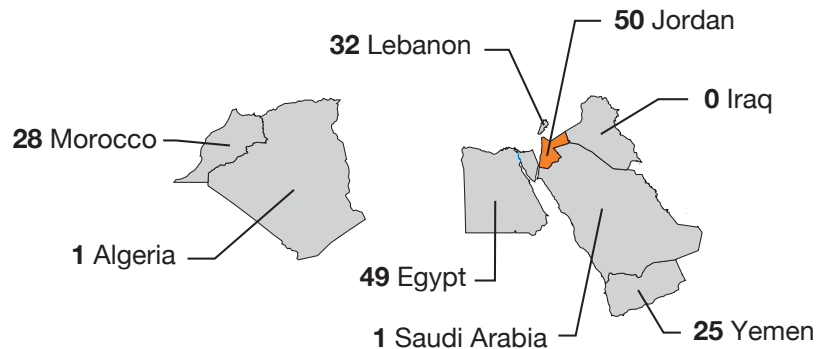
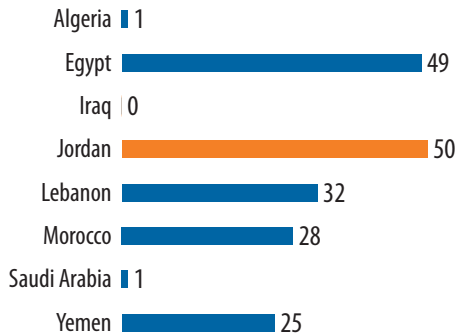


**Overall score: 50** (Out of 100) Provides some information to the public in its budget documents during the year.

### How Does Jordan 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.

Jordan's score of 50 is the highest in Middle East and North Africa and above the worldwide average. Jordan's score, however, shows that the government provides the public with only 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.

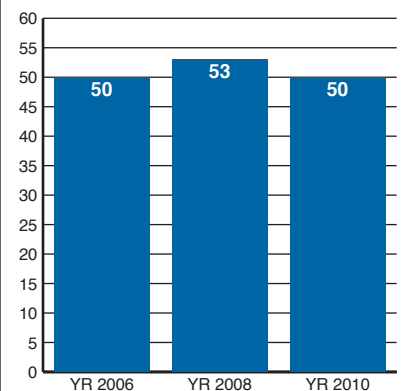
Jordan's score declined from 53 to 50 from 2008 to 2010.

### Information in Public Budget Documents

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

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

### OBI Scores Over Three 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 are allocated, thus transforming policy goals into action. In Jordan, the budget proposal is insufficiently comprehensive. Major gaps in information in the budget proposal are found in the following areas:

- Information is not presented on the impact of different macroeconomic assumptions on the budget.
- Information is not presented 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 financial and other assets held by the government and information on tax expenditures. In addition, the budget has insufficient information on transfers to public corporations, quasi-fiscal activities, expenditure arrears, and contingent and future liabilities. Without this information, the public does not know the government's true fiscal position.
- Information on outputs and outcomes is inadequate.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Jordan publishes a Pre-Budget Statement, but it is not sufficiently comprehensive because it lacks details such as a thorough explanation for the government's macroeconomic and fiscal framework.

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. Jordan publishes a fairly 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. Jordan 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 and thus facilitate adjustments. Jordan publishes comprehensive In-Year Reports.

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. Jordan prepares the Mid-Year Review but does not make it available to the 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, thus facilitating modifications for upcoming budget years. Jordan publishes a Year-

## OPEN BUDGET SURVEY 2010

### Jordan

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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End Report, but it is far from comprehensive. It does not, for example, include explanations for the difference between the original performance indicators and the actual outcome.

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 bookkeeping is balanced and accurate, and whether there were problems in the management of public funds. Jordan publishes an Audit Report, but it is far from comprehensive because it does not contain audits for all expenditures.

## *Public Participation and Institutions of Accountability*

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Jordan's budget process could 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 the public to participate in the budget process.

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

Oversight Institution	Strength**
Legislature	Moderate
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 Jordan's legislature is inadequate because it does not:

1. have sufficient time to discuss and approve a budget; and
2. hold open budget discussions at which the public can testify.

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

have full independence from the executive, and the executive can remove the head of the SAI at will;

1. have sufficient resources to meaningfully exercise its mandate;
2. have adequate channels of communication with the public; and
3. issue reports on the follow-up steps taken by the executive to address audit recommendations.

## **Recommendations**

### **Jordan should:**

- publish its Mid-Year Review on the government's website;
- produce and publish a Citizens Budget;
- increase the comprehensiveness of the Executive's Budget Proposal, Pre-Budget Statement, Year-End Reports, and Audit Reports;
- 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.