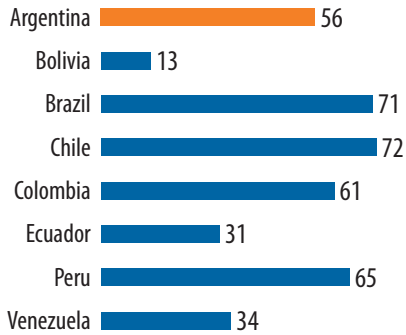




Overall score: 56 (Out of 100) Provides some information to the public in its budget documents during the year.

How Does Argentina Compare to Its Neighbors?



Key Findings

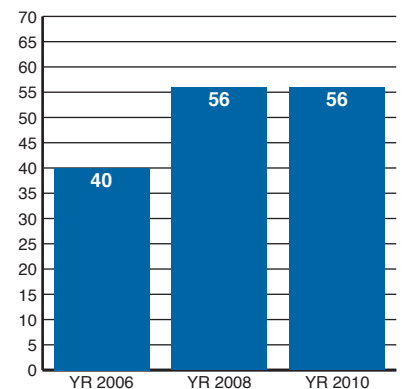
The scores for 92 questions from the Open Budget Survey 2010 (see text box) are used to compile objective scores and rankings of each country's relative transparency. These scores constitute the Open Budget Index 2010.

Argentina's score is 56 out of 100, which is above the average score for the countries surveyed in South America (50) as well as the average score for countries worldwide (42). It is below the score, however, of its neighbors Brazil (71) and Chile (72).

Argentina's score shows that the government provides the public with some information on the central government's budget and financial activities during the course of the budget year. This makes it challenging for citizens to hold the government accountable for its management of the public's money.

Argentina's OBI score remained the same from 2008 to 2010.

OBI Scores Over Three Surveys



Adequacy & Availability of Eight Key Budget Documents

Document	Level of Information Grade*	Publication Status
Pre-Budget Statement	E	Not Produced
Executive's Budget Proposal	B	Published
Enacted Budget	A	Published
Citizens Budget	E	Not Produced
In-Year Reports	A	Published
Mid-Year Review	E	Not Produced
Year-End Report	C	Published
Audit Report	D	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 2010. 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.

The **Executive's Budget Proposal** is the government's most important policy instrument. It presents how the government plans to raise revenues and where these funds will be allocated, thus transforming policy goals into action. In Argentina, the budget proposal is not sufficiently comprehensive. Major gaps in information in the budget proposal are found in the following areas:

- It lacks comprehensive information that can help explain the relationship between the government's tax revenue and expenditure plans and its budget estimates and the governments' policy and macroeconomic goals. This information is important if the executive wishes to facilitate a broader debate about planned expenditures.
- It 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 complete fiscal position.
- It lacks information on outputs and outcomes. This makes it difficult to monitor the budget's impact.

The **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Argentina does not produce a Pre-Budget Statement.

The **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 the public with the data it can use to assess the government's stated policy priorities and hold it to account. Argentina 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. Argentina 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 facilitate adjustments.

OPEN BUDGET SURVEY 2010

Argentina

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:

Federico Marongiu & Gabriel Filc
 CIPPEC (Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento)
 Av. Callao 25 - Piso 1 C1022AAA - Buenos Aires – Argentina
 infofiscal@cippec.org
 gfilc@cippec.org

The **Mid-Year Review** provides a comprehensive overview of the budget's effects at the mid-point 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. Argentina does not produce a Mid-Year Review.

The **Year-End Report** compares the actual budget execution to the Enacted Budget. Year-End Reports can inform policymakers on tax policies, debt requirements, and major expenditure priorities, facilitating modifications in upcoming budget years. Argentina publishes a Year-End Report but the document is not adequately comprehensive. It lacks information regarding the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and information regarding actual outcomes for expenditures and revenues is not detailed.

The **Audit Report** is an independent evaluation of the government's accounts by the country's supreme audit institution (SAI). It reports whether the government has raised revenues and spent monies in line with the authorized budget, whether the government's accounts of its revenues and expenses are accurate, and whether the auditors identified problems in the management of public funds during the budget year. Argentina does not publish an Audit Report.

Public Participation and Institutions of Accountability

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Argentina's budget process could be made more open. These include ensuring the existence of a strong legislature and SAI that provide effective budget oversight, and providing greater opportunities for the public to participate in the budget process.

Are oversight bodies effective in their budget role?

Oversight Institution	Strength**
Legislature	Moderate
SAI	Moderate

* *Legislature and SAI strengths are calculated from the average scores received for a subset of questions from the Open Budget Survey 2010. 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 2010, budget oversight provided by Argentina's legislature is inadequate because it does not:

1. have full powers to approve any changes made to the budget over the course of the fiscal year; or
2. allow the public to give testimony at public hearings on budget discussions.

According to the Open Budget Survey 2010, oversight provided by Argentina's SAI is inadequate for the following reasons:

1. it does not issue timely Audit Reports on the final expenditures of national departments;
2. it has inadequate channels of communication with the public; and
3. it does not issue reports on the follow-up steps taken by the executive to address audit recommendations

Recommendations

Argentina should:

- produce and publish a Citizens Budget, Pre-Budget Statement, and Mid-Year Review;
- increase the comprehensiveness of the Executive's Budget Proposal;
- provide opportunities for the public to testify at legislative hearings on the budget;
- increase the powers of the legislature to provide more comprehensive oversight not only when the budget is being approved but also during the budget execution period; and
- make the Audit Report a public document, and empower the SAI to publish comprehensive Audit Reports, including information on extra-budgetary funds and concrete recommendations.