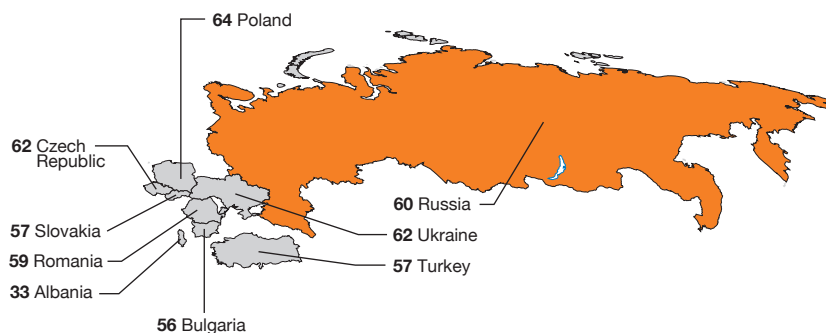
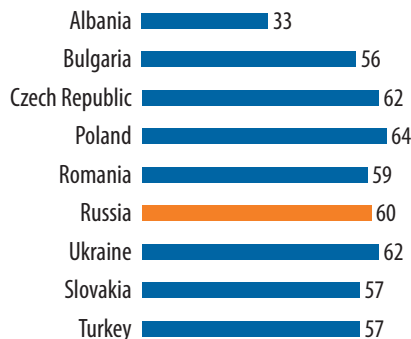




**Overall score: 60** (Out of 100) Provides some information to the public in its budget documents during the year.

### How Does Russia 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 (OBI).

Russia's OBI 2010 score is 60 out of 100, which is slightly higher than the average score for other countries in Central & Eastern Europe. Russia's score indicates 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.

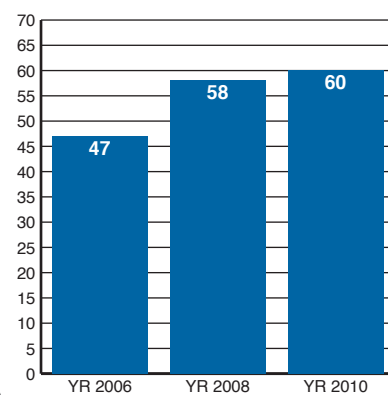
Russia's score increased steadily from 2006 to 2010. During this period, Russia began to publish a more comprehensive Executive's Budget Proposal.

### Information in Public Budget Documents

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

Document	Level of Information Grade*	Publication Status
Pre-Budget Statement	A	Published
Executive's Budget Proposal	C	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	C	Published
Audit Report	B	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 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.

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 Russia, the budget proposal is not sufficiently comprehensive. Major gaps in information in the budget proposal are found in the following areas:

- It lacks information on outputs and outcomes. This information is important for those who are interested in monitoring the budget's impact.
- 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. Absent this information, the public does not know the government's complete fiscal position.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Russia publishes a comprehensive Pre-Budget Statement.

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. Russia 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 for raising revenues and spending public funds. Russia 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. Russia publishes comprehensive In-Year Reports.

A **Mid-Year Review** provides an 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 a government's fiscal performance to be assessed against the plan laid out in the original budget. It allows the government, legislature, and the public to identify whether or not adjustments related to revenues, expenditures, or borrowing should be made during the last six months of the year. Russia produces a Mid-Year Review, but it 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, facilitating modifications for upcoming budget years. Russia publishes a Year-End Report, but it is not sufficiently comprehensive. It does not, for example, include explanations for the difference between the original performance indicators and the actual outcome.

# OPEN BUDGET SURVEY 2010

## Russia

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 bookkeeping is balanced and accurate, and whether there were problems in the management of public funds. Russia publishes a fairly comprehensive Audit Report.

### *Public Participation and Institutions of Accountability*

An open budget system includes ensuring the existence of a strong legislature and supreme audit institution (SAI) that provide effective budget oversight and providing opportunities for the public to participate in the budget process.

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

Oversight Institution	Strength**
Legislature	Strong
SAI	Strong

\*\* 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 Russia's legislature is generally strong, but it does not allow the public to be present during legislative hearings at which the executive testifies on its proposed budget.

According to the Open Budget Survey 2010, budget oversight provided by Russia's SAI also is generally strong, but it does not have adequate reporting on the follow-up steps taken by the executive to address audit recommendations.

## **Recommendations**

#### **Russia should:**

- publish the Mid-Year Review;
- produce and publish a Citizens Budget;
- increase the comprehensiveness of the Executive's Budget Proposal and the Year-End Report; and
- provide opportunities for the public to testify at legislative hearings on the budget.