

International Budget Project
OPEN BUDGET QUESTIONNAIRE

KAZAKHSTAN

October 2005

International Budget Project
Center on Budget and Policy Priorities
820 First Street, NE
Suite 510
Washington, DC 20002
www.internationalbudget.org

This questionnaire was completed by:

| | |
|--------------------------|--|
| Name: | MERUERT MAKHMUTOVA. PhD. |
| Organization: | PUBLIC POLICY RESEARCH CENTER |
| Address: | 65, Kazybek bi street office 421, Almaty Kazakhstan |
| Telephone: | (+73272) 670340 |
| E-mail: | sipa@nursat.kz, info@pprc.kz |
| Internet Website: | www.pprc.kz |

International Budget Project OPEN BUDGET QUESTIONNAIRE KAZAKHSTAN

| | |
|--|-----------|
| Section One: The Availability of Budget Documents | 4 |
| Table 1. Budget Year of Documents Used in Completing the Questionnaire | 5 |
| Table 2. Internet Links for Key Budget Documents..... | 6 |
| Table 3. Distribution of Documents Related to the Executive’s Budget Proposal..... | 7 |
| Table 4. Distribution of the Enacted Budget and Other Reports | 8 |
| Section Two: The Executive’s Budget Proposal | 9 |
| Estimates for the Budget Year and Beyond..... | 10 |
| Estimates for Years Prior to the Budget Year..... | 18 |
| Comprehensiveness..... | 28 |
| The Budget Narrative & Performance Monitoring..... | 35 |
| Additional Key Information for Budget Analysis & Monitoring..... | 38 |
| Section Three: The Budget Process | 45 |
| Executive’s Formulation of the Budget | 46 |
| Legislative Approval of the Budget..... | 51 |
| Executive’s Implementation of the Budget..... | 56 |
| Executive's Year-End Report and the Supreme Audit Institution | 66 |

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."

| Budget Documents Used in Completing the Questionnaire | |
|---|------------------|
| <i>As explained in the guide to the questionnaire, documents from a variety of fiscal years are referred to throughout the questionnaire. Please indicate below for which fiscal year responses to questions relating to each report or experience were based on.</i> | |
| | Budget Year Used |
| Pre-Budget Statement | 2006 |
| Budget Summary | Not Available |
| Executive's Budget Proposal | 2006 |
| Supporting Budget Documents | 2006 |
| Citizens Budget | Not Available |
| Enacted Budget | 2005 |
| In-Year Reports | 2005 |
| Mid-Year Report | Not Available |
| Year-End Report | 2004 |
| Audit Report | 2004 |

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.”

| Budget Document | Website |
|-----------------------------------|---|
| Pre-Budget Statement | Publicly Available, http://www.minplan.kz/index.cfm?tid=179 |
| Budget Summary | Produced, But Not Available to the Public. It mainly consist from the <u>ideas</u> of the Mid-Term Fiscal Policy www.minplan.kz/index.cfm?tid=198 and the Mid-Term Plan on Social Economic Development available at www.minplan.kz/index.cfm?tid=216 |
| Executive’s Budget Proposal | www.minplan.kz/mime/files/271/ppr_(1).pdf |
| Supporting Budget Documents | Produced, But Not All of Them Available to the Public, Mid-term Fiscal Policy www.minplan.kz/index.cfm?tid=198 and Mid-term Plan of Social Economic Development available on www.minplan.kz/index.cfm?tid=216 Explanatory note to the Budget Proposal: it is not available to the public, but it’s not a secret. Sometimes, the newspaper can publish it. However, the Ministry of Economy and Budget Planning have not placed it on web page with the Budget Proposal. |
| Citizens Budget | Not Produced |
| Enacted Budget | www.minplan.kz/mime/files/293/Zakon%20RB%202006%20.pdf |
| In-Year Reports | www.minfin.kz.index.php?act=budget&lang=rus&vb=3&uin=1120634698&search=1 |
| Mid-Year Review | Not Produced |
| Year-End Report | Full report with description and comparative analysis which the Government presents to Parliament is publicly Not Available The data of the report (tables with all tax, and other revenue, expenditure)is available on www.minfin.kz.index.php?act=budget&lang=rus&vb=3&uin=1120634698&search=1 and in the Statistical Bulletin of Ministry of Finance (MoF): www.minfin.kz/index.php?uin=11195010167lang=rus |
| Audit Report | www.esep.kz/rus.content/view/full/943 |
| Other Documents | www.minfin.kz , www.minplan.kz |
| Relevant Ministries & Departments | Ministry of Finance of the Republic of Kazakhstan (RoK), Ministry of Economy and Budget Planning of the RoK, Accounts Committee for Control over Execution of the Republican Budget |

Table 3. Distribution of Documents Related to the Executive's Budget Proposal

| DISTRIBUTION OF BUDGET DOCUMENTS | | | | | | |
|--|------------|------------------------------------|-----------------|-----------------------|-----------------------|-----------------|
| <i>For the following reports, place "Yes" in the appropriate row below to indicate if the report is:</i> | | | | | | |
| | Pre-budget | Executive's Budget Proposal | | | | Citizens budget |
| | | Main document | Budget summary* | Supporting Document 1 | Additional Document 2 | |
| A. Not produced, even for internal purposes | | | | | | Yes |
| B. Produced for internal purposes, but not available to the public | | | Yes | | | |
| C. Produced and available to the public, but only on request | | | | | | |
| D. Produced and distributed to the public (for example, in libraries, posted on the Internet.) | Yes | Yes | | Yes | Yes | |
| <i>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.</i> | | | | | | |
| | Pre-budget | Executive's Budget | | | | Citizens budget |
| | | Main document | Budget summary* | Supporting Document 1 | Additional Document 2 | |
| 1. The release date is known at least one month in advance | No | No | | No | No | |
| 2. Advance notification of release is sent to users, media | No | No | | No | No | |
| 3. Released to public same day as official release to media | Yes | No | | No | Yes | |
| 4. Available on the Internet free of charge | Yes | No | | No | Yes | |
| 5. Free print copies available, limited distribution | No | Yes | | Yes | Yes | |
| 6. Free print copies available, mass distribution | No | No | | No | No | |
| 7. Readily available outside capital and/or big cities [†] | Yes | No | | No | Yes | |
| 8. Written in more than one language | Yes | Yes | | Yes | Yes | |
| 9. News conference is held to discuss release | No | No | | No | No | |

*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

| DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS | | | | | |
|--|----------------|-----------------|-----------------|-----------------|--------------|
| <i>For the following reports, place a “Yes” in the appropriate row below to indicate if the report is:</i> | | | | | |
| | Enacted budget | In-year reports | Mid-year review | Year-end report | Audit report |
| A. Not produced, even for internal purposes | | | Yes | | |
| B. Produced for internal purposes, but not available to the public | | | | | |
| C. Produced and available to the public, but only on request | | | | | |
| D. Produced and distributed to the public (for example, in libraries, posted on the Internet.) | Yes | Yes | | Yes | Yes |
| <i>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.</i> | | | | | |
| | Enacted budget | In-year reports | Mid-year review | Year-end report | Audit report |
| 1. The release date is known at least one month in advance | No | No | | No | No |
| 2. Advance notification of release sent to users, media | No | No | | No | No |
| 3. Released to public same day as official release to media | Yes | Yes | | Yes | Yes |
| 4. Available on the Internet free of charge | Yes | Yes | | Yes | Yes |
| 5. Free print copies available, limited distribution | No | No | | No | No |
| 6. Free print copies available, mass distribution | No | No | | No | No |
| 7. Readily available outside capital/big cities ⁺ | Yes | Yes | | Yes | Yes |
| 8. Written in more than one language | Yes | Yes | | Yes | Yes |
| 9. News conference is held to discuss release | No | No | | No | No |

⁺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.

| The Executive’s Budget Proposal | |
|--|---|
| Estimates for the Budget Year and Beyond | |
| <p>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)?</p> <ul style="list-style-type: none"> a. All expenditures are classified by administrative unit. b. Expenditures are classified by administrative unit, but some small units are not shown separately. c. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. d. No expenditures classified by administrative unit are presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to the <i>Budget Proposal</i>, available at: www.minplan.kz/mime/files/271/ppr_(1).pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>2. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Refer to the <i>Budget Proposal</i>, available at: www.minplan.kz/mime/files/271/ppr_(1).pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|---|---|
| <p>3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> A comparison of the <i>Rules for Form of Unified Budget Classification of the Republic of Kazakhstan (RoK)</i> available at: www.minplan.kz/infex.cfm?tid=206, and the executive’s <i>Budget Proposal</i> shows that that expenditures are partly classified by economic classification.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>4. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Refer to the <i>Budget Proposal</i>, available at: www.minplan.kz/mime/files/271/ppr_(1).pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Refer to the <i>Medium-Term Fiscal Policy Report</i>, available at: www.minplan.kz/index.cfm?tid=198.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|--|---|
| <p>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)?</p> <ol style="list-style-type: none"> Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. 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. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Multi-year estimates are presented as a share of GDP for expenditures classified by function. Refer to the <i>Medium-Term Fiscal Policy Report</i> (page 21), available at: www.minplan.kz/index.cfm?tid=198. GDP forecast is presented in page 8 of <i>Medium-Term Fiscal Policy Report</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>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?</p> <ol style="list-style-type: none"> All sources of tax revenue are identified individually. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. No sources of tax revenue are identified individually. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to the <i>Budget Proposal</i>, available at: www.minplan.kz/mime/files/271/ppr_(1).pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|--|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Refer to the <i>Budget Proposal</i>, available at www.minplan.kz/mime/files/271/ppr_(1).pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Refer to the <i>Medium-Term Fiscal Policy Report</i>, available at www.minplan.kz/index.cfm?tid=198.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|--|---|
| <p>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)?</p> <ol style="list-style-type: none"> Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. Yes, multi-year estimates are presented, but only for some individual sources of revenue. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Multi-year revenue estimates are presented by revenue classification (such as tax and non-tax) in general. Refer to page 18 of the <i>Medium Term Fiscal Policy Report</i>, available at www.minplan.kz/index.cfm?tid=198</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>11. Does the executive's budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ol style="list-style-type: none"> 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). Yes, the data reflect the outstanding debt at the end of the budget year. Yes, the data reflect the outstanding debt at the start of the budget year. No, data on the outstanding debt are not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Art. 37 in the <i>Law on the Republican Budget</i> (refer to page 12) presents the overall debt limit for BY 2006: www.minplan.kz/mime/files/271/ppr_(1).pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

| | |
|--|---|
| <p>12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>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).</p> <p><u>Citation and/or comment:</u> Refer to page 33 of the <i>Budget Proposal For 2006</i> available at: www.minplan.kz/mime/files/271/ppr_(1).pdf Functional group 14 contains the debt service amount, i.e. interest expenditure.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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?</p> <p>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).</p> <p><u>Citation and/or comment:</u> Some information on government debt is presented in the executive’s <i>Budget Proposal For 2006</i>, available at www.minplan.kz/mime/files/271/ppr_(1).pdf. It includes debt information (in both Tenge and Dollar amounts) for internal debt (for which detailed data is presented) and external debt (presented by donor countries and agency). However, information on the interest rate, maturity profile, and currency denomination of debt is not presented.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |

| | |
|---|---|
| <p>14. Does the executive’s budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?</p> <ol style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report</i>, available at www.minplan.kz/index.cfm?tid=198 (refer to page 8), and the <i>Medium-Term Plan of Social Economic Development</i>, available at www.minplan.kz/index.cfm?tid=216 (refer pages 18-19, 79) present information on the main macroeconomic indicators, but information on the unemployment rate is not presented.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> The report presents information on the main macroeconomic indicators, but no information on unemployment rate and interest rate are presented.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div> |
|---|---|

| | |
|--|---|
| <p>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)?</p> <ol style="list-style-type: none"> Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of different macroeconomic assumptions on the budget is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “d.”</u></p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “c.” The <i>Medium Term Fiscal Policy</i> contains analysis of dependence of the Kazakh economy on oil and gas revenues, and outcomes of this analysis are used as a base for estimating the level of revenues and the level of transfers to the National Fund. However, there is no analysis of different scenarios and their impact on other budget categories such as expenditure and debt.</p> <p><u>Peer Reviewer TWO Comment:</u> A more appropriate response to this question would be “d”. In the budget, there is a short graphic representation of the share of the oil export in total export. However, this fact can hardly be considered as the only macroeconomic assumption.</p> <p><u>IBP Comment:</u> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries. The question specifically seeks information on any discussion in the budget on the impact of different macroeconomic assumptions and this information is not available in the budget documents in Kazakhstan.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of policy proposals on expenditures is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of policy proposals on revenues is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report</i>, available at www.minplan.kz/index.cfm?tid=198 (refer to page 19) provides some information that shows how policy proposals in the budget, as distinct from existing policies, affect revenues. For example, changes in the tax code on depreciation rates, additional taxes on house-building, additional personal income and social taxes from increases in salary of civil servants, etc. are presented in this <i>Report</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| Estimates for Years Prior to the Budget Year | |
| <p>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)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit for BY-1. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|---|---|
| <p>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?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function for BY-1. No expenditures classified by function are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive presents detailed budget reports to the legislature including reports in the functional classification of expenditures for previous budget years. However, these reports are not publicly available. The <i>Medium-Term Fiscal Policy</i> provides information on expenditures as a share of GDP during 2003-2005 classified by functional classification.</p> <p><u>Peer Reviewer ONE Comment:</u> Table 5 of the <i>Mid-Term Fiscal Policy for 2006-2008</i> provides information on expenditures during 2003-2005 classified by function, including an estimate for 2005 (BY-1).</p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification for BY-1. No expenditures classified by economic classification are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive presents detailed budget reports to the legislature including reports in the functional classification of expenditures for previous budget years. However, these reports are not publicly available.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The executive presents detailed budget reports to the legislature including reports in the functional classification of expenditures for previous budget years. However, these reports are not publicly available.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Updated revenue estimates for the year prior to the budget year is presented in the explanatory note to the budget (categorized into tax and non tax revenue, transfers, expenditures, etc). However, this information is not published and is not made available to the public.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|---|---|
| <p>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)?</p> <ol style="list-style-type: none"> Yes, such prior-year estimates of aggregate expenditure are presented. No, such prior-year estimates of aggregate expenditure are not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In the <i>Medium Term Fiscal Policy Report for 2006-2008</i>, (refer to page 12) prior-year data for aggregate expenditure is presented by functional classification and is presented as a share of GDP (along with the GDP volume) for 2003-2005. Further, actual outcomes for BY 2003 and 2004 and the estimates for BY 2005 are presented in this <i>Report</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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)?</p> <ol style="list-style-type: none"> 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). 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. 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. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher's response to this question was "b":</u> Prior-year estimates are presented for functional expenditures only, and program level data are partly presented. Refer to the <i>Medium-Term Fiscal Policy Report</i> (pages 20 - 56). During parliamentary discussion of the executive's budget detailed program level data are presented for members of parliament (MPs) and experts, who are involved in the discussion.</p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be "e." In the <i>Medium Term Fiscal Policy for 2006-2008</i>, expenditure estimates are presented for <u>all</u> functional groups but <u>no</u> program-level information is available. This does not fit correctly into the response options provided. Refer to Table 5 of the <i>Medium Term Fiscal Policy</i>.</p> <p><u>Peer Reviewer TWO Comment:</u> A more appropriate response to this question would be "b" as program level data is presented. Please see pages 20-56 of the <i>Medium-Term Fiscal Policy Report</i>.</p> <p><u>IBP Comment:</u> IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div> |

| | |
|--|---|
| <p>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?</p> <ul style="list-style-type: none"> 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 expenditures are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report for 2006-2008</i> (refer to page 12) presents prior-year data for aggregate revenues and expenditures by functional classification for 2003-2005. Further, actual outcomes for BY 2003 and 2004 and the estimates for BY 2005 are presented in this <i>Report</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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?</p> <ul style="list-style-type: none"> a. Yes, prior-year data are always adjusted to be comparable to the budget year data. b. Yes, in most cases, prior-year data are adjusted to be comparable. c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist. d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Medium Term Fiscal Policy Report for 2006-2008</i> (refer to page 12) presents prior-year data for aggregate revenues and expenditures by functional classification for 2003-2005. Further, actual outcomes for BY 2003 and 2004 and the estimates for BY 2005 are presented in this <i>Report</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|---|---|
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> It is noted only as non-tax revenues.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>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)?</p> <ul style="list-style-type: none"> a. All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. b. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. c. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. d. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report</i> (refer to page 12) presents updated prior-year estimates for aggregate revenues.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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)?</p> <ul style="list-style-type: none"> a. Yes, such prior-year estimates of aggregate revenue are presented. b. No, such prior-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report</i> (refer to page 12) presents prior-year estimates for updated aggregate revenues by functional classification.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|--|---|
| <p>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)?</p> <ol style="list-style-type: none"> Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. Yes, such prior-year estimates are presented, but only for some individual sources of revenue. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report</i> (refer to page12) presents updated prior-year estimates for aggregate revenue only.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> 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 revenues are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Table 5 in the <i>Medium-Term Fiscal Policy Report</i> presents actual outcomes for BY 2003 and 2004, and estimates for BY 2005.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

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?

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

d

Citation and/or comment:

The researcher's response to this question was "d": The *Medium-Term Fiscal Policy Report*, in Chapter 8 entitled, *Management of State and State Guarantee Debt* contains some information on debt. For example, figure 2 presents Government Debt for 2000-2004 in billion Tenge and as a share of GDP. External debt data for 2004 is presented and classified by donor countries and agencies. But, for 2005 (the year preceding the budget year) there are not actual (at least for half-year) or estimated (for whole year) government debt data.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "b." I do not understand why the researcher selected "d", as it seems to contradict with what (s)he wrote in the comment: the *Medium-Term Fiscal Policy* provides information about the level of the government debt and the share of external debt for 2000-2004, but no information on interest rate, maturity profile, and currency denomination of debt is presented.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries. The question seeks 2005 debt data (BY-1) and not 2004. Since debt data for 2005 is not available in Kazakhstan, we have marked it "d."

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?

- 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 government debt are presented in the budget or supporting budget documentation.
- e. Not applicable/other (please comment).

Citation and/or comment:

The researcher's response to this question was "a": The *Medium-Term Fiscal Policy Report*, in Chapter 8 entitled, *Management of State and State Guarantee Debt* contains some information on debt. For example, figure 2 presents actual Government Debt for 2000-2004 in billion Tenge and as a share of GDP. External debt data for 2004 is presented and classified by donor countries and agencies. However, no explanations of interest rate, maturity profile, and currency denomination of debt is presented.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "a." *Medium-Term Fiscal Policy* indicated actual debt level for 2004 which corresponds to BY-2.

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e," as relevant documents have debt figures but does not reflect any outcomes as requested in the question.

IBP Comment: IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.

a

| Comprehensiveness | |
|---|---|
| <p>35. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on extra-budgetary funds is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher’s response to this question was “c”: In 2004, Kazakhstan had one extra-budgetary fund – the National Oil Fund. The new <i>Budget Code</i> applicable from 2005 has included the oil fund within the budget system. However, the <i>Budget Code</i> accords special treatment to the Oil Fund. In the executive’s budget there is very little information on the Oil Fund — the information provided includes the amount transferred from the budget to the fund.</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be “d.” Since 2005, the National Fund is no more extra-budgetary but became an integral component of the budget system. In 2006, there are no extra-budgetary funds in Kazakhstan, and therefore, no information on them is included.</p> <p>Peer Reviewer TWO Comment: The National Oil Fund is an extra-budgetary fund.</p> <p>IBP Comment: IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries. In our discussions with the researcher, we were informed that the National Oil Fund is in fact an extra-budgetary fund in Kazakhstan.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>36. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on intergovernmental transfers is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|--|---|
| <p>37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ol style="list-style-type: none"> Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on transfers to public corporations is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to the <i>Budget Proposal</i>, available at: www.minplan.kz/mime/files/271/ppr_(1).pdf The information presented in the budget includes the amount transferred from the budget to national companies.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>38. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</p> <ol style="list-style-type: none"> Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on quasi-fiscal activities is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ol style="list-style-type: none"> 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. Yes, information is presented, highlighting key information, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on financial assets is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The budget presents little information on financial assets acquisition and no explanation or details are presented along with this information.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |

| | |
|--|---|
| <p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ul style="list-style-type: none"> a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on expenditure arrears is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher's response to this question was "d."</u></p> <p><u>Peer Reviewer ONE Comment:</u> Apparently, expenditure arrears exist in Kazakhstan's budget system, but it is hardly possible to assess the real scope of the problem. In any case, there is clearly no indication of expenditure areas in the executive budget or supporting budget documentation, so response "d" seems to be correct in this case.</p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>42. Does the executive’s budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ul style="list-style-type: none"> a. Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on contingent liabilities is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>43. Does the executive’s budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> In the 2005 budget, no information on future liabilities is presented unlike in 2004, when some information was presented.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|--|---|
| <p>45. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ul style="list-style-type: none"> a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on tax expenditures is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “d.”</u></p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “c.” The <i>Medium Term Fiscal Policy</i> identifies application of special tax regimes and tax preferences. However, the narrative discussion is not supported by concrete quantitative estimates.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries and since no quantitative estimates on tax expenditures are provided.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
|--|---|

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

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

d

Citation and/or comment:

The researcher's response to this question was "d": A portion of revenue income from oil companies that are identified by the Government are earmarked in Kazakhstan. Income taxes from these companies' are transferred to the national budget based on the oil prices of \$19/barrel. Any surplus revenue, generated whenever the oil prices exceeded \$19/barrel, is transferred to the National Oil Fund.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "e." According to the *Budget Code*, no revenues are ear-marked in Kazakhstan with the exception of official ear-marked transfers. At the national level, there are no official ear-marked transfers classified as revenues (these exist only at the oblast budget level only), and transfers from the donor-oblasts to the national budget are nor ear-marked. Since this questionnaire focuses on the national level only, "Not Applicable" seems to be the more appropriate response.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries. In our discussions with the researcher we were informed that revenues are earmarked from oil company taxes, but this information is not provided to the public.

| | |
|--|--|
| <p>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?</p> <ol style="list-style-type: none"> One percent or less of expenditure is dedicated to secret items. Three percent or less, but more than one percent, of expenditure is dedicated to secret items. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher’s response to this question was “c”: Expenditures on national security amount to 3.2% of the total expenditures. However, it is difficult to identify expenditure on secret items.</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be “d.” There is no such category in the executive budget as “secret items.” While I am convinced there are budget allocations on these within broader “national security” category.</p> <p>Peer Reviewer TWO Comment: A more appropriate response to this question would be “d”. In the yearly budget we have sums for national security, and we could figure out the percentage. But, separately the percentage is not given. Note that information on military intelligence is not available.</p> <p>IBP Comment: IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; display: inline-block; padding: 5px;">d</div> |
|--|--|

| The Budget Narrative & Performance Monitoring | |
|--|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div> |
| <p>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)?</p> <ul style="list-style-type: none"> a. 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. b. Yes, information is presented, highlighting the major policy goals, 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 over a multi-year period is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |

| | |
|---|---|
| <p>50. Does the executive's budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</p> <ol style="list-style-type: none"> Non-financial data are presented for all programs. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures. Non-financial data are presented for programs representing less than two-thirds of expenditure. No non-financial data are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Unlike 2004, when no such information was presented in the budget proposal, the 2005 the <i>Medium Term Fiscal Policy Report</i> presents some information on the number of beneficiaries (for example, refer to page 30).</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ol style="list-style-type: none"> The non-financial data are very useful for assessing program performance. The non-financial data are mostly useful for assessing program performance. The non-financial data are somewhat useful for assessing program performance. No non-financial data are provided or they are not useful for assessing program performance. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>52. Does the executive's budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ol style="list-style-type: none"> Performance indicators are presented for all programs. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. Performance indicators are presented for programs representing less than two-thirds of expenditures. No performance indicators are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The <i>Medium-Term Fiscal Policy Report</i> presents some information, which can be considered as performance indicators. However, this information is not presented for BY 2006, but is more general in the period that it covers. For example, (refer to page 25) an indicator is provided in the form of a statement that provides for equal access of all children to preschool education during 2005-2010. Detailed program level data which the executive presents to parliament during budget consideration contains performance indicators. However, this information is not available to the public.</p> <p><u>Peer Reviewer ONE Comment:</u> There are no concrete performance indicators in the <i>Medium-Term Fiscal Policy</i>, such as “by 2006 X number of pre-school kindergartens should be built”, etc. The policy uses broad definitions, like the one used by the researcher as an example, and it is difficult to use them as success criteria.</p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>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?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> All social programs on poverty reduction are part of local budgets and not the national budget.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| Additional Key Information for Budget Analysis & Monitoring | |
| <i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive’s budget proposal or supporting documents, but may be found in other documents issued by the executive.</i> | |
| <p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources?</p> <p>a. Yes, extensive information on tax rates and fee schedules is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> The tax code contains information on tax rates and the tax payment schedule, but information on taxation of the oil sector (and mining sector in general) is included in contracts and is not publicly available.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

| | |
|---|---|
| <p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ol style="list-style-type: none"> Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. Yes, some analysis is presented, but it lacks important details. No analysis on the distribution of the tax burden is presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Ministry of Finance published analysis of the distribution of the tax burden between large tax payers.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |
| <p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ol style="list-style-type: none"> Yes, extensive information on conditions associated with IFI 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 IFI assistance is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Kazakhstan is not a debtor of the IMF or World Bank.</p> <p><u>Peer Reviewer ONE Comment:</u> Monthly reports (like the <i>Statistical Bulletin</i> of the Ministry of Finance) contain updated information on the level of debt to IFI's. However, conditions of borrowing are not publicly available.</p> <p><u>Peer Reviewer TWO Comment:</u> I have contacted World Bank portfolio manager, Nataliya Bisenova, and she explained that during this budget year Kazakhstan has not taken any loans from the World Bank (WB). However, she noticed that Kazakhstan took 20 loans, but they had not been given by the WB and had not been used yet. Therefore, there were no payments.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|--|
| <p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ul style="list-style-type: none">a. Yes, extensive information on conditions associated with donor country 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 donor country assistance is not presented.e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u> Monthly reports (like the <i>Statistical Bulletin</i> of the Ministry of Finance) contain updated information on the level of debt to donor countries. However, conditions of borrowing are not publicly available.</p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; padding: 5px; display: inline-block;">d</div> |
|--|--|

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

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

d

Citation and/or comment:

The researcher's response to this question was "d": Unlike in 2004 when the budget summary was published in the *Panorama* newspaper, in 2005 the *Budget Summary* has not been made publicly available.

Researcher Response to Peer Reviewer: I do not agree with both the peer reviewers. Response to PR1: The information provided in the press release or interview with the Minister of Finance does not reflect the main budget ideas. Response to PR2: We cannot use the speech given by Minister Korzhova, as she was appointed in January. We are considering the *Budget Proposal for 2006*, which was under discussion in Parliament in September – November 2005.

The *Summary of Budget Proposal is Poyasnitelnaya Sapiska k Budgetu* which accompanied the executive's *Budget Proposal* to Parliament. However, this is not publicly available. I personally received a copy of this report as an expert involved in the discussion of the budget in parliament, not as a member of the lay public.

The *Budget Proposal* which is publicly available in the website of the Ministry of Economy and Budget Planning place budget proposal does not include a *Budget Summary*.

Usually, the budget is presented to Parliament by a representative of the executive (such as the minister or vice-minister of economy and budget planning). The speech given by this official is published by newspapers and quoted by journalists. Unfortunately, the publication of this speech is not normal practice in Kazakhstan.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "c." The budget summary should not be confused with the citizens budget. The latter does not exist in Kazakhstan but the summary – in a form of a press release of the Ministry of Finance or an interview with the minister– is always available to public.

Peer Reviewer TWO Comment: A more appropriate response to this question would be "b." A summary that describes the budget and its proposals are available at www.minfin.kz/index.php?uin=1146042272chapter=11485238672lang=rus which is the speech of the Finance Minister Ms. Korzhova N.A. In addition, the respective information is available at electronic version of the paper *Kazakhstanskaya Pravda* www.kazpravda.kz/?uin=1087809884&chapter as well as the www.government.kz. ”

IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

| | |
|--|---|
| <p>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?</p> <ul style="list-style-type: none"> a. Yes, it publishes a citizens budget that is very informative. b. Yes, it publishes a citizens budget that is somewhat informative. c. Yes, but the citizens budget is not very informative. d. No, it does not publish a citizens budget. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The <i>Budget Code</i> contains a glossary of main budget definitions.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>63. Does the executive make available to the public a summary of the budget process?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> See the <i>Budget Code</i> (available at www.minplan.kz/index.cfm?tid=206). It presents information on the budget process.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div> |

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).

c

Citation and/or comment:

The researcher's response to this question was "c": The right to access government information has been codified in the Constitution, which provides for access to information in Article 20, which states that "everybody has a right to get and distribute information by any way, not prohibited by law."

Peer Reviewer ONE Comment: A more appropriate response to this question would be "b." Article 18 of the Constitution says that "State authorities...are obliged to provide every citizen with an opportunity to get acquainted with documents, decisions and sources of information that affect his rights and duties". Refer also to the laws of the RoK on (1) legal acts, (2) administrative procedures, (3) consideration of citizens' requests. Also, the Letter of the Ministry of Justice regarding formal publication of the legal acts. However, in practice it takes a lot of time and effort to obtain access to budgetary information. In some cases, this access will not be granted.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "c" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

| | |
|---|---|
| <p>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)?</p> <ol style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>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?</p> <ol style="list-style-type: none"> 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. 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. c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures. d. In practice, no highly disaggregated non-financial expenditure information is available. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “d.”</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> A more appropriate response to this question would be “b.” According to the experience of the Eurasia Foundation, the relevant information is available as number of beneficiaries and etc. is at least two-thirds. For example: Individual program - Building of rural schools, upon request the EF grantee was provided with the number of children to place, the number of teachers to work. The same example with the hospitals.</p> <p><u>IBP Comment:</u> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

Section Three: The Budget Process

| The Budget Process | |
|--|---|
| Executive's Formulation of the Budget | |
| <p>67. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> The release date is set in permanent law. The executive announces the release date at least two months in advance. The executive announces the release date less than two months but more than two weeks in advance. The executive announces the release date two weeks or less before the release, or makes no announcement. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Budget Code</i> provides that the government must submit a budget proposal to Parliament by the 1st of September every year. In 2005, it was submitted early on August 27.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>68. Does the executive release to the public its timetable for its budget preparation process?</p> <ol style="list-style-type: none"> Yes, a detailed timetable is released to the public. Yes, a timetable is released, but some details are excluded. Yes, a timetable is released, but it lacks important details. No, a timetable is not issued to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The <i>Budget Code</i> contains a framework for the budget preparation process: It should be submitted to Parliament before September 1. However, there is no clear and detailed timetable.</p> <p><u>Peer Reviewer ONE Comment:</u> The general timetable is stipulated in the <i>Budget Code</i>, and is therefore known to public. However, this timetable reveals only general milestones, and the more detailed schedule is not released in addition to it.</p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |

| | |
|--|---|
| <p>69. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ol style="list-style-type: none"> The executive adheres to the dates in its timetable. The executive adheres to most of the key dates in its timetable. The executive has difficulty adhering to most of the dates in its timetable. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The government adheres to the general timetable described in the <i>Budget Code</i>. Every year, the Government submits a budget proposal to Parliament before September 1. (Until 2004, the timetable was somewhat different – the deadline was September 15 for the Government to submit the budget proposal to Parliament).</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> I agree with the researcher as the answer is “b”, as we can figure out that the government adheres to the timetable from their reports, but the timetable itself is not released.”</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div> |
| <p>70. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> Yes, the executive holds extensive consultations with a wide range of legislators. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. Yes, the executive holds very limited consultations, involving only a few members of the legislature. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> According to the law, two members of parliament participated in the national budget commission. “[The] budget commission is a committee founded to ensure a timely and high quality draft budget and development of proposals on budget adjustment and execution” (<i>Budget Code</i>, article 65).</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |

| | |
|---|--------------------------------------|
| <p>71. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ul style="list-style-type: none">a. Yes, the executive holds extensive consultations with a wide range of constituencies.b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.c. Yes, the executive holds very limited consultations, involving only a few constituencies.d. No, the executive does not typically consult with the public as part of the budget preparation process.e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <p style="text-align: center;">d</p> |
|---|--------------------------------------|

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).

a

Citation and/or comment:

The researcher's response to this question was "a": Every spring, the president addresses citizens (the *Poslaniye Presidenta Narodu Kazakstana*) and describes his main budget priorities. However, the address does not cover all information required in the OECD's *Best Practices on Budget Transparency* regarding pre-budget statements.

Researcher Response to Peer Reviewer: According to the *Budget Code*, responsibilities of the President (article 55, point 4) are "to define main directions of budget policy on the budget year each year in *The address to the Kazakhstan people* (or the *Poslaniye Presidenta Narodu Kazakstana*)."

Peer Reviewer ONE Comment: A more appropriate response to this question would be "d." I disagree that Address by the president to the people of Kazakhstan can be regarded as a pre-budget statement. It does not cover many key issues outlined in the OECD's *Best Practices*, namely: inflation rate, total revenues and expenditures, the current account, the total level of deficit or surplus. This is a more politically strategic document rather than a pre-budget statement— in OECD terms.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries. In Kazakhstan, a pre-budget statement is available in the form of the presidential address. However, the information contained in this speech is grossly inadequate and constitutes a poor pre-budget statement. IBP is using the following guidelines in assessing a pre-budget statement: The pre-budget statement encourages debate on the budget and how it affects the economy. Ideally, the pre-budget document reflects the culmination of the strategic planning phase of the budget process, where the executive broadly aligns its policy goals with the resources available under the budget's fiscal framework, before detailed program funding decisions are made. It also creates appropriate expectations for the budget itself, which is particularly important when the budget submission occurs close to the start of the fiscal year and the time for debate is therefore limited.

In terms of macroeconomic parameters, a pre-budget statement should present all key economic assumptions, such as the projected rate of GDP growth, the rate of employment and unemployment, the current account, and the inflation and interest rates. It should also highlight at least the aggregate levels of revenue, expenditure, deficit or surplus, and debt.

Although a pre-budget statement is unlikely to include detailed, programmatic proposals, it should include a discussion of broad policy priorities, particularly on the expenditure side (sometimes it can be ill-advised to give advance information about revenue proposals). The discussion could be organized by sector or by administrative unit.

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's response to this question was "d": The presidential address (described in the comment for Question 72) is not a clear budget address and lacks macroeconomic and financial information and it does not reflect general level of revenue, expenditures, budget deficit or surplus, government debt.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "d." I disagree that address by the president to the people of Kazakhstan can be regarded as a pre-budget statement. It does not cover many key issues outlined in the OECD's *Best Practices*, namely: inflation rate, total revenues and expenditures, the current account, the total level of deficit or surplus. This is a more strategic document rather than a pre-budget statement—in OECD terms.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries. In Kazakhstan, a pre-budget statement is available in the form of the presidential address. However, the information contained in this speech is grossly inadequate and constitutes a poor pre-budget statement.

d

| | |
|--|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “c.”</u></p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “d.” I disagree that address by the president to the people of Kazakhstan can be regarded as a pre-budget statement. It does not cover many key issues outlined in the OECD’s <i>Best Practices</i>, namely: inflation rate, total revenues and expenditures, the current account, the total level of deficit or surplus. This is a more strategic document rather than a pre-budget statement in— OECD terms.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries. In Kazakhstan, a pre-budget statement is available in the form of the presidential address. However, the information contained in this speech is grossly inadequate and constitutes a poor pre-budget statement.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| Legislative Approval of the Budget | |
| <p>75. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> The legislature receives the budget at least three months before the start of the budget year. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. The legislature receives the budget less than six weeks before the start of the budget year. The legislature does not receive the budget before the start of the budget year. Not applicable/other (please comment). <p><u>Citation and/or comment :</u> The legislature receives the budget before September 1, i.e. four months before the start of fiscal year.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|---|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Unlike in prior years, in 2005 representatives of academia and civil society organizations participated in budget hearings.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

| | |
|--|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard. Yes, a limited number of hearings are held in which testimony from the public is heard. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |
| <p>79. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ol style="list-style-type: none"> Yes, the committees release very informative reports, which include all written testimony presented at the hearings. Yes, the committees release reports, but some details are excluded. Yes, the committees release reports, but they are not very informative. No, the committees do not release reports or do not hold public hearings. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> The executive responds to such legislative requests, and it generally provides an appropriate and timely response. The executive responds to such legislative requests, but its responses are sometimes not appropriate or timely. The executive responds to such legislative requests, but its responses are typically not appropriate or timely. The executive responds selectively or ignores such legislative requests. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|---|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>82. Does the legislature have authority to amend the budget presented by the executive?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Legislature has authority to amend the budget, with some limitations. If they suggest raising expenditures, they should suggest what of kind of revenue they mean.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

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).

b

Citation and/or comment:

The researcher's response to this question was "b": During the budget discussion, the executive submits program level data to Parliament. When approved by the legislature, the budget does not contain program level detail, there are departmental totals and major programs.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "a." The expenditure part of the budget provides information on programs within administrators.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

| Executive's Implementation of the Budget | |
|---|---|
| <p>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)?</p> <ol style="list-style-type: none"> In-year reports on actual expenditure are released at least every month. In-year reports on actual expenditure are released at least every quarter. In-year reports on actual expenditure are released at least semi-annually. In-year reports on actual expenditure are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher's response to this question was "a": In-years reports are published every month in the <i>Statistical Bulletin of the MoF</i> (all of them available at the web site of the Ministry of Finance: www.minfin.kz/index.php?uin=1119501016&lang=rus and contain comparisons with the forecast amount, percentage of performance and comparison with same period of previous year. However, it doesn't explain significant divergences and brief commentary to data. Also, you can download from the website short version of reports.</p> <p>Researcher Response to Peer Reviewer: There are two monthly reports available on the MoF web-site. One of the reports, published in the <i>Statistical Bulletin</i> (also can be downloaded from the website) is disaggregated and contains comparisons with the forecast amount, percentage of performance and comparison with same period of previous year. A second report is a shortened version of the monthly report with aggregated data.</p> <p>Peer Reviewer ONE Comment: It should be noted that monthly reports published by the Ministry of Finance on its website are highly aggregated, and do not cover some issues outlines in the OECD's <i>Best Practices</i>, namely: a comparison with the forecast amounts of money and explanation of significant divergences, a brief commentary to numerical data. Hence, decision should be made whether we should consider monthly reports as produced.</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | a |
| <p>85. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> Yes, in-year reports cover all expenditures. Yes, in-year reports cover at least two-thirds, but not all, of expenditures. Yes, in-year report covers less than two-thirds of expenditures. No in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p> | a |

| | |
|--|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u> There are comparisons against the adjusted estimate for that period.</p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>87. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>88. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|---|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p>Peer Reviewer ONE Comment: There are comparisons against the adjusted estimate for that period.</p> <p>Peer Reviewer TWO Comment:</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>90. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> in-year reports on actual borrowing released quarterly and published every month in the <i>Statistical Bulletin</i>.</p> <p>Peer Reviewer ONE Comment: The monthly <i>Statistical Bulletin</i> contains information on borrowing as of the first day of the current month.</p> <p>Peer Reviewer TWO Comment: It is released on monthly basis.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

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 researcher's response to this question was "c": In-year reports released to public on actual borrowing present information related to composition of government debt with dividing on internal and external, external with detail to which institution or country are available, internal with detail to what kind of internal debt (securities issued by the MoF). However, such data as interest rates on the debt, maturity profile of the debt are not available.

Researcher Response to Peer Reviewer: There are two monthly reports available on the MoF web-site. One of the reports, published in Statistical Bulletin (also can be downloaded from the website) is disaggregated and contains comparisons with the forecast amount, percentage of performance and comparison with same period of previous year. A second report is a shortened version of the monthly report with aggregated data.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "d." It should be noted that monthly reports published by the Ministry of Finance on its website are highly aggregated and do not cover some issues outlines in the OECD's *Best Practices*, namely: a comparison with the forecast amounts of money and explanation of significant divergences, a brief commentary to numerical data.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

c

| | |
|---|---|
| <p>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)?</p> <ol style="list-style-type: none"> Reports are released 1 month or less after the end of the period. Reports are released 2 months or less (but more than 1 month) after the end of the period. Reports are released more than 2 months after the end of the period. In-year reports are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “a”:</u> See comments in Q91.</p> <p><u>Peer Reviewer ONE Comment:</u> It should be noted that monthly reports published by the Ministry of Finance on its website are highly aggregated and do not cover some issues outlined in the OECD’s <i>Best Practices</i>, namely: a comparison with the forecast amounts of money and explanation of significant divergences, a brief commentary to numerical data.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>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?</p> <ol style="list-style-type: none"> 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. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. 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. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive does not release a mid-year review of the budget.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|---|---|
| <p>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?</p> <ol style="list-style-type: none"> 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. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided. 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. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive does not release a mid-year review of the budget.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>95. What is the most detail provided in the mid-year review for expenditures?</p> <ol style="list-style-type: none"> The mid-year review includes program-level detail for expenditures. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs). The mid-year review includes only departmental totals (or functional totals). 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. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive does not release a mid-year review of the budget.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The executive does not release a mid-year review of the budget.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
|--|---|

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).

b

Citation and/or comment: The *Budget Code* provides a framework for budget revision and adjustment. Please see the following:

Article 114 (Republican Budget Revision)

1. The revision of the Republican budget shall be carried out on the basis of the RK Government proposals and/or Members of the Parliament of the RK according to the legislative acts.
2. The proposals for the republican budget revision shall be considered by the republican budget committee.
3. The requirements established by this Code for development and approval of the Republican Budget shall also apply in the case of its revision.

Article 117: Budget Adjustment

1. Budget adjustment – introduction of amendments and additions into the Governmental resolution of the Republic of Kazakhstan or local executive body on implementation of the republican budget law or Maslikhat decision on the local budget for a relevant fiscal year without its revision at the Parliament of the Republic of Kazakhstan or Maslikhat.
2. The republican budget adjustment shall be admitted in cases:
 - 1) Of formation, liquidation, reorganization, change of functions of state bodies and state institutions subordinate thereto;

The adjustment shall consist in a merger, division or assignation of appropriate budget programs related to the specified cases within the total amount of the budget programs approved (adjusted) by the law on the republican budget for the appropriate financial year;

- 2) Of increase volume of government debt repayment;
- 3) Stipulated by this Code.

Peer Reviewer ONE Comment: According to Article 113 of the *Budget Code*, if the revenue shortfall exceeds 10 percent of the budget, the *Budget System Law* requires the initiation of a formal budget amendment by the legislative body. Budget revision should follow the same procedure of obtaining approval from the legislature. Only budget adjustments, as specified in Article 117, can be conducted without their consideration at the Parliament.

Peer Reviewer TWO Comment: In this question I agree with the researcher as on this issue, we rely on *Budget Code* only.

| | |
|---|--|
| <p>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?</p> <ol style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The procurement system is not open and competitive, and different government agencies procure goods from different companies or pay prices that are higher than the general market price for those goods. The government plans to improve its procurement system and change the legislative oversight of procurement.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; padding: 5px; width: 30px; margin: auto;">d</div> |
| <p>99. When does the legislature typically approve supplemental budgets?</p> <ol style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; padding: 5px; width: 30px; margin: auto;">a</div> |

| | |
|--|---|
| <p>100. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ol style="list-style-type: none"> Supplemental budgets are generally equal to 2 percent or less of the original budget. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget. 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. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In previous years, the supplementary budget was less than 10% of the original budget, while in 2005 it was more than 10%.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>101. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</p> <ol style="list-style-type: none"> Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget. Expenditures are approved after the funds are expended, but before the end of the fiscal year. Expenditures are approved after the end of the fiscal year, for example in the next budget. Such expenditure takes place without legislative approval. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “c”:</u> The legislature approves the volume of contingency funds for which no specific purpose was identified in the budget. In the budget report, the government explains the use of contingency funds and the parliament approves this report.</p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “a.” According to Article 17-8 of the <i>Budget Code</i>, “Contingency reserves are expensed within the limits pre-approved in the republican budget for the current budget year. Their expenditure is regulated by decrees of the government which become void at the end of the budget year.” Limits can be increased only by the parliament at the suggestion of the government as part of the current budget amendment.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries. The question is seeking to assess whether or not expenditures made during the year from the contingency funds have adequate legislative oversight and not whether the setting up of the fund requires legislative approval.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |

| Executive's Year-End Report and the Supreme Audit Institution | |
|---|--|
| <p>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?</p> <ol style="list-style-type: none"> Reports are released six months or less after the end of the fiscal year. Reports are released 12 months or less (but more than six months) after the end of the fiscal year. Reports are released more than 12 months after the end of the fiscal year. The executive does not release a year-end report. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher's response to this question was "a."</u></p> <p><u>Researcher Response to Peer Reviewer:</u> I disagree with the comment that "limited printed copies of the <i>Year-End Report</i> (a report by the Minister of Finance) are presented to members of parliament." The <i>Year-End Report</i> is submitted by the government at the end of the financial year but before 1 May. Along with this <i>Report</i>, the government also submits an explanatory note to the budget, information on formation and utilization of the National Fund, on grants received and spent by state institutions. The <i>Year-End Report's</i> format reflects the format of budget itself: it presents an analysis of the article by article implementation of the Law on the national budget with the basic data and actual implementation. The <i>Report</i> is comprehensive and contains detailed explanations. All members of parliament are provided with a copy of these reports. The <i>Year-End Report</i>, published in the <i>Statistical Bulletin</i> contains detailed revenue and expenditures by economic, administrative and functional classification. Comparisons are made with the projected budget, percentage of deviation, and comparisons are made with the previous year's budget execution.</p> <p><u>Peer Reviewer ONE Comment:</u> "A" is an appropriate response to this question but with following reservations: Full text of the Ministry of Finance's <i>Year-End Report</i> is not available to general public (it is presented to members of parliament and SAI only). Highly aggregated numerical information on the budget execution is published in the <i>Statistical Bulletin</i> of the MoF in January of the year following after the budget year and can be therefore regarded as a shortened version of the <i>Year-End Report</i> – i.e. response "d" is not quite appropriate. However, this version of the report lacks all major information, that is why "d" has been selected in all following questions.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; text-align: center; margin: 0 auto;">a</div> |

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's response to this question was "c": In the *Year-End Report*, some data on the actual outcomes have been audited. In accordance with the *Budget Code* the Government submits to the Parliament and the Accounts Committee an annual report on the implementation of the national budget for the past year and supplementary documents not later than 1 May. The Accounts Committee submits to the Parliament a report on implementation of the national budget. The report of the Government to the Parliament also present results of the internal audit carried out by the Ministry of Finance. The Accounts Committee has a limited technical opportunity to audit all budget expenditures.

Researcher Response to Peer Reviewer: The full *Year-End Report* with detailed comments and explanation is not available to public. However, the *Year-End Report* with comparison with projected budget, percentage of implementation, comparison with previous years is published in the *Statistical Bulletin*.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "d." I think this question refers to the year-end report produced by the executive and not by the SAI. Full text of the report produced by the executive (with all explanations) is not available to the public, therefore "d" seems to be a more appropriate response.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries. In our discussions with the researcher, we were informed that the executive's *Year-End Report* had been consulted for the purposes of answering this question and not the SAI report.

c

| | |
|---|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> A detailed report on budget execution with explanations presented by the government to the Parliament is not public available. The Ministry of Finance publishes a year-end report in the <i>Statistical Bulletin</i> and places this report on its web site with preliminary and factual data. However, this report does not contain a narrative text and only contains figures.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> The <i>Year-End Report</i> is released and is publicly available at the MoF web-site and the <i>Statistical Bulletin</i> in pdf format however the it contains only figures without any explanations.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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)?</p> <ol style="list-style-type: none"> The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases). The explanation focuses on a higher level of aggregation than departmental totals (or functional totals). No explanation of the differences is provided, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> No explanation of such differences is presented in the annual reports placed on the website of the MoF and also in the <i>Statistical Bulletin</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|--|
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> No. An explanation is not presented.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; padding: 5px; width: 30px; margin: auto;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; padding: 5px; width: 30px; margin: auto;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; padding: 5px; width: 30px; margin: auto;">d</div> |

| | |
|--|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The national budget does not contain expenditures targeted at impoverished citizens, however, this information is provided in local budgets.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|---|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key issues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented on extra-budgetary funds, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “c”:</u> In 2005, the new <i>Budget Code</i> has included the National Fund of the Republic of Kazakhstan (NFRK), which is an extra-budgetary fund, within the budget process. However, special mechanisms have been included for the execution of this fund. A short year-end report on National Oil Fund is presented to the Legislature. Some information is also available to the public on the NFRK’s Internet page, in Annual report of National (Central) Bank, and in the <i>Statistical Bulletin</i> of the MoF.</p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “d.” I do not think we can regard the National Fund as an extra-budgetary one anymore as its status has changed in 2005.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries. In our discussions with the researcher, we were informed that the National Oil Fund is in fact an extra-budgetary fund in Kazakhstan.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>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?</p> <ol style="list-style-type: none"> Final audited accounts are released to the public six months or less after the end of the fiscal year. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Accounts Committee released a report on the government budget execution to the public, six months after the end of the fiscal year; this is a requirement under the <i>Budget Code</i>.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |

| | |
|---|---|
| <p>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?</p> <ul style="list-style-type: none"> a. All expenditures have been audited and the reports released to the public. b. Expenditures representing at least two-thirds of, but not all, expenditures have been audited. c. Expenditures representing less than two-thirds of expenditures 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). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div> |
| <p>114. Do year-end audit reports of departmental expenditure that are released to the public include an executive summary?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The accounts committee releases an audit report with an executive summary to the public at the end of a budget year. However, audit reports on departmental expenditures are not fully audited and when available, such reports generally include an executive summary.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

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).

b

Citation and/or comment:

The researcher's response to this question was "c": The head of the Accounting Committee is appointed and removed by the president without consultations with executive, legislature and judiciary. *According the Constitution of Kazakhstan, the President is not a head of executive branch.*

Researcher Response to Peer Reviewer: Citation in English from Constitution is incorrect - "the chief executive officer of the Republic," - in Russia, there are "Vysshee dolzhnostnoe litco" – which does not mean "chief executive". In reality, the head of executive branch – prime minister does not have authority to remove the head of SAI.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "b." This is tricky, as, according to the Constitution, president stays above all three branches of power providing coordination between them. At the same time, the Constitution says that president is "the chief executive officer of the Republic", and he actually serves as the chief executive of the state. Taking into account the concept behind this question (i.e. the ideal situation of the SAI being independent of the executive) it would be more appropriate to respond "b."

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

| | |
|---|---|
| <p>116. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, the SAI releases to the public audits of all extra-budgetary funds. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher’s response to this question was “d”: The Accounts Committee does not audit the National Oil Fund as it is not provided with the authority to conduct such an audit by the <i>Budget Code</i>. Instead, the Oil Fund is audited by “Big Five” international audit companies (in practice - by Ernst & Young). Ernst & Young submits its report to the executive, and not to the SAI. Since the National Oil Fund started its operations, none of the audit reports have been published in a national newspaper or submitted to Parliament. The 2004 Report, published in a national newspaper, also was not supported by an auditor's report. The consolidated 2002 and 2003 auditor's report was posted on the web site of the Ministry of Finance only in 2005, though it is dated January 20, 2004.</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be “e.” Since 2005, there are no extra-budgetary funds in the Republic of Kazakhstan with the National Fund legally being part of the budgetary system.</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>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?</p> <ol style="list-style-type: none"> The SAI has full discretion to decide which audits it wishes to undertake. The SAI has significant discretion, but faces some limitations. The SAI has some discretion, but faces considerable limitations. The SAI has no discretion to decide which audits it wishes to undertake. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Accounts Committee does not audit the National Oil Fund as it is not provided with the authority to conduct such an audit by the <i>Budget Code</i>. Instead the Oil Fund is audited by international audit companies.</p> <p>Under the new <i>Budget Code</i>, the Accounts Committee has significant discretion to undertake audits.</p> <p>Peer Reviewer ONE Comment: The above-mentioned limitations are implicit from the fact that the SAI reports to (and therefore depends on) the president. Also, the SAI does not have sufficient research capacity to audit all budget programs</p> <p>Peer Reviewer TWO Comment:</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |

| | |
|---|---|
| <p>118. Who determines the budget of the Supreme Audit Institution?</p> <ol style="list-style-type: none"> 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. 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. 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. 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. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |
| <p>119. Does a committee of the legislature view and scrutinize the audit reports?</p> <ol style="list-style-type: none"> Yes, all audit reports are scrutinized. Yes, most audit reports are scrutinized. Yes, some audit reports are scrutinized. No, audit reports are not scrutinized. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div> |
| <p>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?</p> <ol style="list-style-type: none"> Yes, the executive reports publicly on what steps it has taken to address audit findings. Yes, the executive reports publicly on most audit findings. Yes, the executive reports publicly on some audit findings. No, the executive does not report on steps it has taken to address audit findings. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div> |

| | |
|--|---|
| <p>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?</p> <ol style="list-style-type: none"> Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations. Yes, a report is released, covering key audit recommendations, but some details are excluded. Yes, a report is released, but it lacks important details. No, a report is not produced or it is prepared for internal purposes only (please specify). Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher’s response to this question was “b”: The Accounts Committee reports are available on its website: www.esep.kz. Since 2003, the report contains a chapter of the Government’s measures to respond to the recommendations made by Accounts Committee on improvement budget procedures. However, this report is not comprehensive. Accounts Committee does not audit state owned companies. In the past few years, significant budget resources have been withdrawn for establishment of different joint stock companies. The Accounts Committee does not provide audit of finances allocated from budget due to limited authority.</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be “a.” The <i>Year-End Report</i> contains a special chapter that lists actions undertaken by the government following the SAI’s recommendations. It also lists those recommendations which have been missed by the government. I find this section comprehensive and do not see why the researcher has chosen “b.”</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div> |
| <p>122. Are audit reports related to national security and other secret programs provided to the legislature (or relevant committee)?</p> <ol style="list-style-type: none"> Yes, legislators are provided with detailed audit reports related to national security and other secret programs. Yes, legislators are provided audit reports on secret items, but some details are excluded. Yes, legislators are provided audit reports on secret items, but they lack important details. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify). Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Legislators are not provided with audit reports on secret items.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p> | <div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div> |