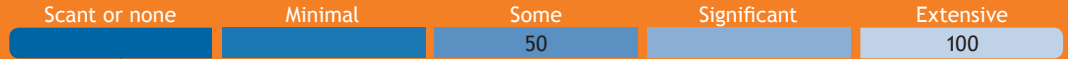


Open Budget Index 2010

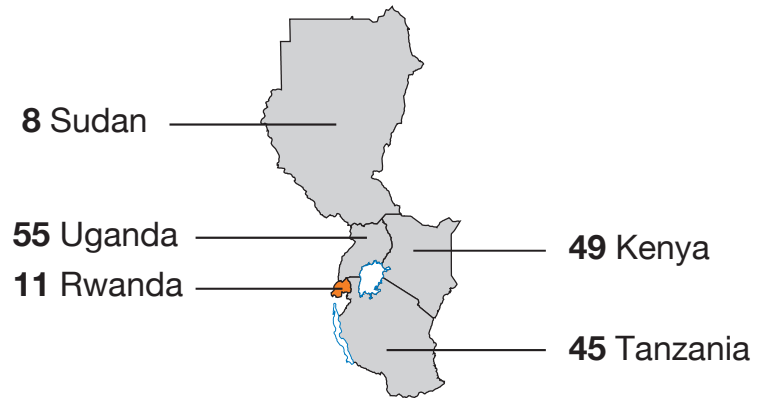
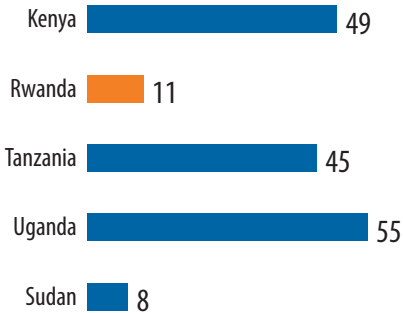


Rwanda



Overall score: 11 (Out of 100) Provides scant information to the public in its budget documents during the year.

How Does Rwanda Compare to Its Neighbors?

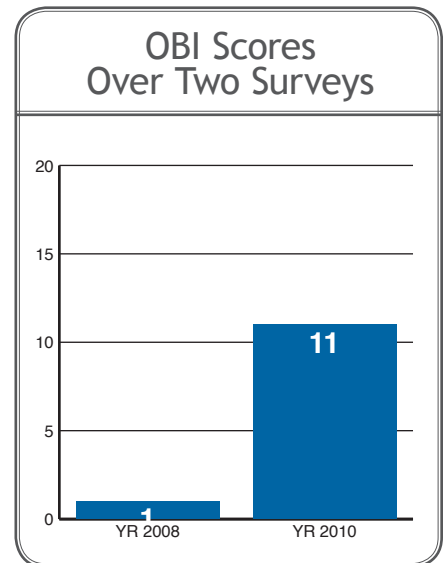


Key Findings

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 (OBI).

Rwanda's OBI 2010 score is 11 out of 100, which is only about one-fourth of the average score (42) for the 94 countries surveyed. Rwanda's score indicates that the government provides the public with scant 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.

There has been progress in Rwanda. Between 2008 and 2010 its score rose from 1 to 11, largely because the government started publishing a Pre-Budget Statement, a Citizens Budget, the Year-End Report, and the Audit Report.



Adequacy & Availability of Eight Key Budget Documents

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

* 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. Rwanda produces an Executive's Budget Proposal but does not make it available to the public.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Rwanda publishes a fairly 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 data the public can use to assess the government's stated policy priorities and hold it to account. Rwanda 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. Rwanda publishes a comprehensive 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. While In-Year Reports are produced for internal purposes in Rwanda, they are not made public.

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. While a Mid-Year Review is produced for internal purposes in Rwanda, it is not made public.

A **Year-End Report** compares the actual budget execution to the Enacted Budget. The Year-End Report can inform policymakers' on tax policies, debt requirements, and major

OPEN BUDGET SURVEY 2010

Rwanda

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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expenditure priorities, thus facilitating adjustments for upcoming budget years. Rwanda publishes a Year-End Report, but the document is far from comprehensive. It does not, for example, explain the difference between the original estimates of non-financial data and the original performance indicators and the actual outcomes. In addition, it does not present information on extra-budgetary funds

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. Rwanda publishes an Audit Report, but the document is far from comprehensive. One of the weaknesses of the document is that only two-thirds of expenditures are audited.

Public Participation and Institutions of Accountability

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Rwanda's budget process can be made more open. These include 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	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 Rwanda's legislature is only moderately strong 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 Rwanda is only moderately strong because it does not:

1. issue timely Audit Reports on the final expenditures of national departments;
2. have proper channels of communication with the public; and
3. have adequate reporting on the follow-up steps taken by the executive to address audit recommendations for remedial action.

Recommendations

Rwanda should:

- publish on government websites budget documents that are already being produced — the Executive’s Budget Proposal, In-Year Reports, and the Mid-Year Review;
- improve the comprehensiveness of the Year-End Report and the Audit Report;
- provide opportunities for the public to testify at legislative hearings on the budget;
- increase the powers of the legislature and SAI to provide oversight of the budget; and
- provide enough space for civil society organizations to engage with the government when the budget is being prepared.