful for assessing program performance. d. No non-financial data are provided or they are not useful for assessing program performance. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Non financial data is, in general, useful for evaluating the performance of the executed programs and it is so when the indicators are well presented and designed. This is particularly true for the programs for poverty alleviation and some health programs. But others, such as the Ministry of the Interior's, include information which is not always useful and that is not related to the goals of public policy. See comments for question 48, above. On the other hand, the Budget does not include the information which links the budget allocations with other data (like the number of beneficiaries of the programs) compared to previous years and to estimates for coming years.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ol style="list-style-type: none"> a. Performance indicators are presented for all programs. b. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. c. Performance indicators are presented for programs representing less than two-thirds of expenditures. d. No performance indicators are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> See the last page of the document of each Category (for example) http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/tomos/04/r04_id.pdf ó http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/tomos/11/r11_id.pdf</p> <p><u>Comment:</u> Calculations of the researcher with data from the documents “Performance Indicators” from all the Categories confirm that only 20% of the programmable expenditure is associated to indicators.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “b.” Currently all the information is presented at a programmatic level. However, at least two thirds of the Budget is presented with indicators. Unfortunately, this does not mean, as it was already mentioned, that the indicators are useful for budget decision-making.</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “c.” I chose my answer because only 20% of the programmable budget has non financial information associated to the budget.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	c
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<p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ul style="list-style-type: none"> a. All performance indicators are well designed. b. Most performance indicators are well designed. c. Some performance indicators are well designed, but most are not. d. No programs have performance indicators, or they are not well designed. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comments to questions 48 to 52, above.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> It depends on which is the objective of the indicators and what the information will be used for.</p>	c
<p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <ul style="list-style-type: none"> 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><u>Citation:</u></p> <p><u>Comment:</u> However, there might be a lack of connection between the goal and the indicator. Additionally, the “goals” in several cases are not specified or the goals are not related to the objectives of public policies. See comment for question 48, above.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “b.” I chose my answer because the connection exists.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b.”</p>	b

<p>55. Does the executive's budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country's most impoverished populations?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Separately, in: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em007.pdf With detail in the information related to each Ministry involved (Social Development, Health, Education and Agriculture), in: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/index2.html (en la información por sectores o ramos administrativos).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
Additional Key Information for Budget Analysis & Monitoring	
<p><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>	

<p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?</p> <ol style="list-style-type: none"> Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> This information is presented in each one of the tax laws, which do not present a narrative explanation nor comparative analysis regarding previous years.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<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> Ver: http://www.apartados.hacienda.gob.mx/novedades/espanol/docs/2007/Informes%20especiales/Art25LIF2007.pdf</p> <p><u>Comment:</u> See “Distribution of the payment of taxes and reception of public expenditure by deciles of houses and people. Results for 2004” presented in 2007.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?

- a. Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.
- b. Yes, information is presented, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on conditions associated with IFI assistance is not presented.
- e. Not applicable/other (please comment).

Citation:

Comment:

There is no governmental public information which explains the conditions of the expenditure associated to loans.

Peer Reviewer One Comment: A more appropriate response to this question would be “c.” The question is which loans. From a macroeconomic point of view, Mexico is financed, since several years ago, from international financial markets, not by the IADB, IMF or IBRD. The credits which Mexico takes up from these institutions are not targeted to financing specific governmental programs. The conditions of these loans are public. Questions 58 and 59 are relevant for countries with a development level much lower than Mexico’s.

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, “d.” I chose my answer because the question specifically refers to the International Financial Institutions.

IBP Comment: IBP editors chose answer, “d” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ul style="list-style-type: none"> a. Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with donor country assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Although the information is for very small amounts, it is known that there is expenditure associated to loans that should be detailed with the specificities of the conditions associated to such loans.</p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “e.” There is not a significant example of a donating country to Mexico, regarding public expenditure. It does not apply. Questions 58 and 59 are relevant for countries with a development level much lower than Mexico’s.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “d.” See comment to the previous question.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>d</p>
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<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ol style="list-style-type: none"> Yes, it provides a summary that is very informative. Yes, it provides a summary that is somewhat informative. Yes, but the summary is not very informative. No, it does not provide a summary. Not applicable/other (please comment). <p><u>Citation:</u> Exposición de Motivos del Proyecto de Presupuesto de Egresos: http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em004.pdf y http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/em005.pdf</p> <p><u>Comment:</u> However, this summary does not exist for the approved budget. Furthermore, the deficiencies are the absence of a medium-run legal framework and the relation between the General Criteria of Economic Policy and the Budget, more specifically.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<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> <ol style="list-style-type: none"> Yes, it publishes a citizens budget that is very informative. Yes, it publishes a citizens budget that is somewhat informative. Yes, but the citizens budget is not very informative. No, it does not publish a citizens budget. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <ol style="list-style-type: none"> Yes, thorough definitions of budget terms are provided. Yes, definitions are provided, but some details are excluded. Yes, some definitions are provided, but it lacks important details. No, definitions are not provided. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/presupuesto/temas/que_es_el_pef/index.html</p> <p><u>Comment:</u> There is a tutorial with the basic definitions which are related to the Budget. However, its presentation is very basic and is not updated since 2001. For example, it doesn't consider the fact that there no longer is a "Higher Accounting Office of the Ministry of Finance," which is now named "Superior Audit of the Federation"; of course it does not explain neither its functions, attributions nor relevant activities within the budgetary process.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ol style="list-style-type: none"> Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information. 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. 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. No, the right to access government information has not been codified into law, or this right does not include access to budget information. Not applicable/other (please comment). <p><u>Citation:</u> http://www.ifai.org.mx/</p> <p><u>Comment:</u> The right to information access is guaranteed by the law, with exceptions, and is regulated by a Federal Institute of Public Information Access (IFAI)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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)?
- In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.
 - In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
 - In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.
 - In practice, no highly disaggregated expenditure information is available.
 - Not applicable/other (please comment).

Citation:

See:

<http://www.apartados.hacienda.gob.mx/presupuesto/temas/pef/2007/aplicaciones/index.html>

Comment:

However, there are still reticence's and institutional rejection to information access. Sometimes, the information is difficult to compare since the program's denominations change or they are absorbed by administrative units which concentrate the expenditures and which impedes knowing more detailed information, as happened with the Popular Insurance or the Specialized D.A's Office for Crimes Against Women. On the other hand, the "Budget Analytical" which has detailed information is not always available and it does not disaggregate information such as the 3800 concepts of Official Services or 3700 of Advertisement and Social Communication, to mention some examples. In comparison, the data which corresponds to Personal Services does have an adequate level of detail. Despite the aforementioned conditions, it is possible to get the information, although with a long delay and many times with revision resources placed before the IFAI.

a

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c."

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "a." I chose my answer because the information exists and is accessible to the public with a certain level of detail.

IBP Comment: IBP editors chose answer, "a" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

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?

- 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).

Citation:

Comment:

Through the IFAI it is possible to access the information although not always with the desired promptness. See comments to questions 63-64. When the information is not delivered it is because it is not generated or at least it is argued that it is not produced. It is worth pointing out that there is information which is kept reserved for a fixed time, as is the case of the expenses derived from the construction of the "second floors" or the Library "Jose Vasconcelos," both carried out in the Federal District. The former was the responsibility of the Government of the Federal District and the latter of the Executive Power.

a

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c." Another answer obtained from the authorities is that the information is kept reserved, as is the case of the expenses derived from the construction of the "second floors" or the Library "Jose Vasconcelos," both carried out in the Federal District. The former was the responsibility of the Government of the Federal District and the latter of the Executive Power.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, "a." I chose my answer because generally, it is possible to access the information and there are the necessary mechanisms for requesting it and resources of revision and protection trials.

IBP Comment: IBP editors chose answer, "a" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

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"> a. The release date is set in permanent law. b. The executive announces the release date at least two months in advance. c. The executive announces the release date less than two months but more than two weeks in advance. d. The executive announces the release date two weeks or less before the release, or makes no announcement. e. Not applicable/other (please comment). <p><u>Citation:</u> See: http://www.diputados.gob.mx/LeyesBiblio/pdf/LFPRH.pdf</p> <p><u>Comment:</u> Ley de Presupuesto y Responsabilidad Hacendaria, Arts. 40-42.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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)?

- a. Yes, a detailed timetable is released to the public.
- b. Yes, a timetable is released, but some details are excluded.
- c. Yes, a timetable is released, but it lacks important details.
- d. No, a timetable is not issued to the public.
- e. Not applicable/other (please comment).

Citation:

See:

<http://www.apartados.hacienda.gob.mx/presupuesto/temas/lineamientos/2008/index.html>

http://www.apartados.hacienda.gob.mx/presupuesto/temas/lineamientos/2008/documentos/lineamientos_ppef2008_170707_10hrs.pdf y

http://www.apartados.hacienda.gob.mx/presupuesto/temas/lineamientos/2008/documentos/lineamientos_integracion_pef_2008.pdf

b

Comment:

The information of the calendar and stages is available to the public, although it is not made widespread in such way that the public can become familiar with it since the latter is not considered as a receiver of this information. The process is complicated, just as the manuals and notifications of the Ministry of Finance, so it is very difficult to be clear about the budgetary process even when consulting the sources and documents of the Ministry. The timetable can be found in the "General guidelines for the budgeting and programming process for the 2008 fiscal year" (p.2) and the " Guidelines for the integration of the Federal Budget for the 2008 fiscal year and for the preparation and authorization of the calendars of the budget for 2008" (p.2).

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ol style="list-style-type: none"> The executive adheres to the dates in its timetable. The executive adheres to most of the key dates in its timetable. The executive has difficulty adhering to most of the dates in its timetable. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> Yes, the executive holds extensive consultations with a wide range of legislators. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. Yes, the executive holds very limited consultations, involving only a few members of the legislature. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> It is not until the budget is presented to Congress when the Executive's agencies consider and incorporate the legislators in the discussion. Any other type of meeting between Legislators and the Executive is informal, without records of the sessions which could be held.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c.”</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “d.” I chose my answer because although meetings with legislators are held, they generally are not for determining the priorities of the expenditures, during the preparation, which is what the question seeks to determine.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	d

70. Does the executive hold consultations with the public as part of its process of determining budget priorities?
- Yes, the executive holds extensive consultations with a wide range of constituencies.
 - Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.
 - Yes, the executive holds very limited consultations, involving only a few constituencies.
 - No, the executive does not typically consult with the public as part of the budget preparation process.
 - Not applicable/other (please comment).

Citation:

Comment:

There are no formal mechanisms of participation in this phase of the budget process. Any dialogue begins due to the will of the officer in turn, the power of the interlocutor or the public pressure which in its case has been placed. Although these deliberations are reserved for the budget discussion phase.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be “c.” Article 39 of the Organic Law of the General Congress establishes that the commissions are organs constituted by the plenary, and that through the preparation of decisions, reports, opinions or resolutions, they contribute to the Chamber's fulfilling its attributions. However, the Commission of Budget and Public Account (CPCP) is the only one entitled to make decisions on the PEF, since article 92 of the Rules for the Internal Government of Congress restricts the participation of other specialized commissions in the Budget's resolution. Thus, the resolution is elaborated, best case scenario, by thirty people. This in some sense explains the behavior of the Executive. I consider it important to mention that even among the legislators their participation is also restricted. This is explained by the fact that there is duplicity between the Organic Law and the Rules for the Interior Government of the General Congress which generates confusion and produces an ad-hoc functioning of the commissions. Even though article 92 of the Rules for the Interior Government of the General Congress restricts the participation of other commissions in the sessions of the CPCP, the Organic Law establishes the existence of communication channels between the CPCP and the rest of the commissions. This legal overlap opens the door for some businesses to be negotiated according to the guidelines of the Organic Law, and others according to the Rules. Therefore, the influence of other commissions becomes indirect and complicated. Despite this normative duplicity, the truth is that the CPCP has monopoly over the control of the agenda. If the CPCP behaves as a cartel in the determination of the legislative budget agenda, it is necessary to consider that the constitution of that commission responds to political agreements among parties, which accompanies the explicit rules for the selection.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, “d.” I chose my answer because the question refers to the phase of preparation of the budget, although the comment is very worth making for the phase of discussion and approval.

IBP Comment: IBP editors chose answer, “d” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d

<p>71. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year. b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year. c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. d. The executive does not release a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u> Ver: http://www.apartados.hacienda.gob.mx/novedades/espanol/docs/2007/Informes%20especiales/art42_lfprh_30032007.pdf</p> <p><u>Comment:</u> 2007 was the first year that the “Document related to the fulfillment of the provisions included in Article 42, Fraction I, of the Federal Law for the Budget and Fiscal Responsibility” was delivered, which has some of the characteristics of a “Preliminary Executive Document.” It is worth pointing out that this year it had a very limited distribution and it is not easy to find this document unless one is very familiar with the process.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
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72. Does the pre-budget statement describe the government's macroeconomic and fiscal framework?

- a. Yes, an extensive explanation of the government's fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
- e. Not applicable/other (please comment).

Citation:

See "Document related to the fulfillment of the provisions contained in Article 42, Fraction I, of the Federal Law of the Budget and Fiscal Responsibility," which has some of the characteristics of a "Preliminary Executive Document." (Documento relativo al cumplimiento de las disposiciones contenidas en el Artículo 42, Fracción I, de la Ley Federal de Presupuesto y Responsabilidad Hacendaria" que tiene algunas de las características de un "Documento Preliminar del Ejecutivo.")
http://www.apartados.hacienda.gob.mx/novedades/espanol/docs/2007/Informes%20especiales/art42_ifprh_30032007.pdf

See also: Criterios Generales de Política Económica:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/ppef/2008/temas/expo_motivos/criterios/cgpe_2008.pdf

Comment:

In particular, the databases of the income calculation are excluded.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

b

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?

- 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).

Citation:

See:

http://www.apartados.hacienda.gob.mx/novedades/espanol/docs/2007/Informes%20especiales/art42_lfprh_30032007.pdf

Comment:

The "Document related to the fulfillment of the provisions contained in Article 42, Fraction I, of the Federal Law of the Budget and Fiscal Responsibility" does not have aggregated information by administrative classification nor by functional classification. It only has estimates for the priority programs (which are not all of them). In turn, the General Criteria incorporates a description of the expenditure policy which does not link the expenses with the priorities nor does it present the great variations (when there are any) in the budget. The document follows more a strict structure with few variations each year.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

C

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"> The legislature receives the budget at least three months before the start of the budget year. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. The legislature receives the budget less than six weeks before the start of the budget year. The legislature does not receive the budget before the start of the budget year. Not applicable/other (please comment). <p><u>Citation:</u> http://www.diputados.gob.mx/LeyesBiblio/pdf/1.pdf</p> <p><u>Comment:</u> The budget is delivered more than three months before the fiscal year. The fixed date in the Constitution is September 8th (Article 74, Fraction IV)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<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> David Dávila y Lila Caballero, 2007, “Diagnóstico de la negociación presupuestaria 2006-2007,” México: Fundar. http://www.fundar.org.mx/secciones/publicaciones/PDF/diagnostico_negociacion.pdf</p> <p><u>Comment:</u> The negotiation of the 2008 Budget had important changes regarding previous years due to the new relations between powers, which make these type of meetings more frequent and fruitful. This is how the Constitution sets it out. In the 2008 process most of the hearings in which the fiscal overview is discussed are not open to the public, or they are but with a very limited publication of the dates and discussion topics. As for everything else, however, the hearings of this type are few, since the budget overlaps with the gloss of the presidential report, which centralizes most of the legislative activities during September and October, at the same time that both in the 2007 and 2008 round there were legislators of all the parties who showed their</p>	b

disagreement with the hierarchical decision-making between legislative coordinators, leaving to one side the work of the commissions. As of the participation of the rest of the legislators, it should be mentioned that Article 39 of the Organic Law of the General Congress establishes that the commissions are organs constituted by the plenary, and that through the elaboration of decisions, reports, opinions or resolutions, they contribute to the Chamber's fulfilling its attributions. However, the Commission of Budget and Public Account (CPCP) is the only one entitled to make decisions on the PEF, since article 92 of the Rules for the Internal Government of Congress restricts the participation of other specialized commissions in the Budget's resolution. Thus, the resolution is elaborated, best case scenario, by thirty people. This in some sense explains the behavior of the Executive. I consider it important to mention that even among the legislators their participation is also restricted. This is explained by the fact that there is a duplicity between the Organic Law and the Rules for the Interior Government of the General Congress which generates confusion and produces an ad-hoc functioning of the commissions. Even though article 92 of the Rules for the Interior Government of the General Congress restricts the participation of other commissions in the sessions of the CPCP, the Organic Law establishes the existence of communication channels between the CPCP and the rest of the commissions. This legal overlap opens the door for some businesses to be negotiated according to the guidelines of the Organic Law, and others according to the Rules. Therefore, the influence of other commissions becomes indirect and complicated. Despite this normative duplicity, the truth is that the CPCP has monopoly over the control of the agenda. If the CPCP behaves as a cartel in the determination of the legislative budget agenda, it is necessary to consider that the constitution of that commission responds both to political agreements among parties which accompanies the explicit rules for the selection.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Please read the comments for answer 70.

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

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?
- 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).

Citation:

Comment:

Generally, when significant modifications are sought to be incorporated, or when the agencies seek to promote new programs, they meet with the legislative commissions. But these hearings and their attendees are limited.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Please read the comments for answer 70

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

C

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?

- a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.
- b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.
- c. Yes, a limited number of hearings are held in which testimony from the public is heard.
- d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.
- e. Not applicable/other (please comment).

Citation:

Comment:

Generally, when there are hearings of this type they are not public or they are not advertised in advance regarding the date or content of the hearing. In other cases, the invitation is limited and it depends on the political will of the legislator, but it is not about an institutionalized mechanism. Thus, there are significant variations for the participation among commissions.

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Please read the comments for answer 70

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

c

<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ol style="list-style-type: none"> Yes, the committees release very informative reports, which include all written testimony presented at the hearings. Yes, the committees release reports, but some details are excluded. Yes, the committees release reports, but they are not very informative. No, the committees do not release reports or do not hold public hearings. Not applicable/other (please comment). <p><u>Citation:</u> http://sitl.diputados.gob.mx/album_comisionesLX/comisiones/listado_de_comisiones.asp?1 y la de Presupuesto y Cuenta Publican, en http://sitl.diputados.gob.mx/album_comisionesLX/comisiones/Integrantes_de_Comision.asp?40</p> <p><u>Comment:</u> Even when there are public hearings the legislative information about them is null. See for example the deficient websites of the legislative commissions related to the budget, Finance and Public Credit, in (link)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Please read the comments for answer 70.</p> <p><u>IBP Comment:</u> IBP editors chose answer, “d.”</p>	d
<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> <ol style="list-style-type: none"> 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. 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. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Same comment as question 47.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

80. Does the legislature have authority *in law* to amend the budget presented by the executive?

- a. Yes, the legislature has unlimited authority *in law* to amend the budget.
- b. Yes, the legislature has authority *in law* to amend the budget, with some limitations.
- c. Yes, the legislature has authority *in law* to amend the budget, but its authority is very limited.
- d. No, the legislature does not have any authority *in law* to amend the budget.
- e. Not applicable/other (please comment).

Citation:

Stenographic version: <http://www.scjn.gob.mx/NR/rdonlyres/8B3E0DD8-CD6A-41D9-82AE-1D5AE43FDC82/0/estenografica20050517.pdf>

<http://www.scjn.gob.mx>

Case summary: <http://www.jornada.unam.mx/2005/05/18/003n1pol.php>

Complete report:

<http://www2.scjn.gob.mx/expedientes/buscar.asp?nexp=20040010900&asunto=9>

Comment:

The fact that the Legislative authority to amend the budget is limited was endorsed in 2004 and 2005 by a constitutional controversy which the Supreme Court of the Nation solved with a certain ambiguity. Although the resolution of the Court on the constitutional controversy 109/2004 gives back to the legislators the observations of the Executive, which endorses the faculty of the Executive to veto the Budget and makes the deputies consider the observations, the Court did not make a stand regarding the faculties of the legislators. In fact, it was specifically sought not to go into these matters. See: stenographic version, pp. 56-69. Although the website of the SCJN publishes resolutions, it does so with certain irregularities and it is not possible to find the resolution. The most important matter, related to the limits of the Legislative to modify the budget, is still a legal vacuum. It will require a controversy which denounces precisely the attribution of functions which does not correspond to one of the powers of the Court to give a pronouncement about it, which could happen, if no changes are made to the legal framework in the following years. Now, apart from this controversy, it is important to point out that the power of the Executive for programming and allocating resources to its programs is difficult to counterweigh by the Legislative. Although the legislators carry out modifications, they generally do so according to adjustments in the income provisions and cuts to established programs, but the legislators cannot actually create a new program, because this depends on the actions of the Executive (apart from which the Law does establish clearly that the programs derive from the Executive's planning action and not from the Legislative). Some of the programs "created" by the legislators in 2004 which were not intended for spending resources did so (this is the case of the "Special Recurring Program for the Sustainable Rural Development" which was not more than a mechanism of labeling resources already destined to several programs of the Executive). It is evidently necessary to give a formal resolution regarding attributions. But also, it is necessary that the commissions get actively involved and throughout the year, during the preparation and expenditure of the budget, and not only during the phase of legislative discussion and approval. Otherwise the legislators do not have neither the resources nor the faculty to make great changes. For that to happen it is necessary to have a participation scheme which is very different from the current one.

C

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?

- a. The approved budget includes program-level detail.
- b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).
- c. The approved budget includes only departmental totals.
- d. The approved budget includes less information than departmental totals.
- e. Not applicable/other (please comment).

Citation:

Ver:

http://www.apartados.hacienda.gob.mx/presupuesto/temas/pef/2007/temas/tomos/tomo_1/rppef.pdf

<http://www.apartados.hacienda.gob.mx/presupuesto/temas/pef/2007/index.html>

Comment:

Both in Volume I and in the Economic Functional Programmatic Analysis of each agency the information can be found. Later on, the Ministry of Finance publishes the modifications to the programmatic allocations.

Peer Reviewer One Comment: A more appropriate response to this question would be “b.”

Peer Reviewer Two Comment:

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire “a.”

IBP Comment: IBP editors chose answer, “a” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

a

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> Ver: "Informe Mensual de Finanzas Públicas y Deuda Pública: http://www.apartados.hacienda.gob.mx/finanzas_publicas/html/mensual.html Ver "Informe Trimestral sobre la Situación Económica, las Finanzas Públicas y la Deuda Pública": http://www.apartados.hacienda.gob.mx/finanzas_publicas/html/informacion_trimestral.html Ver "Informes enviados al H. Congreso de la Unión bimestralmente de acuerdo con lo señalado en la Ley Federal de Presupuesto y Responsabilidad Hacendaria": http://www.apartados.hacienda.gob.mx/finanzas_publicas/html/ingresos_egresos.html Ver "Informe de Avance de Gestión Financiera": http://www.apartados.hacienda.gob.mx/contabilidad/html/informe_avances.html</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> Yes, in-year reports cover all expenditures. Yes, in-year reports cover at least two-thirds, but not all, of expenditures. Yes, in-year reports cover less than two-thirds of expenditures. No in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comment for question 82.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>84. What is the most detail provided in the in-year reports on actual expenditures organized by <i>administrative unit</i>?</p> <ol style="list-style-type: none"> a. The in-year reports on actual expenditures organized by administrative unit contain program-level detail. b. 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). c. The in-year reports on actual expenditures organized by administrative unit contain only departmental totals. d. 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. e. Not applicable/other (please comment). <p><u>Citation:</u> See references in question 82.</p> <p><u>Comment:</u> Los diferentes reportes varían en su nivel de detalle, consistencia y comparabilidad entre los mismos.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<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"> a. Yes, comparisons are made for all expenditures. b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. c. Yes, but comparisons are made for less than two-thirds of expenditures. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comment for question 84.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ol style="list-style-type: none"> In-year reports on actual revenue collections by source of revenue are released at least every month. In-year reports on actual revenue collections are released at least every quarter. In-year reports on actual revenue collections are released at least semi-annually. In-year reports on actual revenue collections by source of revenue are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Ver: "Informe Mensual de Finanzas Públicas y Deuda Pública: http://www.apartados.hacienda.gob.mx/finanzas_publicas/html/mensual.html Último informe: http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/mensual/2007/finanzas_deuda_congreso_sep07.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “b.”</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	a
<p>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> See citation for question 86.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>88. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> a. Yes, comparisons are made for all revenue sources. b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources. c. Yes, but comparisons are made for less than two-thirds of revenue sources. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> See citation for question 86</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> a. Yes, in-year reports on actual borrowing are released at least every month. b. Yes, in-year reports on actual borrowing are released at least every quarter. c. Yes, in-year reports on actual borrowing are released at least semi-annually. d. No, in-year reports on actual borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> See citation for question 86.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?</p> <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> See citation for question 86. The greatest detail is presented in the Quarterly Reports. See the last report: http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/informe_trimestral/2007/3er_trimestr/Informe%20Trime%20307%20PDF.pdf (pp. 62-80)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c”</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire, “a.”</p> <p><u>IBP Comment:</u> IBP editors chose answer, “a” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	a
<p>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> http://www.diputados.gob.mx/LeyesBiblio/pdf/LFPRH.pdf</p> <p><u>Comment:</u> Artículo 107 Fracciones I y II de la Ley de Presupuesto y Responsabilidad Hacendaria.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ul style="list-style-type: none"> 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. b. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. c. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. 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. e. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/index.html http://www.apartados.hacienda.gob.mx/finanzas_publicas/documentos/informe_trimestral/2007/2do_trim</p> <p><u>Comment:</u> This information is not included in the mid-year report, which presents greater details and information of other type. However, the information is included in the Second Quarterly Report, which complements the Report of Management Advancement. However, the mid-year analysis is an important document with very valuable information, but which does neither include nor explain the changes in the economic perspective.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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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"> Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/index.html http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/contenido/d00s01.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<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> Ver "Ejercicio Funcional Programático Económico del Gasto Programable" de cada dependencia (Gobierno Federal): http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/index.html http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/menu_lateral/gobierno_federal.html</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

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:

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_avances/2007/contenido/d00s01.pdf

Comment:

The information exists and is presented in the monthly and quarterly reports, but not in the mid-year Report on Management Advancement.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

C

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 *minimal* level specified in law or regulation)?

- 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).

Citation:

See absolute variations in:

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/informacion_consolidada/c02/c02p05.xls y

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/informacion_consolidada/c04/c04p05.xls

See also: Decreto del PEF 2007 (Art. 9-IV):

http://www.apartados.hacienda.gob.mx/marco_juridico/documentos/marco_juridico_global/dpef.pdf

See also: Ley de Presupuesto y Responsabilidad Hacendaria (Capítulo III):

<http://www.diputados.gob.mx/LeyesBiblio/doc/LFPRH.doc>

d

Comment:

There hardly ever are important transfers between different agencies in one whole amount. Generally, modifications are made when the incomes are insufficient. The Executive only informs the Legislative when there are important modifications. Article 58, Fraction III of the Budget Law establishes that “when the budget modifications represent as a whole or for once a variation greater than 5% of the budget of an entity, the Ministry must report it in the quarterly reports. Based on this information, the Commission of Budget and Public Account of the Congress can give an opinion on such modifications.” Nonetheless, the Executive generally reallocates exceeding resources without having to ask for the Legislative approval, even though these reallocations can or cannot be “transfers.” The transfers, strictly speaking, should be few, and the lack of capacity of the Legislative in this case refers more to the discretionality of the Executive to perform adjustments, with certain limits, than to its capacity to “finance” some categories with resources from other agencies. Despite these considerations, in 2006 the Executive carried out reallocations during the year adding up to 423 thousand 916.6 million current pesos, which is 19.5% of the total original budget, of which it did not ask for any authorization of Congress.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

<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"> There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities. No, the procurement process was not open and competitive in practice. Not applicable/other (please comment). <p><u>Citation:</u> Informe de Auditoría 2005, Tomo VI (Sector Educación): http://www.asf.gob.mx/trans/Informes/IR2005i/indice.htm</p> <p><u>Comment:</u> The case of Enciclomedia has been widely documented. The Superior Audit of the Federation has spotted irregularities which it presented in the Audit Report 2005 (presented in 2007). Similar irregularities motivated the investigation of the Public Education Commission of the Chamber of Deputies. The case is still in progress. Other cases widely broadcasted are the irregularities regarding the Megalibrary Jose Vasconcelos, as well as the construction of Terminal 2 of Mexico City's International Airport.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>98. When does the legislature typically approve supplemental budgets?</p> <ol style="list-style-type: none"> Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify). Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify). Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comment to question 96. Specifically the reallocations derived from exceeding oil revenues.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>99. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ol style="list-style-type: none"> Supplemental budgets are generally equal to 2 percent or less of the original budget. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comment for question 96 and 98.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<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> http://www.apartados.hacienda.gob.mx/marco_juridico/documentos/marco_juridico_global/dpef.pdf (Artículos 9-V y 13)</p> <p><u>Comment:</u> The Law on Budget and Fiscal Responsibility establishes the mechanisms to allocate the exceeding resources. See comment for question 96 and 98.</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> http://www.diputados.gob.mx/LeyesBiblio/pdf/1.pdf http://www.diputados.gob.mx/LeyesBiblio/pdf/37.pdf</p> <p><u>Comment:</u> The deadline is June 10th, according to the United States of Mexico's Political Constitution (Art. 74-IV) and the Law on Superior Oversight of the Federation, Art. 8.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

102. In the year-end report have the data on the actual outcomes been audited?

- a. Yes, all data on actual outcomes have been audited.
- b. At least two-thirds, but not all, of the data on actual outcomes have been audited.
- c. Less than two-thirds of the data on actual outcomes have been audited.
- d. None of the data on actual outcomes has been audited, or a year-end report is not released.
- e. Not applicable/other (please comment).

Citation:

Comment:

Internal audits, when they are carried out, are not included in the Public Account until the revision period, which is carried out by the Superior Audit of the Federation. According to what is established by the Ministry of Public Surveillance, most of these audits are preventive and seek to eliminate obstacles to expenditures. Although not explicitly stated, the audited universe is lower than two thirds of the total net expenditure.

c

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be “b.”

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire, “c.”

There is no explanation on why it should be “b,” according to PR 2.

IBP Comment: IBP editors chose answer, “c” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

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?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/index.html

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/gobierno_federal/g12/g1200t05.pdf

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/gobierno_federal/g18/g1800t05.pdf

b

Comment:

The explanations vary in quality across the different agencies. There is no consistency in the detail and relevance of the explanations. See “Analysis of the Expenditure of the Accrued Programmatic Budget” of all the agencies. To exemplify the differences in the explanations, compare Energy and Health, being Energy the category which more modifications receives throughout the year. Likewise, explanations are omitted when there are important under-expenditures, or there are references to notices and decrees not easily available to explain the transfers and cuts.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

<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.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/index.html</p> <p><u>Comment:</u> See comments to question 103. There is information on the amounts and their variations for each program, but no explanation for each one of them.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r02/r02d10.pdf http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r05/r05d10.pdf</p> <p><u>Comment:</u> There is no explanation for the variations of the categories of all the incomes, as they are considered in the Statistical Annex of the Public Account itself.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

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?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r02/r02d05.pdf

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/index_informacion_consolidada.html

C

Comment:

Information is presented in the cited sources in the comments for questions 104 and 105, but only for variations in oil prices or important economic variations that affect budget incomes. However, it is not explained why the forecasts varied, with some exceptions, it is only said that they varied and in consequence it is explained why they affected the income and expenditure. Generally, the Executive almost always makes mistakes in the estimates of the GDP's increase, budget incomes and oil prices, and does not account for the reasons of so many variations.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

<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.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/index_gobierno_federal.html http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/menu_lateral/gobierno_federal.html</p> <p><u>Comment:</u> The non financial information is not as well developed as the budget information in the Public Account, especially regarding the difference between the original estimates and the results. In any case information is presented on the fulfillment of goals, but the explanations vary in consistency and in quality between the agencies and does not always relate non financial information. See “Summary of the Fulfillment of the Goals of the Result Indicators by Institutional Activity,” “Analysis of the Fulfillment of Budgetary Goals” in the section “Institutional Information of the Federal Government.”</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See comment for question 108. As for everything else, due to the terrible design of a great amount of the indicators, the goals are almost always fulfilled; see comments for questions 48 to 53.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C

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?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/index_resultados_generales.html

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r02/r02d15.pdf (pp. 88-101)

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r03/r03d10.pdf

b

Comment:

Yes, there is a special section of policy for poverty alleviation in the section for general results. Furthermore, in the same section there are results for the functions of social development, in which there is relevant information on social programs. Finally, there is also information in the section corresponding to the agencies in charge of the programs.

It is worth highlighting, however, that some details on programs for milk and housing subsidies, operated by public companies (Liconsa and Fonhapo) do not have the same level of explanation and detail; these companies have a very important over-expenditure without the causes and usefulness being detailed.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

<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.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r02/r02d10.pdf</p> <p><u>Comment:</u> The information on extra-budgetary funds is not as detailed as the rest of the information in the Public Account.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c”</p> <p><u>Researcher Response:</u> The PR2 does not provide an assessment on why it should be “c.”</p> <p><u>IBP Comment:</u> IBP editors chose answer, “b” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p>	b
<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"> Final audited accounts are released to the public six months or less after the end of the fiscal year. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public. Not applicable/other (please comment). <p><u>Citation:</u> http://www.diputados.gob.mx/LeyesBiblio/pdf/1.pdf http://www.diputados.gob.mx/LeyesBiblio/pdf/37.pdf http://gaceta.diputados.gob.mx/Gaceta/60/2007/sep/20070912-D.html</p> <p><u>Comment:</u> March 31st, according to the Law of Superior Oversight of the Federation, Art. 30. The Fiscal Reform modified the Constitution (Art. 79-II) in order for its presentation to be February 20th of the year following the presentation of the Public Account, it won't be valid until 2009.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
<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"> All expenditures have been audited and the reports released to the public. Expenditures representing at least two-thirds of, but not all, expenditure have been audited. Expenditure representing less than two-thirds of expenditure have been audited. 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. Not applicable/other (please comment). <p><u>Citation:</u> http://www.asf.gob.mx/trans/Informes/IR2005i/Indice/Ejecutivo.htm http://www.asf.gob.mx/trans/Obliga/Resumenejec05.pdf (p. 63)</p> <p><u>Comment:</u> According to the Report of the Audit, 38% of the administrative units are audited, but its observations correspond to 1.19% of the total net expenditure of the government. The audited resources represent less than one third of the total net expenditure.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C

<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> http://www.asf.gob.mx/trans/Informes/IR2005i/Indice/Ejecutivo.htm</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<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> http://www.cddhcu.gob.mx/leyinfo/pdf/37.pdf</p> <p><u>Comment:</u> Law for Superior Oversight of the Federation, Art. 71 and 81.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, the SAI releases to the public audits of all extra-budgetary funds. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. 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. Not applicable/other (please comment). <p><u>Citation:</u> http://www.asf.gob.mx/trans/Informes/IR2005i/Indice/Auditorias.htm http://www.asf.gob.mx/trans/Informes/IR2005i/Tomos/T3V2.pdf#page=35&zoom=100,0,130 (ejemplo, pp. 37-80)</p> <p><u>Comment:</u> Yes, when it carries them out.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<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> http://www.asf.gob.mx/pags/prensa/bop270605.pdf http://www.asf.gob.mx/pags/prensa/Bol150806.pdf http://www.asf.gob.mx/pags/otros/Obstaculos_fiscalizacion_ok.pdf</p> <p><u>Comment:</u> Especially after the resolution of the Court that limits the time for the ASF to perform audits, answering to the Constitutional Controversy 91-2003, unfortunately. See the answer of the ASF to the resolution.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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></p> <p><u>Comment:</u> The resources received by the ASF are enough to fulfill its mandate thanks to its good work and the improvement of its productivity. However, its resources are limited in order to analyze a greater part of the budget. The ASF does not have a defined project or process within the PEF and including it in its programmatic strategy could enrich the way of accounting for its activities and knowing with greater detail the activities to be carried out in the fiscal year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> I think that the comment could be furthered in that the ASF does not have a defined project or process within the PEF and including it in its programmatic strategy could enrich the way of accounting for its activities and knowing with greater detail the activities to be carried out</p>	c
<p>118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?</p> <ol style="list-style-type: none"> The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<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> <ul 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></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <ul 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> http://gaceta.diputados.gob.mx/Gaceta/60/2007/sep/20070912-D.html</p> <p><u>Comment:</u> Although in theory all the audit reports are examined, but the reports of the Commission of Oversight and of the Commission of Budget and Public Account have proven not to be sophisticated. There is still neither a resolution nor a report on the revision of the Public Account 2002, 2003, 2004 and 2005. It should be said that the Transitory Art. 4 of the Constitution derived from the Fiscal Reform forces Congress to rule on those Public Accounts in no more than 180 days after the decree becomes valid.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>

<p>121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</p> <ul style="list-style-type: none"> a. Yes, the executive reports publicly on what steps it has taken to address audit findings. b. Yes, the executive reports publicly on most audit findings. c. Yes, the executive reports publicly on some audit findings. d. No, the executive does not report on steps it has taken to address audit findings. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Although the information is public, however, it is not extensively distributed.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</p>
<p>122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?</p> <ul style="list-style-type: none"> a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations. b. Yes, a report is released, covering key audit recommendations, but some details are excluded. c. Yes, a report is released, but it lacks important details. d. No, a report is not produced or it is prepared for internal purposes only (please specify). e. Not applicable/other (please comment). <p><u>Citation:</u> http://www.asf.gob.mx/pags/otros/Obstaculos_fiscalizacion_ok.pdf</p> <p><u>Comment:</u> Generally, these decisions are reported by the Audit itself in its reports and bulletins.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</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)?

- 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).

Citation:

http://www.apartados.hacienda.gob.mx/contabilidad/documentos/informe_cuenta/2006/contenido/resultados_generales/r02/r02d10.pdf (pp 5-59)

Comment:

Although there have not been such audits, the secret amounts regarding security (because they did not exist in the audited period), can be carried out according to the valid legal framework. On the other hand, as it can be seen in the link, information is given on the accounts of the military and national defense and there are audits to this sector.

Peer Reviewer One Comment: A more appropriate response to this question would be “d.” In theory, the Superior Audit of the Federation could audit the expenditure with no exception, including the expenses on restricted access classified as reserved information.

Peer Reviewer Two Comment:

Researcher Response:

IBP Comment: IBP editors chose answer, “d” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

d