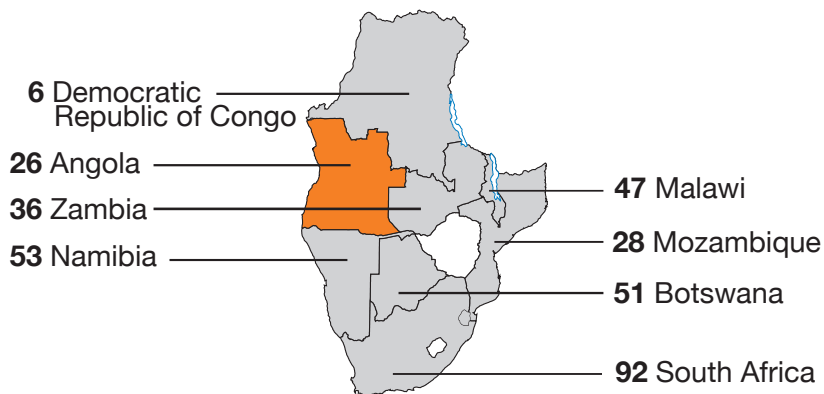
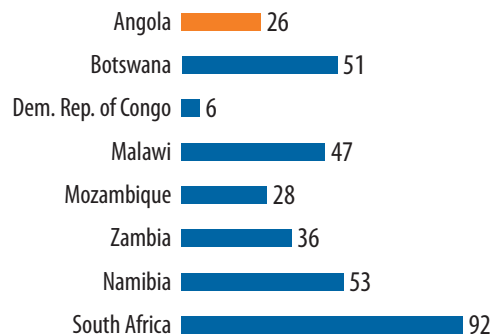




**Overall score: 26** (Out of 100) Provides minimal information to the public in its budget documents during the year.

### How Does Angola Compare to Its Neighbors?



## Key Findings

The scores for 92 questions from the Open Budget Survey (see text box) are used to compile objective scores and rankings of the relative transparency of each country's budget process. These scores constitute the Open Budget Index (OBI).

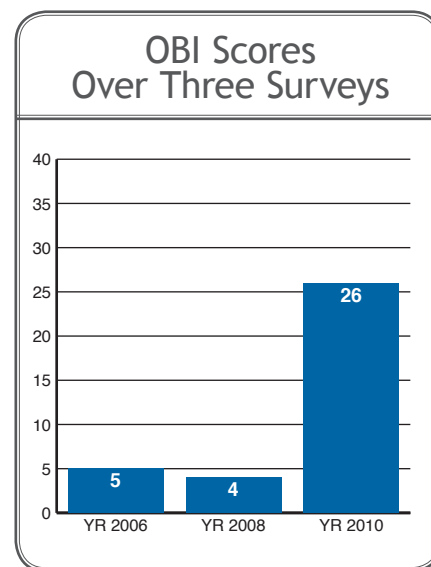
Angola's OBI 2010 score is 26 out of 100, which is significantly below the average score (42) for the 94 countries surveyed. Angola's score indicates that the government provides the public with minimal information on the central government's budget and financial activities assessed by the Survey. This makes it extremely difficult for citizens to hold the government accountable for its management of the public's money.

Angola's OBI score did increase substantially between 2008 and 2010. It rose from 4 to 26 largely because the government started publishing an Executive's Budget Proposal.

### Information in Public Budget Documents

#### Adequacy & Availability of Eight Key Budget Documents

Document	Level of Information Grade*	Publication Status
Pre-Budget Statement	E	Produced, Not Published
Executive's Budget Proposal	D	Published
Enacted Budget	A	Published
Citizens Budget	E	Not Produced
In-Year Report	E	Produced, Not Published
Mid-Year Review	E	Not Produced
Year-End Report	D	Published
Audit Report	E	Produced, Not Published



\* Grades for the comprehensiveness and accessibility of the information provided in each document are calculated from the average scores received on a subset of questions from the Open Budget Survey. An average score between 0-20 (scant information) is graded as E; 21-40 (minimal) is graded as D; 41-60 (some) is graded as C; 61-80 (significant) is graded as B; and 81-100 (extensive) is graded as A.

An **Executive's Budget Proposal** is the government's most important policy instrument. It presents the ways the government plans to raise revenues and where these funds are allocated, thus transforming policy goals into action. Angola publishes an Executive Budget Proposal, but it is far from being comprehensive. Major gaps in information are found in the following areas:

- The budget proposal lacks information that can help explain the relationship between the government's revenue and expenditure plans and its policy and macroeconomic goals. This information is important if the executive wishes to facilitate a broader debate about planned expenditures.
- The budget proposal lacks information on certain fiscal activities that can have a major impact on the government's ability to meet its fiscal and policy goals, including information on extra-budgetary funds, quasi-fiscal activities, tax expenditures, contingent and future liabilities, and financial and other assets. Without this information, the public does not know the government's true fiscal position. Moreover, the budget proposal lacks information on outputs and outcomes. This information is important for those who are interested in monitoring the budget's impact.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. While the Pre-Budget Statement is produced for internal purposes in Angola, it is not made public.

An **Enacted Budget** becomes a country's law and provides the baseline information for all budget analyses conducted during the budget year. In general terms, the Enacted Budget should provide data the public can use to assess the government's stated policy priorities and hold it to account. Angola publishes a comprehensive Enacted Budget.

A **Citizens Budget** is a nontechnical presentation of a government's budget that is intended to enable the public — including those who are not familiar with public finance — to understand a government's plans. Angola does not produce a Citizens Budget.

**In-Year Reports** provide a snapshot of the budget's effects during the budget year. They allow for comparisons with the Enacted Budget figures and thus can facilitate adjustments. While In-Year Reports are produced for internal purposes in Angola, they are not made public.

A **Mid-Year Review** provides a comprehensive overview of the budget's effects at the midpoint of a budget year and discusses any changes in economic assumptions that affect approved budget policies. Information in this report allows the government, legislature, and the public to identify whether or not adjustments related to revenues, expenditures, or borrowing should be made for the remainder of the budget year. Angola does not produce a Mid-Year Review.

A **Year-End Report** compares the actual budget execution to the Enacted Budget. The Year-End Report can inform policymakers on tax policies, debt requirements, and major expenditure priorities, thus facilitating adjustments for upcoming budget years. Angola publishes its Year-End Report, but it is far from being comprehensive. It does not, for example, explain the difference

# OPEN BUDGET SURVEY 2010

## Angola

The International Budget Partnership's Open Budget Survey assesses the availability in each country assessed of eight key budget documents, as well as the comprehensiveness of the data contained in these documents. The Survey also examines the extent of effective oversight provided by legislatures and supreme audit institutions (SAI), as well as the opportunities available to the public to participate in national budget decision-making processes.

Research to complete this country's Open Budget Survey was undertaken by:

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between the original estimates of nonfinancial data and the original performance indicators and the actual outcomes.

The **Audit Report** is an evaluation of the government's accounts by the country's supreme audit institution (SAI). It reports whether the government has raised revenues and spent national revenue in line with the authorized budget, whether the government's bookkeeping is balanced and accurate, and whether there were problems in the management of public funds. While an Audit Report is produced for internal purposes in Angola, it is not made public.

## *Public Participation and Institutions of Accountability*

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Angola's budget process can be made more open. This includes ensuring the existence of a strong legislature and SAI that provide effective budget oversight, as well as providing greater opportunities for public engagement in the budget process.

### **Are oversight bodies effective in their budget role?**

Oversight Institution	Strength**
Legislature	Weak
SAI	Weak

\*\* Legislature and SAI strengths are calculated from the average scores received for a subset of questions from the Open Budget Survey. An average score between 0-33 is graded as weak, 34-66 as moderate, and 67-100 as strong.

According to the Open Budget Survey, budget oversight provided by Angola's legislature is weak because it does not:

1. have full powers to amend the Executive Budget Proposal at the start of the year;
2. have full powers to approve any changes made to the budget over the course of the fiscal year;
3. provide adequate scrutiny of audits of the budget; and
4. hold open budget discussions at which the public can testify.

According to the Open Budget Survey, budget oversight provided by Angola's SAI is weak because it does not:

1. have full independence from the executive, and the executive can remove the head of the SAI;
2. have sufficient resources to meaningfully exercise its mandate;
3. issue timely Audit Reports on the final expenditures of national departments;
4. have proper channels of communication with the public; and
5. have adequate reporting on the follow-up steps taken by the executive to address audit recommendations for remedial action.

## **Recommendations**

**Angola should:**

- increase the comprehensiveness of the Executive's Budget Proposal;
- publish on the government's website budget documents that are already being produced — the Pre-Budget Statement, In-Year Reports, and Audit Reports;
- produce and publish a Citizens Budget and the Mid-Year Review;
- provide opportunities for the public to testify at legislative hearings on the budget; and
- increase the powers of the legislature and SAI to provide more comprehensive oversight of the budget.