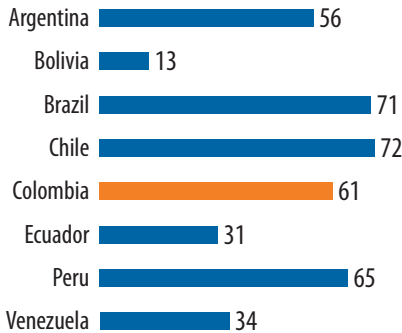


Overall score: 61 (Out of 100) Provides substantial information to the public in its budget documents during the year.

How Does Colombia 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 (OBI).

Colombia's OBI 2010 score of 61 shows that the government provides the public with significant information on the central government's budget and financial activities during the course of the budget year. While some deficiencies remain, the amount of information published is generally sufficient for citizens to assess how their governments are managing public funds.

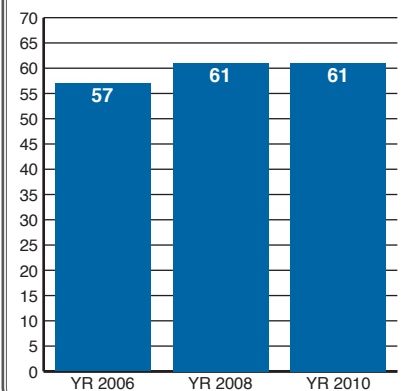
Colombia's score increased from 57 in OBI 2006 to 61 in 2008 and 2010 because it started publishing the Pre-Budget Statement, Mid-Year Review and Citizens Budget. Its score is above the average OBI score of 50 for the South America region.

Information in Public Budget Documents

Adequacy & Availability of Eight Key Budget Documents

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

OBI Scores Over Three Surveys



* Grades for the comprehensiveness of the information provided in each document and its accessibility are calculated from the average scores received on a subset of questions from the Open Budget Survey related to each document. 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 how the government plans to raise revenues and where these funds are allocated, thus transforming policy goals into action. In Colombia, the budget proposal does not provide comprehensive details. Major gaps in information in the budget proposal are found in the following areas:

- 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, making it more difficult to monitor the budget's impact.

The **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Colombia publishes a Pre-Budget Statement but it does not describe the government's macroeconomic and fiscal framework or its policies and priorities for the upcoming budget.

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. Colombia publishes a comprehensive Enacted Budget, but it does not present the approved budget for all programs.

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. Colombia does not produce a Citizens Budget.

In-Year Reports provide a snapshot of the budget's effects during the budget year. They allow for comparison which allows for comparisons with the enacted budget figures and thus facilitate adjustments. Colombia publishes comprehensive In-Year Reports.

A **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. Colombia does not produce a Mid-Year Review.

A **Year-End Report** compares the actual budget execution to the Enacted Budget. Year-End Reports can inform policymakers' on tax policies and debt requirements, as well as on major expenditure priorities, or adjustments, for upcoming budget years. Colombia publishes a Year-End Report but it lacks details regarding differences between original performance indicators and the actual outcome.

OPEN BUDGET SURVEY 2010

Colombia

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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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 national revenue in line with the authorized budget, whether the government's book keeping is balanced and accurate, and whether there were problems in the management of public funds.

In Colombia, the General Controller's Office (SAI) is charged with conducting audits of the national budget. Although an Audit Report is produced, it is not published. Colombia has a second oversight institution, the General Auditor's Office, which audits the management of the SAI. At the time that this research was conducted, Colombia did 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 Colombia's budget process could be made more open. This includes ensuring the existence of a strong legislature that provides effective budget oversight, as well as 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	Strong

** 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 Colombia'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; and
2. hold open budget discussions at which the public can testify.

According to the Open Budget Survey, budget oversight provided by Colombia's SAI is inadequate due to the following reasons:

1. it does not issue Audit Reports on the final expenditures of national departments; and
2. it does not issue reports on the follow-up steps taken by the executive to address audit recommendations.

Recommendations

Colombia should:

- publish an Audit Report;
- improve the comprehensiveness of the Executive's Budget Proposal;
- produce and publish a Citizen's Budget;
- provide opportunities for the public to testify at legislative hearings on the budget; and
- enable the legislature to amend the budget and to be consulted, even when the executive is formulating its budget proposal.