International Budget Project
OPEN BUDGET QUESTIONNAIRE

INDONESIA

October 2005

International Budget Project
Center on Budget and Policy Priorities
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Section One: The Availability of Budget Documents
Table 1. Budget Year of Documents Used in Completing the Questionnaire

Please indicate the budget year of the document used to complete the questionnaire. If the document is not available to the public, please state, “Not Available.”

<table>
<thead>
<tr>
<th>Budget Documents Used in Completing the Questionnaire</th>
<th>Budget Year Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Budget Statement</td>
<td>Not Available</td>
</tr>
<tr>
<td>Budget Summary</td>
<td>2006</td>
</tr>
<tr>
<td>Executive’s Budget Proposal</td>
<td>2006</td>
</tr>
<tr>
<td>Supporting Budget Documents</td>
<td>2006</td>
</tr>
<tr>
<td>Citizens budget</td>
<td>Not Available</td>
</tr>
<tr>
<td>Enacted Budget</td>
<td>2005</td>
</tr>
<tr>
<td>In-Year Reports</td>
<td>2005</td>
</tr>
<tr>
<td>Mid-Year Report</td>
<td>Not Available</td>
</tr>
<tr>
<td>Year-End Report</td>
<td>2004</td>
</tr>
<tr>
<td>Audit Report</td>
<td>2003</td>
</tr>
</tbody>
</table>
Table 2. Internet Links for Key Budget Documents

Please provide the Internet link for the document, or indicate one of these three answers: “Not Produced,” “Produced, But Not Available to the Public,” “Publicly Available, But Not on the Internet.”

<table>
<thead>
<tr>
<th>Budget Document</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Budget Statement</td>
<td>Produced, But Not Available to the Public</td>
</tr>
<tr>
<td>Budget Summary</td>
<td><a href="http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf">http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf</a></td>
</tr>
<tr>
<td>Citizens Budget</td>
<td>Not Produced</td>
</tr>
<tr>
<td>In-Year Reports</td>
<td>Produced, But Not available to the Public</td>
</tr>
<tr>
<td>Mid-Year Review</td>
<td><a href="http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%20I%20TA%202005.pdf">http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%20I%20TA%202005.pdf</a></td>
</tr>
<tr>
<td>Year-End Report</td>
<td>For the 2004 year-end report: Publicly Available, But Not on the Internet</td>
</tr>
<tr>
<td>Audit Report</td>
<td>Publicly Available, But Not on the Internet</td>
</tr>
<tr>
<td>Other Documents</td>
<td></td>
</tr>
<tr>
<td>Relevant Ministries &amp; Departments</td>
<td>Produced, But Not Available to the Public</td>
</tr>
</tbody>
</table>
Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

<table>
<thead>
<tr>
<th>DISTRIBUTION OF BUDGET DOCUMENTS</th>
<th>Executive’s Budget Proposal</th>
<th>Citizens budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the following reports, place “Yes” in the appropriate row below to indicate if the report is:</td>
<td>Pre-budget</td>
<td>Main document</td>
</tr>
<tr>
<td>A. Not produced, even for internal purposes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>B. Produced for internal purposes, but not available to the public</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>C. Produced and available to the public, but only on request</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.

<table>
<thead>
<tr>
<th>Pre-budget</th>
<th>Executive’s Budget</th>
<th>Citizens budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main document</td>
<td>Budget summary*</td>
<td>Supporting Document 1</td>
</tr>
<tr>
<td>1. The release date is known at least one month in advance</td>
<td>NA</td>
<td>No</td>
</tr>
<tr>
<td>2. Advance notification of release is sent to users, media</td>
<td>NA</td>
<td>No</td>
</tr>
<tr>
<td>3. Released to public same day as official release to media</td>
<td>NA</td>
<td>Yes</td>
</tr>
<tr>
<td>4. Available on the Internet free of charge</td>
<td>NA</td>
<td>Yes</td>
</tr>
<tr>
<td>5. Free print copies available, limited distribution</td>
<td>NA</td>
<td>Yes (1000 copies)</td>
</tr>
<tr>
<td>6. Free print copies available, mass distribution</td>
<td>NA</td>
<td>No</td>
</tr>
<tr>
<td>7. Readily available outside capital and/or big cities</td>
<td>NA</td>
<td>No</td>
</tr>
<tr>
<td>8. Written in more than one language</td>
<td>NA</td>
<td>No</td>
</tr>
<tr>
<td>9. News conference is held to discuss release</td>
<td>NA</td>
<td>No</td>
</tr>
</tbody>
</table>

*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

Mark “Yes” if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.
Table 4. Distribution of the Enacted Budget and Other Reports

<table>
<thead>
<tr>
<th>DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the following reports, place a “Yes” in the appropriate row below to indicate if the report is:</td>
</tr>
<tr>
<td>Enacted budget</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>A. Not produced, even for internal purposes</td>
</tr>
<tr>
<td>B. Produced for internal purposes, but not available to the public</td>
</tr>
<tr>
<td>C. Produced and available to the public, but only on request</td>
</tr>
<tr>
<td>D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)</td>
</tr>
</tbody>
</table>

For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.

<table>
<thead>
<tr>
<th>For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enacted budget</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>1. The release date is known at least one month in advance</td>
</tr>
<tr>
<td>2. Advance notification of release sent to users, media</td>
</tr>
<tr>
<td>3. Released to public same day as official release to media</td>
</tr>
<tr>
<td>4. Available on the Internet free of charge</td>
</tr>
<tr>
<td>5. Free print copies available, limited distribution</td>
</tr>
<tr>
<td>6. Free print copies available, mass distribution</td>
</tr>
<tr>
<td>7. Readily available outside capital/big cities’</td>
</tr>
<tr>
<td>8. Written in more than one language</td>
</tr>
<tr>
<td>9. News conference is held to discuss release</td>
</tr>
</tbody>
</table>

*Mark “Yes” if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.
Section Two: The Executive’s Budget Proposal

Notes on abbreviations:
BY = budget year (year for which the budget proposals are being made)
BY+1 = one year beyond the budget year
BY-1 = one year before the budget year
Please mark your answer by placing the appropriate letter in the box to the right of the question. For all answers marked “not applicable/other,” please provide a brief explanation indicating either why the answer choices provided are not applicable or why another response would be more appropriate.

<table>
<thead>
<tr>
<th>The Executive’s Budget Proposal</th>
<th>Estimates for the Budget Year and Beyond</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</td>
<td></td>
</tr>
<tr>
<td>a. All expenditures are classified by administrative unit.</td>
<td>a</td>
</tr>
<tr>
<td>b. Expenditures are classified by administrative unit, but some small units are not shown separately.</td>
<td></td>
</tr>
<tr>
<td>c. Expenditures are classified by administrative unit, but a significant number of units are not shown separately.</td>
<td></td>
</tr>
<tr>
<td>d. No expenditures classified by administrative unit are presented.</td>
<td></td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
<td></td>
</tr>
</tbody>
</table>

Citation and/or comment: This can be seen clearly in the budget document. For example, we know from this document that budget allocation for the Ministry of Home Affairs is 883.6 billion rupiahs. It also provides budget allocation for other administrative units. Please examine this budget document closely: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) Enclosure 5 pages 133-147.

**Peer Reviewer ONE Comment:** Expenditure for the budget year is classified by types (civil servant, goods, capital, interest rate, subsidy, grant, social assistance and others), by organization (ministry and institution) and by function (public services, defense affairs, public order and security, economy, environment, housing & public facility, health, tourism and culture, religion, education, social protection). This classification is based on Nota Keuangan’s executive’s budget of 2006 that the researcher used as a reference in responding to the questionnaire. The researcher refers to Nota Keuangan Revised State Budget (RAPBN - Anggaran Pendapatan dan Belanja Negara) 2005 in the citation, and as explained, it has a similar structure and classification as Nota Keuangan RAPBN 2006.

**Peer Reviewer TWO Comment:**
2. Does the executive’s budget or any supporting budget documentation present expenditures for budget year that are classified by functional classification?

   a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.
   b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by function.
   d. No expenditures classified by function are presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: This can be seen in the budget document. For example, we know that budget allocation for the defense function is about 22 billion rupiahs. For further information, please take a look at: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) See enclosure 6 pages 148-156, and narration page 95, 4th paragraph.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**

3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?

   a. All expenditures are classified by economic classification, and the categorization is compatible with international standards.
   b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by economic classification.
   d. No expenditures classified by economic classification are presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: This can be seen in the budget document. For example, we know that budget allocation for civil servants expenditure is about 60.7 trillion rupiahs. For further information, please take a look at: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) See Table IV.3, State Expenditure (Belanja Negara), page 101, and see narration on page 95, 4th paragraph.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**
4. **Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?**

   a. Program-level data are presented for all expenditures.
   b. Program-level data are presented for at least two-thirds of, but not all, expenditures.
   c. Program-level data are presented, but for less than two-thirds of expenditures.
   d. No program-level data are presented.
   e. Not applicable/other (please comment).

   **Citation and/or comment:** For further information, please take a look at: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf)
   See enclosure 5 pages 133-147. With this document, we know expenditure for the individual programs for each department.

   **Peer Reviewer ONE Comment:** The executive’s budget documentation that is publicly available presents programs expenditure but not for individual programs. Although the planning process requires these administrative units (ministries and institutions) to break their budget proposal down to sector-sub-sector, program, project and activity, the documents that are publicly available do not contain program detail. However, since your concern is any level of detail, it should be marked “a.”

   **Peer Reviewer TWO Comment:**

5. **In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?**

   a. Yes, multi-year estimates of aggregate expenditure are presented.
   b. No, multi-year estimates of aggregate expenditure are not presented.
   c. Not applicable/other (please comment).

   **Citation and/or comment:** The budget document presents the estimates of the aggregate level of expenditure for two years (2002-2004). Please take a look at: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) (Table III.4 page 56).

   **Peer Reviewer ONE Comment:** The executive’s budget does not present aggregate levels of expenditure for multi-year periods beyond the budget year except one year prior to the budget year (2005 for budget year 2006).

   **Peer Reviewer TWO Comment:** Although it is mentioned in the executive budget proposal that the government needs to give a projection of two or more years beyond the budget year, the estimates of aggregate expenditure are not presented in that document or any supporting budget documentation available. See: [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf) (Box IV.3 page 99-100) (Note: the government started to adopt the Government Finance Statistics Manual (GFS) 2001 in 2005 and it should be in place for the 2006 executive budget proposal.)
6. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?

   a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).
   b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.
   c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.
   d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all.
   e. Not applicable/other (please comment).

Citation and/or comment: For example, we find that the expenditure for debt interest payments is presented for 3-4 years beyond the budget year. See budget document: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf (Table II.6 Ringkasan Neraca Pembayaran Indonesia, Summary of Balance of Payment 2003-2005, page 33.)

**Peer Reviewer ONE Comment:** Since the executive’s budget does not present aggregate levels of expenditure for multi-year periods beyond the budget year except one year prior to the budget year, this question should be marked “d” (not presented at all).

**Peer Reviewer TWO Comment:** As was the case for the aggregate level, the detail of expenditure estimates is not presented at all. Although it is mentioned in the Executive Budget Proposal (Box IV.3 pages 99-100) that government needs to give a projection of two or more years beyond the budget year, the estimates of aggregate expenditure and the detail or the estimates of aggregate expenditure are not presented at all in that document or any supporting budget documentation (note: the government started to adopt GFS 2001 in 2005 and the GFS should be in place for the 2006 executive budget proposal available). http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf
7. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?

   a. All sources of tax revenue are identified individually.
   b. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually.
   c. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually.
   d. No sources of tax revenue are identified individually.
   e. Not applicable/other (please comment).

Citation and/or comment: Sources of tax revenue are identified individually. This can be seen in these documents: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf See Table IV.2, Pendapatan Negara dan Hibah (Government Revenues and Grants) page 86, and Enclosure 1 Rincian Penerimaan Perpajakan (The Detail of Tax Revenue of National Budget) APBN-P 2004 dan APBN 2005, page 129.

**Peer Reviewer ONE Comment:** Please see: http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf (Page 138 enclosure 1.)

**Peer Reviewer TWO Comment:**
8. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?

   a. All sources of non-tax revenue are identified individually.
   b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually.
   c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually.
   d. No sources of non-tax revenues are identified individually.
   e. Not applicable/other (please comment).

   Citation and/or comment: Sources of non-tax revenue are not identified individually. This can be seen in these documents: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf Table IV.2, Pendapatan Negara dan Hibah (Government Revenues and Grants) page 86, Enclosure 2 Rincian Penerimaan Negara Bukan Pajak (The Detail of Tax Revenue of National Budget) APBN-P 2004 dan APBN 2005, page 130).

   Peer Reviewer ONE Comment: A more appropriate response to this question would be “a.” http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf Page 139, enclosure 2.

   Peer Reviewer TWO Comment: A more appropriate response to this question would be “b.” Although the Executive Budget Proposal mentions non-tax revenues, it does not identify individually other non-tax revenue (PNBP Lainnya) which amount to less than one third of the total non-tax revenue. Table III. 3, page 49: http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf

   IBP Comment: IBP editors chose answer “b” to maintain consistency of assumptions across countries.

9. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?

   a. Yes, multi-year estimates of aggregate revenue are presented.
   b. No, multi-year estimates of aggregate revenue are not presented.
   c. Not applicable/other (please comment).

   Citation and/or comment: The multi-year estimates of aggregate revenue are not presented. See: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf Table III.1, page 37.

   Peer Reviewer ONE Comment: The executive’s budget does not present aggregate levels of revenue for multi-year periods beyond the budget year except one year prior to the budget year (2005 for Budget Year 2006).

   Peer Reviewer TWO Comment: As was the case for estimates of the aggregate expenditure, estimates of the aggregate level of revenue are not presented in the executive budget proposal or any supporting budget documentation available.
10. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?

a. Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).
b. Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.
c. Yes, multi-year estimates are presented, but only for some individual sources of revenue.
d. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all.
e. Not applicable/other (please comment).

Citation and/or comment: For example, we know that the budget document presented the information for income tax and VAT revenues for the last two years (2002-2004). For the detail, please look at:
(Table III.2, page 48 and Table III.3, page 54)

**Peer Reviewer ONE Comment:** A more appropriate response to this question would be “d.” Since the executive’s budget does not present aggregate levels of revenue for multi-year periods beyond the budget year except for one year prior to the budget year, this question should be marked “d” (not presented at all).

**Peer Reviewer TWO Comment:** A more appropriate response to this question would be “c.” As was the case for estimates of the aggregate level of revenue, more detail than just the aggregate level of revenue estimates is not presented in the executive budget proposal or any supporting budget documentation available.

**IBP Comment:** IBP editors chose to keep answer “c” to maintain consistency of assumptions across countries.

11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?

a. Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget).
b. Yes, the data reflect the outstanding debt at the end of the budget year.
c. Yes, the data reflect the outstanding debt at the start of the budget year.
d. No, data on the outstanding debt are not presented.
e. Not applicable/other (please comment).

Citation and/or comment: This information can be accessed at: 
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%203%20(Kerangka%20Makro).pdf (Pages I.3-1)

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**
12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?

   a. Yes, interest payments on the debt are presented.
   b. No, interest payments on the debt are not presented.
   c. Not applicable/other (please comment).

   Citation and/or comment: This information can be accessed at: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf
   See Enclosure 4 Belanja Pemerintah Pusat Menurut Jenis Belanja (The Central Government Expenditure Based on the Economic Classification), page 132.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**

13. Does the executive’s budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?

   a. Yes, extensive information related to the composition of government debt is presented.
   b. Yes, key additional information is presented, but some details are excluded.
   c. Yes, some additional information is presented, but it lacks important details.
   d. No, additional information related to the composition of government debt is not presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: This information can be accessed at: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf (pages 57-58).

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:** Information related to the composition of government debt is not presented in a substantive manner. There are data such as debt interest rates, maturity profile, and currency domination, but it is not in the executive budget proposal or in any supporting budget document. The availability of this information is limited; some people can access it by request but other can not. In other words, such information is not published.
14. Does the executive’s budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?

a. Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.
b. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.
c. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.
d. No, information related to the macroeconomic forecast is not presented.
e. Not applicable/other (please comment).

Citation and/or comment: The macroeconomic forecast is presented in the Government Action Plan (Rencana Kerja Pemerintah, RKP). The Government Action Plan (GAP) is an integral part of the budget documentation. Actually, the national budget is drafted based on the Government Action Plan. See:
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%203%20(Kerangka%20Makro).pdf (page 6.)
The details of the Government Action Plan can be accessed at:
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Cover%20Buku%201.pdf (cover of the GAP, Book I)
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Daftar%20Isi%20rev.pdf (table of contents of the GAP, Book I)
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%201%20(Pendahuluan).pdf (Introduction of the GAP, Book I)
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%203%20(Kerangka%20Makro).pdf (macroeconomic framework and the development budgeting of the GAP, Book I)
http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%204%20(Kaidah%20Pelaksanaan).pdf (guidance of implementation of the GAP, Book I)

Peer Reviewer ONE Comment: The executive’s budget (Nota Keuangan 2006) does present the macroeconomic forecast upon which the budget projections are based. Some of the macroeconomic assumptions used are economic growth, inflation rate, international oil price, exchange rate, interest rate level, and oil production. The Government Action Plan is a document that the executive’s budget proposal should refer to. It contains a one-year theme and priority of development that should be financed. This action plan is issued prior but close to the time of the executive’s budget issuance.

Peer Reviewer TWO Comment: I agree. Both the supporting document and the executive budget proposal present the macroeconomic forecast upon which budget projections are based.
15. Does the executive’s budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?

   a. Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the impact of different macroeconomic assumptions on the budget is not presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: Our recent discussion with a resource person at the National Planning Board confirmed that the budget document presents the impact of the macroeconomic assumptions on the budget. However, the budget document does not present the impact of the budget on public finance.

   Peer Reviewer ONE Comment: The way the executive’s budget shows the impact of different macroeconomic assumptions on the budget is explained in Chapter II Nota Keuangan 2006, entitled “kinerja dan prospek ekonomi Indonesia dan asumsi dasar” (performance and prospect of Indonesian economy and basic assumption.)

   Peer Reviewer TWO Comment: I agree. Supporting budget documents (such as adjustment or amendment proposals for budget changes (RAPBN-P)) in the executive budget proposal highlight the changes in major macroeconomic assumptions such as inflation, interest rate and oil price, but they do not examine how those changes would affect the budget in a comprehensive manner.

16. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?

   a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the impact of policy proposals on expenditures is not presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: The crucial public policy issue in Indonesia is the oil subsidy which amounts to 19 trillion rupiahs. The ups and downs of oil prices have a strong impact on the budget allocation to certain sectors, such as expenditure for poverty reduction, education, health and public services.

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:
17. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?
   
a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates.
b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded.
c. Yes, some information is presented, but it lacks important details.
d. No, information on the impact of policy proposals on revenues is not presented.
e. Not applicable/other (please comment).

Citation and/or comment: Tax revenue as a percentage of GDP is increasing from 12.3-12.5% to 13.0-13.3% in 2008. Further details can be seen at: http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%203%20(Kerangka%20Makro).pdf (pages I.3-10)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: The detail of the impact of key policy proposals on revenues is not presented.

Estimates for Years Prior to the Budget Year

18. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?
   
a. All expenditures are classified by administrative unit for BY-1.
b. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately.
c. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately.
d. No expenditures classified by administrative unit are presented for BY-1.
e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment: The executive budget (Nota Keuangan RAPBN 2006) presents expenditures for the year preceding the budget year (BY 2005 for BY 2006) that are classified by administrative unit (ministry and institution). Please refer to page 67, Nota Keuangan 2006: http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf

Peer Reviewer TWO Comment: I Agree. Table III.6 (page 67) presents them by administrative unit: http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf.
19. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?

   a. All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards.
   b. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by function for BY-1.
   d. No expenditures classified by function are presented for BY-1.
   e. Not applicable/other (please comment).

   Citation and/or comment:

   **Peer Reviewer ONE Comment**: The executive budget (Nota Keuangan 2006) presents expenditures for the year preceding the budget year (BY 2005 for BY 2006) that are classified by functional classification. Please refer to page 68, Nota Keuangan 2006: [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf)

   **Peer Reviewer TWO Comment**: I agree. Table III.7 (page 68) presents them by administrative unit: [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf).

20. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?

   a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.
   b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by economic classification for BY-1.
   d. No expenditures classified by economic classification are presented for BY-1.
   e. Not applicable/other (please comment).

   Citation and/or comment:


   **Peer Reviewer TWO Comment**: I agree. Tables III.4 & 5 (page 63) present them by economic classification. [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf)
21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

- a. Program-level expenditure data are presented for all expenditures for BY-1.
- b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1.
- c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1.
- d. No program-level expenditure data are presented for BY-1.
- e. Not applicable/other (please comment).

Citation and/or comment:

**Peer Reviewer ONE Comment:** The publicly available executive budget does not present expenditures for individual programs for the year preceding the budget year except summary expenditures for BY-1 by classification of administrative unit (page 67), by function (page 68) and by type (page 63) year programs expenditure but not by individual program. Please see: [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf)

**Peer Reviewer TWO Comment:** Neither the executive’s budget nor any supporting budget documentation presents program-level expenditures for individual programs for the year preceding the budget year (BY-1).

22. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?

- a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.
- b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.
- c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.
- d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.
- e. Not applicable/other (please comment).

Citation and/or comment:

**Peer Reviewer ONE Comment:** Please see Nota Keuangan 2006, pages 63-68; there are columns titled “APBN-P” and “Perkiraan Realisasi” that show updates to the original enacted levels to reflect actual expenditure at the end of BY 2005 when the executive’s 2006 budget was released (August 2005).

**Peer Reviewer TWO Comment:** I agree. See: [http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf](http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf).
23. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?

   a. Yes, such prior-year estimates of aggregate expenditure are presented.
   b. No, such prior-year estimates of aggregate expenditure are not presented.
   c. Not applicable/other (please comment).

   Citation and/or comment:

   **Peer Reviewer ONE Comment:** Nota Keuangan 2006 does not present an estimation of aggregate levels of expenditure for years that precede the budget year by more than one year (BY-1).

   **Peer Reviewer TWO Comment:** I agree. See: Table III.1 (page 41),
   [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf), and also

24. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?

   a. Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).
   b. Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.
   c. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.
   d. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all.
   e. Not applicable/other (please comment).

   Citation and/or comment: The budget allocation for the Department of Transportation (Departemen Perhubungan) decreased from 6,037 billion rupiahs in 2004 FY to 5,826 billion rupiahs in FY 2005. Further details of each organization can be accessed at:
   Table IV-5, page 110.

   **Peer Reviewer ONE Comment:** Since Nota Keuangan 2006 does not present an estimation of the aggregate level of expenditure for years that precedes the budget year by more than one year (BY-1), this question should marked “d.”

   **Peer Reviewer TWO Comment:** The detailed level expenditure for two years prior and more are not presented. See Chapter IV, pages 95-130.
   [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf)
25. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

- Two years prior to the budget year (BY-2).
- Three years prior to the budget year (BY-3).
- Before BY-3.
- No actual data for all expenditures are presented in the budget or supporting budget documentation.
- Not applicable/other (please comment).

**Citation and/or comment:** No data reflect actual outcomes for comparison purposes between the 2004 FY and 2005 FY in terms of expenditure. In FY 2004, the government of Indonesia implemented the dual-system budget, in which the expenditure is divided into two categories, namely routine expenditure (belanja rutin) and development expenditure (belanja pembangunan). In FY 2005, the government of Indonesia implemented the unified budget and the performance-based budget system, in which expenditure is divided into two categories, namely official expenditure (belanja aparatur) and public expenditure (belanja publik).

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**

26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?

- Yes, prior-year data are always adjusted to be comparable to the budget year data.
- Yes, in most cases, prior-year data are adjusted to be comparable.
- Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist.
- No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented.
- Not applicable/other (please comment).

**Citation and/or comment:** See the citation for question 25.

**Peer Reviewer ONE Comment:** The executive’s budget used to respond to this question is Nota Keuangan RAPBN 2006 which also presents expenditure for one year prior. The structure of the classification and presentation of both is similar (Nota Keuangan RAPBN 2005 and 2006) so prior-year data are not adjusted to be comparable.

**Peer Reviewer TWO Comment:** Although some prior-year data are adjusted to be comparable, not all are because different budget systems have been used in the past five years, or at least it needs extra efforts to adjust prior-year data which required unpublished data.
27. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?

   a. All tax revenues are identified individually for BY-1.
   b. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually.
   c. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually.
   d. No tax revenues are identified individually for BY-1.
   e. Not applicable/other (please comment).

   Citation and/or comment:

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment: I agree. See Table III.2, (page 49).
   http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf

28. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?

   a. All non-tax revenues are identified individually for BY-1.
   b. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually.
   c. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually.
   d. No non-tax revenues are identified individually for BY-1.
   e. Not applicable/other (please comment).

   Citation and/or comment:

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment: See Table III.3 (page 50); not all non-tax revenue for BY-1 are identified individually, but those that are not identified amount to less than one-third of all non-tax revenue.
29. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections.</td>
</tr>
<tr>
<td>b.</td>
<td>All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections.</td>
</tr>
<tr>
<td>c.</td>
<td>Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections.</td>
</tr>
<tr>
<td>d.</td>
<td>The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment:

**Peer Reviewer ONE Comment**: Please see attachment of Nota Keuangan 2006, page 138. There is a column called “Perkiraan Realisasi/Estimation of Realization” that shows updates to the original estimates to reflect actual revenue collection at the end of BY 2005 when the executive’s 2006 budget was released (August 2005).

**Peer Reviewer TWO Comment**: I agree. See Chapter II Laporan Realisasi APBN Semester I TA 2005:

http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%20I%20TA%202005.pdf

30. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, such prior-year estimates of aggregate revenue are presented.</td>
</tr>
<tr>
<td>b.</td>
<td>No, such prior-year estimates of aggregate revenue are not presented.</td>
</tr>
<tr>
<td>c.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment:

**Peer Reviewer ONE Comment**: Nota Keuangan RAPBN 2006 only presents aggregate levels of revenue for one year prior (BY-1). Please see page 138 of Nota Keuangan RAPBN 2006.

**Peer Reviewer TWO Comment**: I agree. See Table III.1 (page 41).

http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf
And see:

31. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?

   a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).
   b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.
   c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue.
   d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all.
   e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment: A more appropriate response to this question would be “d.” Please see comment to question 30.

Peer Reviewer TWO Comment: A more appropriate response to this question would be “a,” as stated in Table III.2 (page 49) for tax revenue and Table III.3 (page 50) for non-tax revenue.

IBP Comment: IBP editors chose answer “a” to maintain consistency of assumptions across countries.

32. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

   a. Two years prior to the budget year (BY-2).
   b. Three years prior to the budget year (BY-3).
   c. Before BY-3.
   d. No actual data for all revenues are presented in the budget or supporting budget documentation.
   e. Not applicable/other (please comment).

Citation and/or comment: The budget document provides all revenue data for the last two years. Further details can be accessed at:

Peer Reviewer ONE Comment: A more appropriate response to this question would be “d.” The page that the researcher refers to shows that the most recent year for which all revenues reflect actual outcomes is only one year prior (2004 for BY 2005).

Peer Reviewer TWO Comment: A more appropriate response to this question would be “b.” Table III.2 (page 49) presents three years prior to the budget year (BY-3) which reflect actual outcomes, except FY 2005.
http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf

IBP Comment: IBP editors chose answer “b” to maintain consistency of assumptions across countries.
33. Does the executive’s budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?

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<tbody>
<tr>
<td>a.</td>
<td>Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, but only information on the level of debt is presented.</td>
</tr>
<tr>
<td>d.</td>
<td>No, information related to the government debt for BY-1 is not presented.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment: Further details can be accessed at: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) (page 126).

**Peer Reviewer ONE Comment:** For further details of Nota Keuangan RAPBN 2006 on which the answer should be based please see pages 165 at: [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf).

**Peer Reviewer TWO Comment:** I agree. I used the executive budget proposal; Tables III.4 and III.5 (page 63) present information on the level of debt only. [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf)

34. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

<p>| | |</p>
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<tbody>
<tr>
<td>a.</td>
<td>Two years prior to the budget year (BY-2).</td>
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<tr>
<td>b.</td>
<td>Three years prior to the budget year (BY-3).</td>
</tr>
<tr>
<td>c.</td>
<td>Before BY-3.</td>
</tr>
<tr>
<td>d.</td>
<td>No actual data for government debt are presented in the budget or supporting budget documentation.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>


**Peer Reviewer ONE Comment:** A more appropriate response to this question would be “d.” Please see pages 136 and 165 of Nota Keuangan RAPBN 2006 on which the answer to this question should be based. The most recent year presented is only one year prior (2005 for BY 2006).

**Peer Reviewer TWO Comment:** A more appropriate response to this question would be “b.” Table III.2 (page 49) presents three years prior to the budget year (BY-3) which reflect actual outcomes, except FY 2005. [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf)

**IBP Comment:** IBP editors chose answer “b” to maintain consistency of assumptions across countries.
### Comprehensiveness

<table>
<thead>
<tr>
<th>Q</th>
<th>Option</th>
<th>Citation and/or comment</th>
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</thead>
<tbody>
<tr>
<td>35.</td>
<td>a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</td>
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<td></td>
<td>b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded.</td>
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<td></td>
<td>c. Yes, some information is presented, but it lacks important details.</td>
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<tr>
<td></td>
<td>d. No, information on extra-budgetary funds is not presented.</td>
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<tr>
<td></td>
<td>e. Not applicable/other (please comment).</td>
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<td></td>
<td><strong>Citation and/or comment:</strong></td>
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<td></td>
<td><strong>Peer Reviewer ONE Comment:</strong></td>
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<td></td>
<td><strong>Peer Reviewer TWO Comment:</strong> I agree. There is not a published document where one can consult extra-budgetary funds in recent years; the issue of extra-budgetary funds remains one of the unfinished public finance issues in Indonesia in the past five years.</td>
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<th>Q</th>
<th>Option</th>
<th>Citation and/or comment</th>
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</thead>
<tbody>
<tr>
<td>36.</td>
<td>a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.</td>
<td></td>
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<tr>
<td></td>
<td>b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Yes, some information is presented, but it lacks important details.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. No, information on intergovernmental transfers is not presented.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e. Not applicable/other (please comment).</td>
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<td></td>
<td><strong>Citation and/or comment:</strong> Balance funds are the intergovernmental transfers into the local government and province government. See budget document: <a href="http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf">http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf</a> Table IV.7, Anggaran Belanja Untuk Daerah APBN-P 2004 dan APBN 2005, page 123.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Peer Reviewer ONE Comment:</strong> Please refer to Nota Keuangan RAPBN 2006, page 131 Table IV.7 at: <a href="http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf">http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf</a>. “Balance funds” in the researcher’s comment above refer to some portion of state revenue that should be distributed to local governments.</td>
<td></td>
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<td><strong>Peer Reviewer TWO Comment:</strong> I agree. I used the executive budget proposal, Table IV.7 (page 130), which indicates key intergovernmental transfers. <a href="http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf">http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf</a></td>
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37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?

   a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on transfers to public corporations is not presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: Further details can be accessed at:

   Peer Reviewer ONE Comment: Please refer to Nota Keuangan RAPBN 2006, page 141
   Enclosure 4 at:

   Peer Reviewer TWO Comment: I agree. Appendix 4 (Lampiran 4 Nota Keuangan), page 141, indicates such transfers to finance several subsidy items.

38. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?

   a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.
   b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on quasi-fiscal activities is not presented.
   e. Not applicable/other (please comment).

   Citation and/or comment: The budget allocation for subsidies amounted to 31,8 trillion rupiahs or 11.8% of the total central government expenditure. All of the subsidies are channeled through state-owned companies. For further details, please take a look at:
   http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf (page 104.)

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:
39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?

   a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value.
   b. Yes, information is presented, highlighting key information, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on financial assets is not presented.
   e. Not applicable/other (please comment).

   **Citation and/or comment:**

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:** There is no information in the executive’s budget proposal or in any supporting budget documents available (in public or published) about financial assets held by the government.

40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?

   a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, a discussion of their purpose, and (where possible) an estimate of their market value.
   b. Yes, information is presented, highlighting key information, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on non-financial assets is not presented.
   e. Not applicable/other (please comment).

   **Citation and/or comment:** The FY 2005 budget documents do not present information on non-financial assets, but this information can be accessed at the Directorate of State Treasury at the Ministry of Finance, government of Indonesia.

   **Peer Reviewer ONE Comment:** The 2006 budget document, which is the document on which the answer to this question should be based, does not present such information either.

   **Peer Reviewer TWO Comment:** I agree. There is no information on financial assets held by the government in the executive’s budget proposal or any supporting budget documents available (in public or published).
41. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?

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<tr>
<td>a.</td>
<td>Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates.</td>
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</tr>
<tr>
<td>b.</td>
<td>Yes, information is presented, highlighting key expenditure arrears, but some details are excluded.</td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td>Yes, some information is presented, but it lacks important details.</td>
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<tr>
<td>d.</td>
<td>No, information on expenditure arrears is not presented.</td>
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<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
<td>d</td>
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</table>

Citation and/or comment: We reconfirmed with the staff of the Ministry of Finance and verified the budget document, and concluded that there is no information on expenditure arrears.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I agree. I can not find information on expenditure arrears in the executive’s budget proposal or in supporting documents. I saw such a document on Satuan 3-A (Document 3-A; detail) APBN 2002, but such a document is not published.

42. Does the executive’s budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?

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<tbody>
<tr>
<td>a.</td>
<td>Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates.</td>
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</tr>
<tr>
<td>b.</td>
<td>Yes, information is presented, highlighting key contingent liabilities, but some details are excluded.</td>
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<tr>
<td>c.</td>
<td>Yes, some information is presented, but it lacks important details.</td>
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<tr>
<td>d.</td>
<td>No, information on contingent liabilities is not presented.</td>
<td></td>
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<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
<td>d</td>
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</table>

Citation and/or comment: For more detailed information, please take a look at Box 2, “Reformation on the Indonesia Financial Sector.”


**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I used the 2005 executive budget proposal (for 2006) as the main reference, and no information on contingent liabilities can be found in that document.
<table>
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<th>Question</th>
<th>Options</th>
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| 43. Does the executive’s budget or any supporting budget documentation present information on future liabilities, such as civil service pensions? | a. Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates.  
b. Yes, information is presented, highlighting key future liabilities, but some details are excluded.  
c. Yes, some information is presented, but it lacks important details.  
d. No, information on future liabilities is not presented.  
e. Not applicable/other (please comment). |
| Citation and/or comment: | For more detailed information, please take a look at Box 1, “The Implementation of Inpres Nr 5/2003.” [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) (Pages 12-13) |
| Peer Reviewer ONE Comment: | Nota Keuangan RAPBN 2006 does not present such information. |
| Peer Reviewer TWO Comment: | I used the 2005 executive’s budget proposal (for 2006) as the main reference; no information on future liabilities can be found in that document. |

| 44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind? | a. All sources of donor assistance are identified individually.  
b. At least two-thirds of, but not all, sources of donor assistance, are identified individually.  
c. Less than two-thirds of sources of donor assistance are identified individually.  
d. No sources of donor assistance are identified individually.  
e. Not applicable/other (please comment). |
| Citation and/or comment: | The budget document presents qualitative and quantitative information on donor assistance and grants; however, there is not detailed information regarding the individual sources of donor assistance. |
| Peer Reviewer ONE Comment: | Please see Tables IV.8 and IV.9, page 136 at: [http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf](http://www.djapk.depkeu.go.id/APBN/NK%20RAPBN%202006.pdf) |


45. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on tax expenditures?

- Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.
- Yes, information is presented, highlighting key tax expenditures, but some details are excluded.
- Yes, some information is presented, but it lacks important details.
- No, information on tax expenditures is not presented.
- Not applicable/other (please comment).

**Citation and/or comment:** We reconfirmed with the staff of the Ministry of Finance and verified the budget document, and there is no information on tax expenditure.

**Peer Reviewer ONE Comment:** No information on tax expenditure is present. All expenditures are based on aggregate levels of expenditure without classification such as tax expenditure.

**Peer Reviewer TWO Comment:**

46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?

- All earmarked revenues are identified individually.
- At least two-thirds of, but not all, earmarked revenues are identified individually.
- Less than two-thirds of earmarked revenues are identified individually.
- No earmarked revenues are identified individually.
- Not applicable/other (please comment).

**Citation and/or comment:** Earmarked revenues are collected into the tax account. In FY 2005, they were allocated into the balance funds between the central and local governments (intergovernmental fiscal), such as the General Allocation Fund (Dana Alokasi Umum, DAU) and the Specific Allocation Fund (Dana Alokasi Khusus, DAK).

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**
47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?

   a. One percent or less of expenditure is dedicated to secret items.
   b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.
   c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.
   d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.
   e. Not applicable/other (please comment).

   Citation and/or comment:

   The researcher marked the answer as “a.” Based on our calculation, spending on secret items amounts to 0.58 percent of total government expenditure. The assumption is that the total spending for the secret items i.e. Please look at Enclosures 5 and 6 in the budget document: [http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf](http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf) (pages 133-156.)
- Enclosure 6, Post 03.01.07 (national police) Rp. 272,239,570,000,-;
- post 02.01.05 (defense department) Rp. 25,759,920,000;
- Enclosure 5 post 50 (the national intelligence board, BIN) Rp. 676,768,600,000,-;
- post 51 (the National Code Institution, Lembaga Sandi Negara) Rp. 345,000,000,000,-.
The total spending on the secret item is Rp 1,319,768,090,000.
The percentage of total spending on the secret item to total government expenditure (Rp. 266,220,255,000,000) is 0.58%.

Peer Reviewer ONE Comment: A more appropriate response to this question would be “b.” The executive’s budget does not recognize spending on secret items. For this reason, using a different assumption to answer the question would produce a different amount. The above assumption is based on function-classified expenditure of Nota Keuangan 2005. From Nota Keuangan RAPBN 2006, it is assumed that government expenditure relevant to the term “secret items” from organization-classified expenditure (in thousand Rupiahs) are:
- Departemen Pertahanan (Defense Department)
  02.01.05 Program Penegakan Kedaulatan dan Penjagaan Keutuhan Wilayah NKRI Rp, 60,095,000
  02.02.01 Program Pengembangan Sistem dan Strategi Pertahanan 60,741,692
  02.02.02 Program Pengembangan Industri Pertahanan 5,054,463,128
  02.04.01 Program Penelitian dan Pengembangan Pertahanan 36,019,520
  02.05.01 Program Operasi Bhakti TNI 26,569,085
Badan Intelijen Negara (State Body of Intelligence)
- 03.01.07 Program Pengembangan Pengamanan Rahasia Negara 350,000,000
- 01.01.06 Program Peningkatan Komitmen Persatuan dan Kesatuan Nasional 60,336,158
- 01.01.19 Program Penyelenggaraan Pimpinan Kenegaraan dan Kepemerintahan 388,740,619
- 03.01.04 Program Pemberdayaan Potensi Keamanan 64,856,807
- 03.01.06 Program Pengembangan Penyelidikan, Pengamanan dan Penggalangan Keamanan Negara 350,000,000
Lembaga Ketahanan Nasional (National Security Board)
- 02.04.02 Program Pengembangan Ketahanan Nasional 14,800,000
Lembaga Sandi Negara (National Code Institution)
- 03.01.07 Program Pengembangan Pengamanan Rahasia Negara 350,000,000
Dewan Ketahanan Nasional (National Security Council)
02.01.01 Program Pengembangan Pertahanan Integratif 6.415.800
02.02.01 Program Pengembangan Sistem dan Strategi Pertahanan 15.000.000
Total expenditure of secret items: 6,938,037,809

Total Expenditure: 375,051,688,563
Total Expenditure of secret items of total expenditure is 1.85%

Peer Reviewer TWO Comment: I agree. I used the executive’s 2005 budget proposal as the indicator (for FY 2006), and there is 42.9 trillion rupiah for the defense and security sector, equal to 0.11% of total expenditure.

IBP Comment: IBP editors chose answer “b” to maintain consistency of assumptions across countries.

The Budget Narrative & Performance Monitoring

48. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals, by administrative unit (or functional category), for the budget year?

   a. Yes, extensive information on the link between the budget and the government’s stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the link between the budget and the government’s stated policy goals is not presented.
   e. Not applicable/other (please comment).


Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: Although Nota Keuangan, RAPBN 2006, and the Government Action Plan highlight the link between major policy goals and the budget, they lack important details.
49. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals for a multi-year period (for at least two years beyond the budget year)?

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<tr>
<td>1.</td>
<td>Yes, extensive information on the link between the budget and the government’s stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates.</td>
</tr>
<tr>
<td>2.</td>
<td>Yes, information is presented, highlighting the major policy goals, but some details are excluded.</td>
</tr>
<tr>
<td>3.</td>
<td>Yes, some information is presented, but it lacks important details.</td>
</tr>
<tr>
<td>4.</td>
<td>No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented.</td>
</tr>
<tr>
<td>5.</td>
<td>Not applicable/other (please comment).</td>
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</table>

Citation and/or comment: Please examine pages 35-38 of this document closely:
Also see the Government Action Plan, Book I, at:

Peer Reviewer ONE Comment: |

Peer Reviewer TWO Comment: Similar comment as in question 48.

50. Does the executive’s budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?

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<tbody>
<tr>
<td>1.</td>
<td>Non-financial data are presented for all programs.</td>
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<tr>
<td>2.</td>
<td>Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.</td>
</tr>
<tr>
<td>3.</td>
<td>Non-financial data are presented for programs representing less than two-thirds of expenditure.</td>
</tr>
<tr>
<td>4.</td>
<td>No non-financial data are presented.</td>
</tr>
<tr>
<td>5.</td>
<td>Not applicable/other (please comment).</td>
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</table>

Citation and/or comment: In the health sector, we find information on the number of Puskesmas (Health Service centers at the community level) that will be built. There is also information on the number of potential beneficiaries of the project. Please examine the matrix of the priority programs closely:
http://www.bappenas.go.id/index.php?module=Filemanager&func=download&path=ContentExpress/rkp2006/Lampiran%20(Matriks%20Buku%20I).pdf (pages 1L-1 to 78.)

Peer Reviewer ONE Comment: |

Peer Reviewer TWO Comment:
51. Are the non-financial data presented useful for assessing how an expenditure program is performing?

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<tbody>
<tr>
<td>a.</td>
<td>The non-financial data are very useful for assessing program performance.</td>
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<tr>
<td>b.</td>
<td>The non-financial data are mostly useful for assessing program performance.</td>
</tr>
<tr>
<td>c.</td>
<td>The non-financial data are somewhat useful for assessing program performance.</td>
</tr>
<tr>
<td>d.</td>
<td>No non-financial data are provided or they are not useful for assessing program performance.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment:

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** Although some non-financial data are available, they need to be added and/or compared to other related data to be used in assessing program performance.

52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?

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<tbody>
<tr>
<td>a.</td>
<td>Performance indicators are presented for all programs.</td>
</tr>
<tr>
<td>b.</td>
<td>Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures.</td>
</tr>
<tr>
<td>c.</td>
<td>Performance indicators are presented for programs representing less than two-thirds of expenditures.</td>
</tr>
<tr>
<td>d.</td>
<td>No performance indicators are presented.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
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</tbody>
</table>

Citation and/or comment:

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** Although the matrix indicates the priority programs, I do not think that it can be considered a performance indicator. It is not a performance indicator. The government plans to adopt a performance approach in 2006 as stated in the executive budget proposal 2005 (or 2006), but it has not yet presented performance indicators.
53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?

- a. All performance indicators are well designed.
- b. Most performance indicators are well designed.
- c. Some performance indicators are well designed, but most are not.
- d. No programs have performance indicators, or they are not well designed.
- e. Not applicable/other (please comment).

Citation and/or comment: The performance-based budget was released by 2005, so there were some indicators that were not well designed. The performance of the FY 2005 budget will be monitored in 2006. At the present time, the government is preparing the Government Regulation Draft (Rancangan Peraturan Pemerintah) concerning the monitoring and evaluation of budget planning.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I agree. No performance indicators are provided. The government plans to adopt a performance approach for 2006 as stated in executive budget proposal 2005 (or 2006), but it has not yet presented performance indicators.

54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?

- a. All performance indicators are used in conjunction with performance targets.
- b. Most performance indicators are used in conjunction with performance targets.
- c. Some performance indicators are used in conjunction with performance targets, but most are not.
- d. No performance indicators are used in conjunction with performance targets.
- e. Not applicable/other (please comment).

Citation and/or comment:

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** No performance indicators are provided. The government plans to adopt a performance approach for 2006 as stated in executive budget proposal 2005 (or 2006), but it has not yet presented performance indicators.
55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations?
   
a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.
   
b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.
   
c. Yes, some information is presented, but it lacks important details.
   
d. No, information on policies intended to alleviate poverty is not presented.
   
e. Not applicable/other (please comment).

   Citation and/or comment: This information can be accessed at: http://www.bappenas.go.id/pnData/ContentExpress/rkp2006/Bab%203%20(Kerangka%20Makro).pdf. (pages 1.3-8.)

Peer Reviewer ONE Comment: The researcher refers to the Government Action Plan considered a supporting budget document.

Peer Reviewer TWO Comment: I agree. There is no specific information either in the executive budget proposal or in Kerangka Ekonomi Makro on how intended policies would benefit the country’s most impoverished populations directly.

56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources?
   
a. Yes, extensive information on tax rates and fee schedules is presented, including both a narrative discussion and quantitative estimates.
   
b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.
   
c. Yes, some information is presented, but it lacks important details.
   
d. No, information is not presented.
   
e. Not applicable/other (please comment).

   Citation and/or comment: The government produces such a description (the tax rate or fee schedule for all revenue sectors) but it is not released to the public.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:
57. Does the executive make available to the public an analysis of the distribution of the tax burden?

a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded.
c. Yes, some analysis is presented, but it lacks important details.
d. No analysis on the distribution of the tax burden is presented.
e. Not applicable/other (please comment).

Citation and/or comment: The government does an analysis of the distribution of the tax burden and produces a report on it, but it does not make it available to the public.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

d

58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?

a. Yes, extensive information on conditions associated with IFI assistance is presented, including both a narrative discussion and quantitative estimates.
b. Yes, information is presented, but some details are excluded.
c. Yes, some information is presented, but it lacks important details.
d. No, information on conditions associated with IFI assistance is not presented.
e. Not applicable/other (please comment).

Citation and/or comment: The government receives some assistance or programs from IFIs related to the country’s priorities to enhance the prosperity of the people. The IFIs offers their agenda into the country.

Peer Reviewer ONE Comment: Sources of such information is usually provided in the mass media.

Peer Reviewer TWO Comment:
59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?

- Yes, extensive information on conditions associated with donor country assistance is presented, including both a narrative discussion and quantitative estimates.
- Yes, information is presented, but some details are excluded.
- Yes, some information is presented, but it lacks important details.
- No, information on conditions associated with donor country assistance is not presented.
- Not applicable/other (please comment).

**Citation and/or comment:**

*Peer Reviewer ONE Comment:*

*Peer Reviewer TWO Comment:* I think conditions are different with debt details such as amount of the fund, interest rate and grace period. Conditions associated with assistance from donor countries which usually include a loan/grant agreement are not published. Based on the experience of NGOs working on this issue, there is no way to access such documents. In other words, such documents are strictly unpublished.

60. Does the executive make available to the public a summary that describes the budget and its proposals?

- Yes, it provides a summary that is very informative.
- Yes, it provides a summary that is somewhat informative.
- Yes, but the summary is not very informative.
- No, it does not provide a summary.
- Not applicable/other (please comment).

**Citation and/or comment:**

*Peer Reviewer ONE Comment:*

*Peer Reviewer TWO Comment:* The government provides a summary, but it is not very informative in a way that would allow understanding the proposal behind the numbers.

61. Does the executive publish a “citizens budget” or some non-technical presentation intended for a wide audience that describes the budget and its proposals?

- Yes, it publishes a citizens budget that is very informative.
- Yes, it publishes a citizens budget that is somewhat informative.
- Yes, but the citizens budget is not very informative.
- No, it does not publish a citizens budget.
- Not applicable/other (please comment).

**Citation and/or comment:** A citizens budget is not published.

*Peer Reviewer ONE Comment*

*Peer Reviewer TWO Comment:*
62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?

   a. Yes, thorough definitions of budget terms are provided.
   b. Yes, definitions are provided, but some details are excluded.
   c. Yes, some definitions are provided, but it lacks important details.
   d. No, definitions are not provided.
   e. Not applicable/other (please comment).

   Citation and/or comment: The terms used in the budget can be seen in Article 1 of law Nr 36/2004, pages 159-162. http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf


63. Does the executive make available to the public a summary of the budget process?

   a. Yes, it includes a summary of the budget process that is very informative.
   b. Yes, it includes a summary of the budget process that is somewhat informative.
   c. Yes, but the summary of the budget process is not very informative.
   d. No, it does not include a summary of the budget process.
   e. Not applicable/other (please comment).

   Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: As far I am concerned, the executive do not open or report on the budget process either in/along the internal executive process or in/along the deliberating process in the legislative.
### 64. Do citizens have the right in law to access government information, including budget information?

- **a.** Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information.
- **b.** Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information.
- **c.** Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information.
- **d.** No, the right to access government information has not been codified into law, or this right does not include access to budget information.
- **e.** Not applicable/other (please comment).

*Citation and/or comment:* We have no freedom of information act. However, Parliament has already drafted one and will discuss it with the executive. At the same time, the government will propose the state secrecy law. There are actually clauses in some laws that guarantee people’s right to information. Some local governments have actually already deliberated a law on the freedom of information.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I agree. Some officials still perceive the budget as a government secret.

### 65. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?

- **a.** In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.
- **b.** In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
- **c.** In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.
- **d.** In practice, no highly disaggregated expenditure information is available.
- **e.** Not applicable/other (please comment).

*Citation and/or comment:* It is very difficult for common citizens to obtain such information for the national budget. However, in certain local governments, for example in Bandung Regency or in West Java Province, such information is available for the local budget and relatively easy to access.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**
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<td>66. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it from a ministry or agency?</td>
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<tr>
<td>a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.</td>
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<td>b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.</td>
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<td>c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.</td>
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<td>d. In practice, no highly disaggregated non-financial expenditure information is available.</td>
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<td>e. Not applicable/other (please comment).</td>
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Citation and/or comment: It is very difficult for common citizen to obtain such information for the national budget. It is worsened by the fact that non-financial information is not presented in any detail.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I agree. Highly disaggregated non-financial information is not published.
Section Three: The Budget Process
### The Budget Process

#### Executive’s Formulation of the Budget

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| 67. How far in advance of the release of the budget is the day of its release known? | a. The release date is set in permanent law. 
 b. The executive announces the release date at least two months in advance. 
 c. The executive announces the release date less than two months but more than two weeks in advance. 
 d. The executive announces the release date two weeks or less before the release, or makes no announcement. 
 e. Not applicable/other (please comment) |

**Citation and/or comment:** The public, including the media, knows that the budget will be submitted to Parliament by the president on 16 August (one day before independence day). This has been the practice for a long time and was drafted into permanent law in 2003.

**Peer Reviewer ONE Comment:** Please read law/UU No. 17/2003 of State Finance, Chapter 3 article 15 point (1): “Central Government submit draft of APBN law with Nota Keuangan and its supporting documents to Parliament prior year in August.” In practice, the executive’s budget document is usually submitted on 16 August each year. It is a common practice to have it submitted one day before Indonesia’s Independence Day.

**Peer Reviewer TWO Comment:** I agree. On August 16th, the government submits the executive budget proposal, coupled with the president’s speech in the legislative.

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| 68. Does the executive release to the public its timetable for its budget preparation process? | a. Yes, a detailed timetable is released to the public. 
 b. Yes, a timetable is released, but some details are excluded. 
 c. Yes, a timetable is released, but it lacks important details. 
 d. No, a timetable is not issued to the public. 
 e. Not applicable/other (please comment). |

**Citation and/or comment:** Government Regulations (Peraturan Pemerintah) Number 20 and Number 21 are the legal framework for the existing budget process. This is also a practice. However, the budget process timetable that is released to the public is broad in nature. Some details are excluded. For example, the executive budget document will be discussed with Parliament in September-October; and it is not known for sure exactly when this will take place.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** According to Government Regulations Number 20 and 21, the budget preparation process should take place from January to July, but there is no timetable for that process, instead, the timetable is closed. The deliberating process in the legislative should take place between September and November; the timetable for this deliberating process is also unpublished.
69. Does the executive adhere to its timetable for the preparation and release of the budget?

   a. The executive adheres to the dates in its timetable.
   b. The executive adheres to most of the key dates in its timetable.
   c. The executive has difficulty adhering to most of the dates in its timetable.
   d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable.
   e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: As in my comment to question 68, the executive does not release its timetable to the public.

70. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

   a. Yes, the executive holds extensive consultations with a wide range of legislators.
   b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded.
   c. Yes, the executive holds very limited consultations, involving only a few members of the legislature.
   d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process.
   e. Not applicable/other (please comment).

Citation and/or comment: September-October is the period of discussion and consultation with Parliament

Peer Reviewer ONE Comment: Determining the budget priorities involves consultations with members of the legislature in the preparation stages, after the finalization of the Government Action Plan by the executive after April and before August. September-October is the period of discussions and consultation with Parliament. At that time, the executive has already submitted its draft of RAPBN to Parliament for endorsement and not for determining budget priorities, since they have already been completed in the preparation stage. It looks like the researcher misunderstood the question where your concern is in determining budget priorities.

Peer Reviewer TWO Comment: I agree. Before the executive’s budget proposal is submitted on August 16th, the executive and the legislative hold intensive consultations with the budget commission in the legislative to discuss budget key indicators, priorities and platform. These take place from April to July.
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<th>71. Does the executive hold consultations with the public as part of its process of determining budget priorities?</th>
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<tr>
<td>a.</td>
<td>Yes, the executive holds extensive consultations with a wide range of constituencies.</td>
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<tr>
<td>b.</td>
<td>Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.</td>
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<tr>
<td>c.</td>
<td>Yes, the executive holds very limited consultations, involving only a few constituencies.</td>
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<tr>
<td>d.</td>
<td>No, the executive does not typically consult with the public as part of the budget preparation process.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
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</table>

**Citation and/or comment:** The executive branch does not hold public consultations in determining budget priorities. The executive argues that holding consultations with Parliament is enough because they believe that Parliament represents the public (the people). They also argue that the consultation process with Parliament is broadcasted / covered nationally by some media.

**Peer Reviewer ONE Comment:** The Government Action Plan document contains themes and priorities for one year. Law/UU No. 25/200f of System of National Development Planning Part 3 article 22 point (2): “Deliberation forum for development planning (Musrenbang) in order to set Government Action Plan (RKP) and Local Government Action Plan up to be attended by elements of executive.” Consultation and discussions with Parliament are held prior to the finalization of the Government Action Plan. Parliament is considered to be representative of the public.

**Peer Reviewer TWO Comment:** I agree. There is no public consultation as such held by any branch or unit of the executive in determining budget priorities.
72. When does the executive release a pre-budget statement to the public?

   a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year.
   b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year.
   c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year.
   d. The executive does not release a pre-budget statement.
   e. Not applicable/other (please comment).

Citation and/or comment:

The researcher marked this answer as “a.” The budget timetable (both in law and in practice) clearly shows that 1) April-May is a period of preparation of the fiscal policy statement and the budget policy statement, and 2) May 15 is the day when the fiscal policy statement is submitted to Parliament.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: When the executive and the legislative agree on key indicators, priorities and platforms for the forthcoming budget, they announce them to the public or to the press. However, such a document is not formally published, for instance, on the Internet.

IBP Comment: Please see comment to question 72. IBP editors chose answer “d” to maintain consistency of assumptions across countries. The president’s statement does not meet the key criteria required of pre-budget statements in the OECD Best Practices for Budget Transparency.
73. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?

   a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
   e. Not applicable/other (please comment).

Citation and/or comment:

The researcher marked this answer as “a.” In the pre-budget statement, there is an extensive explanation of the government fiscal and budget policy. Please closely examine this document: http://www.bappenas.go.id/pnData/ContentExpress/385/NKdanUUAPBN2005.pdf (pages 4-34.)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer “d” to maintain consistency of assumptions across countries. The president’s statement does not meet the key criteria required of pre-budget statements in the OECD Best Practices for Budget Transparency.
74. **Does the pre-budget statement describe the government’s policies and priorities that will guide the development of detailed estimates for the upcoming budget?**

   a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
   e. Not applicable/other (please comment).

   **Citation and/or comment:**

   **The researcher marked the answer as “c”** Yes; the pre-budget statement will guide the development of detailed estimates for the upcoming budget. The June-July period, after the fiscal policy statement, is the time when ministries, sectoral committees, and the ministry of finance discuss, negotiate and consolidate the upcoming budget.


   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**

   **IBP Comment:** IBP editors chose answer “d” to maintain consistency of assumptions across countries. The president’s statement does not meet the key criteria required of pre-budget statements in the *OECD Best Practices for Budget Transparency*.

75. **How far in advance of the start of the budget year does the legislature receive the budget?**

   a. The legislature receives the budget at least three months before the start of the budget year.
   b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year.
   c. The legislature receives the budget less than six weeks before the start of the budget year.
   d. The legislature does not receive the budget before the start of the budget year.
   e. Not applicable/other (please comment).

   **Citation and/or comment:** The national budget is approved by the legislature at the end of October every year. The start of the budget year is January. The president submits the budget law to the legislatures on 16 August of every year, one day before independence day.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**

   **Legislative Approval of the Budget**
76. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?

a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies.
b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.
c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.
d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.
e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: Legislative committees do not hold public hearings on the macroeconomic and fiscal framework.

77. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?

a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard.
b. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard.
c. Yes, a limited number of hearings are held in which testimony from the executive branch is heard.
d. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard.
e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: Public hearings are not held on the budgets of administrative units. There is no public participation in the budgetary process.
78. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?

   a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.
   b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.
   c. Yes, a limited number of hearings are held in which testimony from the public is heard.
   d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.
   e. Not applicable/other (please comment).

   **Citation and/or comment:** There is no public participation in the national budgetary process.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I agree. Public hearings are not held on the budgets of administrative units. There is no public participation in the budgetary process.

79. Do the legislative committees that hold public hearings release reports to the public on these hearings?

   a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings.
   b. Yes, the committees release reports, but some details are excluded.
   c. Yes, the committees release reports, but they are not very informative.
   d. No, the committees do not release reports or do not hold public hearings.
   e. Not applicable/other (please comment).

   **Citation and/or comment:**

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** I agree. The committees do not release reports or hold public hearings.
80. Does the executive present more details or provide a better explanation of any budget proposal, if members of the legislature (including from minority parties) request such information?

a. The executive responds to such legislative requests, and it generally provides an appropriate and timely response.

b. The executive responds to such legislative requests, but its responses are sometimes not appropriate or timely.

c. The executive responds to such legislative requests, but its responses are typically not appropriate or timely.

d. The executive responds selectively or ignores such legislative requests.

e. Not applicable/other (please comment).

Citation and/or comment: Yes, the executive responds to such legislative requests, but the responses are often substantially not appropriate, with no detail. It seems that the executive is reluctant to give the complete and detailed information that is needed by members of parliament.

Peer Reviewer ONE Comment: The legislature examines the executive’s budget proposal between August 16 and the end of October. It is a relatively short time to gain deep comprehension of a budget proposal. The executive responds to some requests for details in a timely and appropriate way, but not to other requests. On one hand, details of tax and oil production were not provided in an appropriate or timely manner by the executive after they were requested. On the other hand, the legislature’s request for details regarding necessary budget expenditure by administrative unit such as the defense department was addressed appropriately and in a timely manner. The answer to this question then seems to be “b.”

Peer Reviewer TWO Comment:
81. Is the legislature (or the appropriate legislative committee) given information for the budget year on the spending of secret items relating to, for instance, national security and military intelligence?

a. Yes, the legislature is provided extensive information on all spending on secret items.
b. Yes, the legislature is provided information on spending on secret items, but some details are excluded.
c. Yes, the legislature is provided some information on spending on secret items, but it lacks important details.
d. No, the legislature is provided no information on secret items.
e. Not applicable/other (please comment).

Citation and/or comment: Although the detail of secret items spending is not provided, we can predict the approximate amount of the budget that is allocated to these expenditures. Based on our calculation, the amount of the budget that is allocated to these expenditures is less than 1 percent.

**Peer Reviewer ONE Comment:** The Indonesian budget system does not recognize the term “secret items.” Spending on such items is explained in Nota Keuangan RAPBN just like any other spending in other departments/institutions.

**Peer Reviewer TWO Comment:** My interview with one of the legislative budget committee members indicates that they do receive information on secret items spending but it is very limited, based on request, and some information cannot be given.

82. Does the legislature have authority to amend the budget presented by the executive?

a. Yes, the legislature has unlimited authority to amend the budget.
b. Yes, the legislature has authority to amend the budget, with some limitations.
c. Yes, the legislature has authority to amend the budget, but its authority is very limited.
d. No, the legislature does not have any authority to amend the budget.
e. Not applicable/other (please comment).

Citation and/or comment: Yes, to exercise its function and task, Parliament has a right to amend the budget. However, its authority to amend the budget has some limitations. Members of parliament have to discuss and negotiate with the executive to amend the budget.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**
83. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?

a. The approved budget includes program-level detail.
b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).
c. The approved budget includes only departmental totals.
d. The approved budget includes less information than departmental totals.
e. Not applicable/other (please comment).

Citation and/or comment: In the budget document that is passed by the legislature, budget allocation for various programs is included. It is clearly indicated that the approved appropriation includes program-level detail.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

Executive’s Implementation of the Budget

84. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?

a. In-year reports on actual expenditure are released at least every month.
b. In-year reports on actual expenditure are released at least every quarter.
c. In-year reports on actual expenditure are released at least semi-annually.
d. In-year reports on actual expenditure are not released.
e. Not applicable/other (please comment).

Citation and/or comment: In-year reports on actual expenditure are produced every month in each administrative unit, but they are not released to the public.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

85. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?

a. Yes, in-year reports cover all expenditures.
b. Yes, in-year reports cover at least two-thirds, but not all, of expenditures.
c. Yes, in-year reports cover less than two-thirds of expenditures.
d. No in-year reports are released to the public.
e. Not applicable/other (please comment).

Citation and/or comment: The government produces an in-year report but does not release it to the public.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:
86. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

a. Yes, comparisons are made for all expenditures.
b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures.
c. Yes, but comparisons are made for less than two-thirds of expenditures.
d. No, comparisons are not made, or no in-year reports are released to the public.
e. Not applicable/other (please comment).

Citation and/or comment: The government produces an in-year report but does not release it to the public.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**

87. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?

a. In-year reports on actual revenue collections by source of revenue are released at least every month.
b. In-year reports on actual revenue collections are released at least every quarter.
c. In-year reports on actual revenue collections are released at least semi-annually.
d. In-year reports on actual revenue collections by source of revenue are not released.
e. Not applicable/other (please comment).

Citation and/or comment: The government produces an in-year report but does not release it to the public.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**

88. What share of revenue is covered by the in-year reports on actual revenue collections?

a. In-year reports cover the actual revenue collections of all sources of revenue.
b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue.
c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources.
d. In-year reports on actual revenue collections are not released to the public.
e. Not applicable/other (please comment).

Citation and/or comment: The government produces an in-year report but does not release it to the public.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**
89. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?
   a. Yes, comparisons are made for all revenue sources.
   b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.
   c. Yes, but comparisons are made for less than two-thirds of revenue sources.
   d. No, comparisons are not made, or no in-year reports are released to the public.
   e. Not applicable/other (please comment).

   Citation and/or comment: The government produces an in-year report but does not release it to the public.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**

90. Does the executive release to the public in-year reports on actual borrowing?
   a. Yes, in-year reports on actual borrowing are released at least every month.
   b. Yes, in-year reports on actual borrowing are released at least every quarter.
   c. Yes, in-year reports on actual borrowing are released at least semi-annually.
   d. No, in-year reports on actual borrowing are not released.
   e. Not applicable/other (please comment).

   Citation and/or comment: The government produces the in-year report but does not release it to the public.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**

91. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?
   a. Yes, extensive information related to the composition of government debt is presented.
   b. Yes, key additional information is presented, but some details are excluded.
   c. Yes, some additional information is presented, but it lacks important details.
   d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released.
   e. Not applicable/other (please comment).

   Citation and/or comment: The government produces an in-year report but does not release it to the public.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:**
92. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?

   a. Reports are released 1 month or less after the end of the period.
   b. Reports are released 2 months or less (but more than 1 month) after the end of the period.
   c. Reports are released more than 2 months after the end of the period.
   d. In-year reports are not released.
   e. Not applicable/other (please comment).

   Citation and/or comment: The government produces an in-year report but does not release it to the public.

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:

93. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?

   a. Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget.
   b. Yes, the mid-year review includes a discussion of the economy, but it lacks some details.
   c. Yes, the mid-year review includes a discussion of the economy, but it lacks important details.
   d. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget.
   e. Not applicable/other (please comment).

   Citation and/or comment: Yes; in the mid-year review there is an extensive discussion of the economy, mainly regarding the impact of the increasing international price of oil on the budget allocation for the subsidy.

   Peer Reviewer ONE Comment: Please see the First Semester Executive’s Report on pages 1-22, Chapter 1: “Progress of basic assumptions of APBN in first semester 2005”
   http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf

   Peer Reviewer TWO Comment: Such a review is used to submit the budget change (APBN-P). The document title is Laporan Pemerintah tentang Pelaksanaan APBN Semester I TA 2005 (Government Report on First Semester Budget Implementation)
   http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf
94. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?

  a. Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.
  b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided.
  c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided.
  d. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget.
  e. Not applicable/other (please comment).

Citation and/or comment: The volatility of international oil prices in FY 2005 and the mega-scale disaster of the Tsunami in Aceh at the end of FY 2004 had a strong impact on the budget.

Peer Reviewer ONE Comment: Please see the First Semester Executive’s Report on pages 27-57, Chapter 2 “Anggaran Pendapatan dan Belanja Negara”
http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf.

Peer Reviewer TWO Comment: I Agree.
http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf

95. What is the most detail provided in the mid-year review for expenditures?

  a. The mid-year review includes program-level detail for expenditures.
  b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs).
  c. The mid-year review includes only departmental totals (or functional totals).
  d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget.
  e. Not applicable/other (please comment).

Citation and/or comment: In the mid-year review there is not detailed information on program expenditures.

Peer Reviewer ONE Comment: Please see the realization of expenditure in the first semester Tables II.3, II.4, II.5 pages 45-49, at:
http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf. Only the total amount of realization in the first semester according to three classifications (type, organization and function) is presented, without any detail.

Peer Reviewer TWO Comment: I agree. See:
http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf (especially Chapter II.)
96. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?

   a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.
   b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided.
   c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided.
   d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget.
   e. Not applicable/other (please comment).

   Citation and/or comment: In FY 2005, the international price of oil was very volatile.

Peer Reviewer ONE Comment: Please refer to Chapter II, pages 29-40 at: http://www.djapk.depkeu.go.id/APBN/Laporan%20Realisasi%20APBN%20Semester%201%20TA%202005.pdf. Narrative and financial (in tables) information is provided.


97. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain level, as specified in law or regulation)?

   a. Yes, the executive seeks approval from the legislature before shifting funds between administrative units.
   b. Yes, the executive advises the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.
   c. Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.
   d. No, the executive shifts funds between administrative units without seeking input from the legislature.
   e. Not applicable/other (please comment).

   Citation and applicable/other (please comment).

Peer Reviewer ONE Comment: 

Peer Reviewer TWO Comment: I agree. In enacting changes in the budget (APBN-P), it is necessary to get approval from the legislature.
98. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

   a. There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.
   b. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.
   c. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.
   d. No, the procurement process was not open and competitive in practice.
   e. Not applicable/other (please comment).

   Citation and/or comment: Some media reported on irregularities in the privatization process of state-own enterprises/banks.

Peer Reviewer ONE Comment: The mass media usually publishes such information.

Peer Reviewer TWO Comment: I agree. Based on corruption cases that were brought by anti-corruption organizations, and also those which brought to the prosecutors, it is clear that there are significant irregularities in the procurement process.

99. When does the legislature typically approve supplemental budgets?

   a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).
   b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).
   c. Not applicable/other (please comment).

   Citation and/or comment: Both in law and in practice, the budget year underway can be changed twice, at the latest three month before the end of the fiscal year.

Peer Reviewer ONE Comment: Law/UU No. 13/2005 of APBN 2006 article 16 regulates how supplemental budgets may be approved by the legislature and conditions under which supplemental budgets can be proposed. The budget is approved before the funds are expended except in situations of emergency (article 14).

Peer Reviewer TWO Comment: I agree. Instead of expending supplementary budgets in advance, the executive and the legislative use the two changes they are allowed to propose supplemental budgets.
100. In most years, how large are supplemental budget requests relative to the size of the original budget?

   a. Supplemental budgets are generally equal to 2 percent or less of the original budget.
   b. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.
   c. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget.
   d. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.
   e. Not applicable/other (please comment).

Citation and/or comment: The supplemental budget for FY 2005 (APBN-Perubahan), was around 7.88% of the original budget year (2005 APBN). The original expenditure of FY 2005 is Rp. 394,115,018,800,000 while the supplemental expenditure is Rp. 392,819,500,000,000. For further details on the supplemental budget in FY 2005 (APBN-Perubahan):
http://www.djapk.depkeu.go.id/APBN/NK%20dan%20RUU%20Perubahan%20Ke%202%20APBN%202005.pdf (page 89.)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: As indicated on page 39 that document, the supplemental budget request can vary:

In 2005, the second supplemental budget request (APBN-P2) was 542,400.1 billion rupiah which was an increase of 144,630.8 billion rupiah (36.4 percent of the total expenditure platform of that budget year, before supplemented APBN-P1; 397,769.3 billion) or an increase of 30,482.3 billion (6.0 percent) of the total expenditure platform of the first supplemental budget APBN-P 2005 which is 511,917.8 billion. This means that the supplementary budget can be more than 10 percent but that it can also be less than that. The second thing that should be noted is that, in early 2005, Indonesia just faced an unprecedented response for tsunami hits area, where international support came and pledged. The first supplementary budget reflects that shock, so the more normal amount, I think, is in the second supplementary budget.
101. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?

a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget.
b. Expenditures are approved after the funds are expended, but before the end of the fiscal year.
c. Expenditures are approved after the end of the fiscal year, for example in the next budget.
d. Such expenditure takes place without legislative approval.
e. Not applicable/other (please comment).

Citation and/or comment: It is usually related to extraordinary things, such as a disaster (tsunami) or an epidemic disease (bird flu).

Peer Reviewer ONE Comment: Law/UU No. 13/2005 of APBN 2006 article 14 prescribes that in a situation of emergency the executive is allowed to spend contingency funds. Reports of such a kind of expenditure would be submitted in the draft amendment of APBN 2006 and or would be submitted in the report of realization of the budget 2006.

Peer Reviewer TWO Comment: In recent years, contingency funds have increased both in national and regional budgets. Although there is no report where we can consult the exact number, it seems that it can cover all needs. If it is not enough, the executive and the legislative can use the first or the second chance to change the budget (APBN-P1 and APBN-P2).
<table>
<thead>
<tr>
<th>Executive’s Year-End Report and the Supreme Audit Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>102. How long after the end of the budget year does the executive release to the public a year-end report or another document that discusses the budget’s actual outcome for the year?</td>
</tr>
<tr>
<td>a. Reports are released six months or less after the end of the fiscal year.</td>
</tr>
<tr>
<td>b. Reports are released 12 months or less (but more than six months) after the end of the fiscal year.</td>
</tr>
<tr>
<td>c. Reports are released more than 12 months after the end of the fiscal year.</td>
</tr>
<tr>
<td>d. The executive does not release a year-end report.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment: Both in law and in practice, a year-end report is released to the public, usually in or around the end of June or July.

Peer Reviewer ONE Comment: Law/UU No. 13/2005 of APBN 2006 article 17 point (3) prescribes that the executive submit its law draft report of realization of the budget using APBN 2006 a maximum of 6 months after the end of BY to legislature after examination of the Supreme Audit Institution (BPK).

Peer Reviewer TWO Comment: I agree. A year-end report is produced in June, as part of the pre-budget discussion for the forthcoming year. See Rencana Kerja Pemerintah Tahun 2006 (Government Action Plan 2006).
103. In the year-end report, or another document released to the public by the executive (please specify below), have the data on the actual outcomes been audited?

a. Yes, all data on actual outcomes have been audited.
b. At least two-thirds, but not all, of the data on actual outcomes have been audited.
c. Less than two-thirds of the data on actual outcomes have been audited.
d. None of the data on actual outcomes has been audited, or a year-end report is not released.
e. Not applicable/other (please comment).

Citation and/or comment:

The researcher marked the answer as “c.” The Supreme Audit Institution (SAI) recently informed the public that less than two thirds of the data on actual outcome have been audited. The SAI employ sampling methods in doing audits of state finances. The audit’s unit of analysis is scattered by regions, departments or programs.

Peer Reviewer ONE Comment: Law/UU No. 13/2005 of APBN 2006 article 17 point (3) prescribes that the executive submit its law draft report of realization of the budget using APBN 2006 a maximum of 6 months after the end of BY to the legislature after examination of the Supreme Audit Institution (BPK). However, it could be different in practice. Since SAI informed the public that less than two thirds of data on actual outcome have been audited, this should be marked “c.”

Peer Reviewer TWO Comment: A more appropriate response to this question would be “d.” Audit of SAI is carried out after the year-end report is released, unless there is a specific order from the legislative.

IBP Comment: IBP editors chose answer “d” to maintain consistency of assumptions across countries. This question refers to whether or not the outcomes in the year-end report have been audited, rather than the coverage of the audit report.

104. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or such a report is not released.
e. Not applicable/other (please comment).

Citation and/or comment: Yes, in this year-end report we can compare the enacted and actual expenditure.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: The report compares the enacted level and the actual outcome, but some details are excluded.
105. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report, or another document released to the public by the executive (please specify below)?

   a. The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.
   b. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases).
   c. The explanation focuses on a higher level of aggregation than departmental totals (or functional totals).
   d. No explanation of the differences is provided, or such a report is not released.
   e. Not applicable/other (please comment).

Citation and/or comment: The implication of the implementation of a performance based budget is that the explanation of the differences between the enacted levels and the actual outcome for expenditures must be at the program level

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: It seems to be required by the legislative to compare the differences at the program level in order to enable judging the changes for the forthcoming budget year.

106. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

   a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, but it lacks important details.
   e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:
107. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or such a report is not released.
e. Not applicable/other (please comment).

Citation and/or comment: In this year-end report we find that the recent macroeconomic instabilities in Indonesia can be characterized by 4 things: the increasing of internal oil price which has strong implications for the increasing of budget allocation for oil subsidy (bigger budget deficit), the weakening of the national currency to main foreign currencies (especially the US dollar), high inflation rates, and mass lay-offs (high rate of unemployment).

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

108. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original estimates of non-financial data and the actual outcome?

a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or such a report is not released.
e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: Some details, such as non-financial data, are not included into the year-end report.
109. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original performance indicators and the actual outcome?

   a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or such a report is not released.
   e. Not applicable/other (please comment).

Citation and/or comment: At this time we can not compare the original performance indicator to the actual outcome because the implementation of a performance-based budget system is just beginning. In the years to come, it is quite possible that we will be able to.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: There is no explanation for the change in performance indicators. Even the performance indicator itself, I don’t find a document which states that, although according to Executive Budget Proposal 2005 (for 2006), performance budget will be started in 2006.

110. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted level of funds intended to benefit directly the country’s most impoverished populations and the actual outcome?

   a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or such a report is not released.
   e. Not applicable/other (please comment).

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: No explanation is included. I did not find any other supporting document that shows how such budget schemes are intended to benefit the country’s most impoverished populations directly, except for Aceh’s rehabilitation and reconstruction (after the tsunami) where the significant amount of funds coming from international grants or debt moratoriums require such explanation.
111. Does the year-end report, or another document released to the public by the executive (please specify below), present the actual outcome for extra-budgetary funds?

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<tbody>
<tr>
<td>a.</td>
<td>Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, information is presented, highlighting key issues, but some details are excluded.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, some information is presented, but it lacks important details.</td>
</tr>
<tr>
<td>d.</td>
<td>No, information is not presented on extra-budgetary funds, or such a report is not released.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment:

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** Neither the year-end report, nor any document released to the public, present information on extra-budgetary funds.

112. How long after the end of the fiscal year are the final expenditures of national departments audited and (except for secret programs) released to the public?

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<tbody>
<tr>
<td>a.</td>
<td>Final audited accounts are released to the public six months or less after the end of the fiscal year.</td>
</tr>
<tr>
<td>b.</td>
<td>Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year.</td>
</tr>
<tr>
<td>c.</td>
<td>Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year.</td>
</tr>
<tr>
<td>d.</td>
<td>Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment: Usually it is released to the public around September or October. So the final audit accounts are released to the public more than six months but less than 12 months or after the end of the fiscal year.

**Peer Reviewer ONE Comment:** The answer to this question is connected to comment No. 103 Law/UU No. 13/2005 of APBN 2006 Article 17 point (3) prescribes the executive to submit its law draft report of realization of the budget using APBN 2006 a maximum of 6 months after the end of BY to the legislature after examination of the Supreme Audit Institution (BPK). However, it could be different in practice since the SAI informed the public that less than two thirds of the data on actual outcomes have been audited. Final audit accounts could be released 12 months or less (but more than six months) after the end of the fiscal year.

**Peer Reviewer TWO Comment:** The audit takes place after the year-end report, which is in June.
113. Two years after the completion of a fiscal year, what percentage of expenditure has been audited and (except for secret programs) the reports released to the public?

   a. All expenditures have been audited and the reports released to the public.
   b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited.
   c. Expenditures representing less than two-thirds of expenditure have been audited.
   d. No expenditures have been audited, or the reports have not been released to the public.
   e. Not applicable/other (please comment).

   Citation and/or comment: The SAI recently confirmed that their audited coverage is less than two-thirds of expenditure. The unit analysis and magnitude of state finance that must be audited is scattered by regions, administrative unit, state-own companies and programs.

   Peer Reviewer ONE Comment: A more appropriate response to this question would be “a.” I consider that the answer should be marked “a” stressing “two years after completion…” The SAI’s confirmation might be received by the researcher in a period of less than two years after completion of the fiscal year that was referred to when responding this question.

   Peer Reviewer TWO Comment: IBP Comment: IBP editors chose answer “c” to maintain consistency of assumptions across countries.

114. Do year-end audit reports of departmental expenditure that are released to the public include an executive summary?

   a. All of these audit reports include an executive summary.
   b. Most of these reports include an executive summary.
   c. Some of these reports include an executive summary.
   d. None of these audit reports include an executive summary, or such reports are not released to the public.
   e. Not applicable/other (please comment).

   Citation and/or comment:

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:
115. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

   a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.
   b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.
   c. Not applicable/other (please comment).

Citation and/or comment:

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:

116. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?

   a. Yes, the SAI releases to the public audits of all extra-budgetary funds.
   b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.
   c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.
   d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds.
   e. Not applicable/other (please comment).

Citation and/or comment: The SAI confirmed that releases of audits to the public represent less than two-thirds of all extra-budgetary funds.

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:

117. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have discretion in law to undertake those audits it may wish to?

   a. The SAI has full discretion to decide which audits it wishes to undertake.
   b. The SAI has significant discretion, but faces some limitations.
   c. The SAI has some discretion, but faces considerable limitations.
   d. The SAI has no discretion to decide which audits it wishes to undertake.
   e. Not applicable/other (please comment).

Citation and/or comment: Some important and considerable limitations are the budget, personnel and political support from Parliament. Recently the chairman of the SAI complained that their findings are not taken into account or followed-up on by the relevant parties (Parliament, general attorney and police).

   Peer Reviewer ONE Comment:

   Peer Reviewer TWO Comment:
118. Who determines the budget of the Supreme Audit Institution?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.</td>
</tr>
<tr>
<td>b.</td>
<td>The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.</td>
</tr>
<tr>
<td>c.</td>
<td>The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.</td>
</tr>
<tr>
<td>d.</td>
<td>The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment: As an example, in recruiting a new auditor, in order to increase their coverage, the SAI has discussed (consultation, negotiation) with other institutions (the state ministry of civil servant).

Peer Reviewer ONE Comment: A more appropriate response to this question would be “b.” SAI (BPK in Indonesia term) is one of the state institutions. The total amount of budget allocated for the SAI is included in the executive’s budget proposal. Please see Nota Keuangan RAPBN 2006 Table IV.5 page 116, the organization-based classification of expenditure. SAI (or BPK in Indonesia term) is put in the list I with Kode BA 04.

Peer Reviewer TWO Comment: IBP Comment: IBP editors chose answer “d” to maintain consistency of assumptions across countries.

119. Does a committee of the legislature view and scrutinize the audit reports?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
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<tbody>
<tr>
<td>a.</td>
<td>Yes, all audit reports are scrutinized.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, most audit reports are scrutinized.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, some audit reports are scrutinized.</td>
</tr>
<tr>
<td>d.</td>
<td>No, audit reports are not scrutinized.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

Citation and/or comment: It is closely related to the fact that some findings of the irregularities may be politically connected to them. They will get political benefits by scrutinizing some audit reports. If they think that they were inflicted in fraud (irregularities) they do not scrutinize some audit reports.

Peer Reviewer ONE Comment: Peer Reviewer TWO Comment: A more appropriate response to this question would be “b.” In order to carry out their control function or in dealing with their executive counterpart, the legislative committees use and scrutinize SAI’s audit report. Regarding the legislature’s personal preference, I think it is a different issue.

IBP Comment: IBP editors chose answer “c” to maintain consistency of assumptions across countries.
120. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

   a. Yes, the executive reports publicly on what steps it has taken to address audit findings.
   b. Yes, the executive reports publicly on most audit findings.
   c. Yes, the executive reports publicly on some audit findings.
   d. No, the executive does not report on steps it has taken to address audit findings.
   e. Not applicable/other (please comment).

   Citation and/or comment: The executive has no obligation (legal basis/framework) to release steps it has taken to address audit findings to the public.

   **Peer Reviewer ONE Comment:**
   
   **Peer Reviewer TWO Comment:**

121. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

   a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.
   b. Yes, a report is released, covering key audit recommendations, but some details are excluded.
   c. Yes, a report is released, but it lacks important details.
   d. No, a report is not produced or it is prepared for internal purposes only (please specify).
   e. Not applicable/other (please comment).

   Citation and/or comment: There is no obligation for the SAI to write such report and release it to the public.

   **Peer Reviewer ONE Comment:**

   **Peer Reviewer TWO Comment:** As far as I known, such reports are not produced. SAI’s reports are submitted to the legislature, and the legislature will use them to urge government to take some actions if necessary, usually during the hearing session with relevant ministries. Prior to that session, relevant committees in the legislative normally will send letter and pointers to be discussed in the coming session, including pointers from SAI’s report. Ministries prepare their reply, and it is usually submitted the day of the hearing session. In most cases, the reports are not published.
122. Are audit reports related to national security and other secret programs provided to the legislature (or relevant committee)?

   a. Yes, legislators are provided with detailed audit reports related to national security and other secret programs.
   b. Yes, legislators are provided audit reports on secret items, but some details are excluded.
   c. Yes, legislators are provided audit reports on secret items, but they lack important details.
   d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).
   e. Not applicable/other (please comment).

Citation and/or comment: It is no longer secret if it detailed information is provided. As an example, if there was a “meeting” or a “special operation” component in intelligence institutions expenditure. This institution will not provide how many people, who they are, when the meeting is taking place, etc.

Peer Reviewer ONE Comment: Please refer to information on how Indonesia does not recognize secret items on its expenditure. Such kinds of expenditure are treated similarly to other kinds of expenditure.

Peer Reviewer TWO Comment: As we can see in the Supreme Audit Institution’s audit report (formally submitted to the legislative) on the Department of Defense, the Joint Intelligence Agency (BIN), Lembaga Sandi Negara, National Police, it is clear that important details are not included in those reports. A conversation with SAI’s auditor indicates that the SAI has no decision to erase that part in the report; instead, it is not easy to audit secret programs in the security sector. [http://www.bpk.go.id/doc/parsial/lkpp2.html](http://www.bpk.go.id/doc/parsial/lkpp2.html)