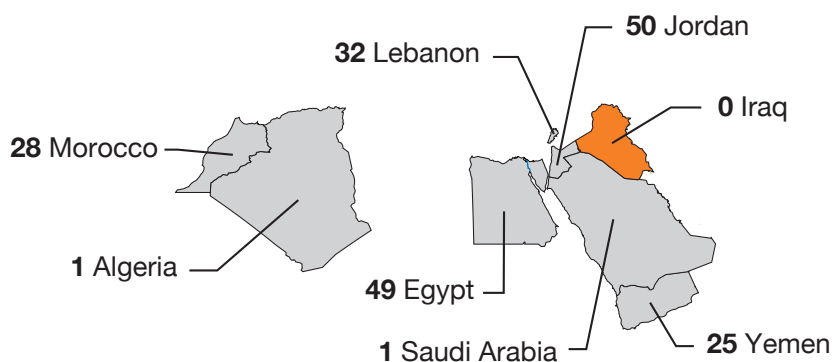
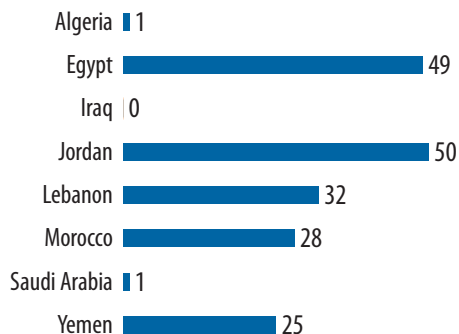




Overall score: 0 (Out of 100) Provides scant information to the public in its budget documents during the year.

How Does Iraq 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.

Iraq's OBI 2010 score is zero out of 100. It did not provide the public any of the information on 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.

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

* 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.

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 are allocated, thus transforming policy goals into action. In Iraq the budget proposal is produced for internal purposes only, but does not make it public.

The **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 Iraq, it is not made available to the public.

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. While Iraq publishes the Budget Law in the *Al Wakaa* newspaper, this has limited distribution and does not qualify as publicly available as per the Open Budget Survey methodology.

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. Iraq 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. Iraq produces In-Year Reports, but does not make it public.

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 during the budget year. Iraq produces a Mid-Year Review but does not make it public.

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, as well as on possibly adjustments for upcoming budget years. Iraq produces a Year-End Report but does not make it public.

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. Iraq produces an Audit Report but does not make it public.

OPEN BUDGET SURVEY 2010

Iraq

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 of key budget documents, there are other ways in which Iraq'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	Moderate

** Legislature and SAI strengths are calculated from the average scores received for a subset of questions from the Open Budget Survey related to each institution. 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 Iraq's legislature is inadequate because it does not:

1. hold any open budget discussions at which the public can testify on the proposed budget.
2. According to the Open Budget Survey, budget oversight provided by Iraq's SAI is weak due to the following reasons:
3. issue timely Audit Reports on the final expenditures of national departments;
4. have very effective channels of communication with the public (the SAI receives very little information from the public on potential subjects for audit); and
5. have adequate reporting on the follow-up steps taken by the executive to address audit recommendations for remedial action.

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

1. it does not issue 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

Iraq should:

- publish on government websites the Executive's Budget Proposal, as well as all the reports that it is currently producing for internal use (Pre-Budget Statement, Enacted Budget, In-Year Reports, Mid-Year Review, Year-End Report, and Audit Report);
- produce and publish a concise Citizens Budget;
- provide opportunities for the public to attend legislative hearings on the budget; and
- have the legislature use its powers to approve any amendments made to the budget over the course of the fiscal year.