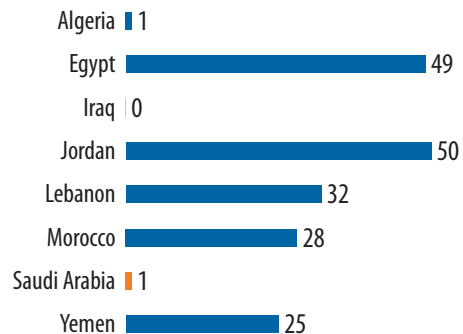




Overall score: 1 (Out of 100) Provides scant information to the public in its budget documents during the year.

How Does Saudi Arabia 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).

Saudi Arabia's OBI 2010 score is 1 out of 100, which indicates that the government provides the public with essentially no 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.

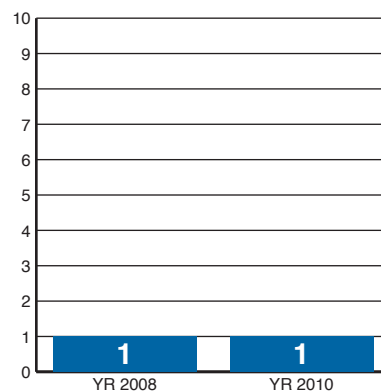
Most of the other countries surveyed in the Middle East and North Africa region provide significantly more budget information than Saudi Arabia. These include Egypt (49), Jordan (50), Lebanon (32), Morocco (28), and Yemen (25). Worldwide the average OBI score is 42.

Information in Public Budget Documents

Adequacy & Availability of Eight Key Budget Documents

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

OBI Scores Over Two 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 will be allocated, thus transforming policy goals into action. In Saudi Arabia the budget proposal is produced but is not made public.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Saudi Arabia does not produce a 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. Saudi Arabia produces an Enacted Budget but it is not made public; only a summary press statement on planned spending is made available at the beginning of each budget year.

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. Saudi Arabia 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. Saudi Arabia does not produce 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 subsequent adjustments related to revenues, expenditures, or borrowing should be made for the remainder of the budget year. Saudi Arabia 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, debt requirements, and major expenditure priorities, facilitating adjustments for upcoming budget years. Saudi Arabia produces a Year-End Report, but it is not made public.

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. Saudi Arabia produces an Audit Report, but it is not made public.

OPEN BUDGET SURVEY 2010

Saudi Arabia

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:

Open Budget Initiative
International Budget Partnership
Center on Budget and Policy
Priorities
820 First Street NE, Suite 510
Washington, DC 20002
(202) 408-1080

Public Participation and Institutions of Accountability

Beyond improving the availability of key budget documents, there are other ways in which Saudi Arabia's budget process can be made more open. These include ensuring the existence of a strong legislature and SAI that provide effective budget oversight, and providing greater opportunities for public engagement in the budget process.

Are oversight bodies effective in their budget role?

Oversight Institution	Strength**
Legislature	Weak
SAI	Weak

** 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, budget oversight provided by Saudi Arabia's legislature is weak because it does not:

1. have sufficient powers to change the Executive Budget Proposal at the start of the year;
2. have sufficient powers to approve any amendments made to the budget over the course of the fiscal year;
3. have sufficient time to discuss and approve a budget; and
4. hold open budget discussions which allow the public to be present during legislative hearings at which the executive testifies on its proposed budget.

According to the Open Budget Survey, budget oversight provided by Saudi Arabia's SAI is weak because it:

1. is not fully independent from the executive; the executive can remove the head of the SAI without seeking final consent from the legislature or judiciary;
2. does not issue timely Audit Reports on the final expenditures of national departments;
3. does not have proper channels of communication with the public;
4. does not have adequate legislative scrutiny of audits; and
5. does not have adequate reporting on the follow-up steps taken by the executive to address audit recommendations for remedial action.

Recommendations

Saudi Arabia should:

- publish key budget documents including the Executive's Budget Proposal, Enacted Budget, Year-End Report and Audit Report on government websites (these documents are currently produced but are used for internal purposes only);
- produce and publish the Pre-Budget Statement, Citizens Budget, In-Year Reports and Mid-Year Review;
- strengthen the role of the legislature and the SAI in the budget process;
- provide opportunities for the public to attend legislative hearings on the budget.