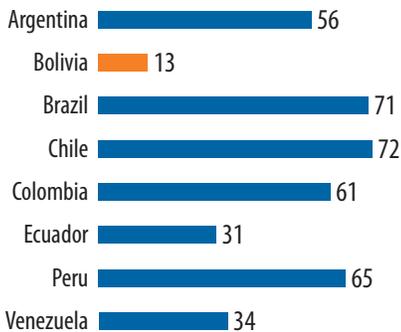




**Overall score: 13** (Out of 100) Provides scant information to the public in its budget documents during the year.

### How Does Bolivia 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 each country's relative transparency. These scores constitute the Open Budget Index.

Bolivia's score is 13 out of 100, which is less than one third the average score for the 94 countries surveyed. Bolivia's score shows 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 virtually impossible for citizens to hold the government accountable for its management of the public's money.

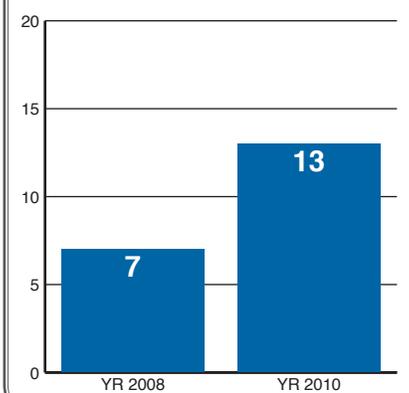
Bolivia's score is the lowest among the eight countries surveyed in South America. The average score for the other countries in South America is 56, or four times better than Bolivia's.

### 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	E	Produced, Not Published
Enacted Budget	A	Published
Citizens Budget	E	Not Produced
In-Year Reports	A	Published
Mid-Year Review	E	Produced, Not Published
Year-End Report	E	Published
Audit Report	D	Published

### OBI Scores Over Two Surveys



\* 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 will be allocated, thus transforming policy goals into action. In Bolivia, the budget proposal is sent to the legislature but is not made available to the public. The executive presents a very brief summary to the media.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. In the time period examined, Bolivia produced a Pre-Budget Statement but it was 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 the public with the data it can use to assess the government's stated policy priorities and hold it to account. Bolivia 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. Bolivia 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 subsequent adjustments. Bolivia publishes a comprehensive In-Year Report.

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. In the time period examined, Bolivia produced a Mid-Year Review but it was not made public.

A **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 adjustments for upcoming budget years. Bolivia publishes a Year-End Report but it has serious deficiencies. For example, information is not presented on how extra-budgetary funds are used and the report does not present the difference between the enacted levels and actual outcome for either expenditure or revenues.

An **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 these funds 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. Bolivia publishes the Audit Report but it is not sufficiently comprehensive.

# OPEN BUDGET SURVEY 2010

## Bolivia

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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## Public Participation and Institutions of Accountability

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Bolivia's budget process can 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 public engagement 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. 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 Bolivia's legislature is inadequate because it does not:

1. have full powers to change the budget proposal presented to it at the start of the year before the budget is enacted; and
2. hold public hearings during budget discussions.

According to the Open Budget Survey, budget oversight provided by Bolivia's SAI is inadequate because it:

1. does not have sufficient resources to meaningfully exercise its mandate;
2. has inadequate channels of communication with the public; and
3. does not issue reports on the follow-up steps taken by the executive to address audit recommendations.

## Recommendations

### Bolivia should:

- publish the Executive's Budget Proposal, Pre-Budget Statement, and the Mid-Year Review on government websites;
- publish a concise Citizens Budget;
- provide opportunities for the public to attend legislative hearings on the budget; and
- increase the powers of the legislature and SAI to provide more comprehensive oversight of the execution of the budget.

