

International Budget Project
OPEN BUDGET QUESTIONNAIRE

NICARAGUA

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Section One: The Availability of Budget Documents

Table 1. Budget Year of Documents Used in Completing the Questionnaire

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

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	Not available
Budget Summary	2005
Executive's Budget Proposal	2005
Supporting Budget Documents	Not Available
Citizen's Budget	Not Available
Enacted Budget	2005
In-Year Reports	2004
Mid-Year Report	Not Available
Year-End Report	2004
Audit Report	Not Available

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	Produced but Not Available to the Public
Budget Summary	http://www.hacienda.gob.ni/hacienda/CD2005/exposicionmotivos.pdf
Executive’s Budget Proposal	http://www.consultaciudadana.gob.ni/cciuadana/CD2005/index.html http://www.hacienda.gob.ni/hacienda/libros.jsp
Supporting Budget Documents	Produced but Not Available to the Public
Citizens Budget	Not Produced
Enacted Budget	http://www.consultaciudadana.gob.ni/cciuadana/CD2005/index.html
In-Year Reports	http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp
Mid-Year Review	Not Produced
Year-End Report	http://www.consultaciudadana.gob.ni/cciuadana/pdf/informe_Web.pdf http://www.hacienda.gob.ni/hacienda/PDF/Presupuesto/Informes/informe_Web.pdf
Audit Report	Not Produced
Other Documents	http://www.pnd.gob.ni/
Relevant Ministries & Departments	http://www.hacienda.gob.ni/hacienda/index.jsp http://www.asamblea.gob.ni/

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				Citizen’s 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			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			
<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				Citizen’s budget
		Main document	Budget summary*	Supporting Document 1	Additional Document 2	
1. The release date is known at least one month in advance	No	Yes	Yes	NA		NA
2. Advance notification of release is sent to users, media	No	Yes	Yes	NA		NA
3. Released to public same day as official release to media	No	Yes	Yes	NA		NA
4. Available on the Internet free of charge	No	Yes, It is available until approved	Yes, It is available until approved	NA		NA
5. Free print copies available, limited distribution	No	Yes	Yes	NA		NA
6. Free print copies available, mass distribution	No	No	No	NA		NA
7. Readily available outside capital and/or big cities ⁺	No	No	No	NA		NA
8. Written in more than one language	No	No	No	NA		NA
9. News conference is held to discuss release	No	Yes	Yes	NA		NA

*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		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	
<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	Yes	No	NA	No	NA
2. Advance notification of release sent to users, media	Yes	No	NA	No	NA
3. Released to public same day as official release to media	Yes	Yes	NA	Yes	NA
4. Available on the Internet free of charge	Yes	Yes	NA	Yes	NA
5. Free print copies available, limited distribution	Yes	Yes	NA	Yes	NA
6. Free print copies available, mass distribution	No	No	NA	No	NA
7. Readily available outside capital/big cities [†]	No	No	NA	No	NA
8. Written in more than one language	No	No	NA	No	NA
9. News conference is held to discuss release	No	No	NA	No	NA

[†]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> <ol 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></p> <p>Researcher's answer to this question was "b." For example, The INIM, although it is a decentralized entity, does not appear between the entities budgeted. See www.hacienda.gob.ni/hacienda/libros.jsp</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be "a." INIM (Instituto Nicaraguense de la Mujer) does appear in the link provided above or through the following link: http://www.consultaciudadana.gob.ni/cciuudadana/CD2005/INIM2005.pdf as well as the others "entes descentralizados." This information appears since pages 433 of the PGR 2005 but unfortunately, I don't have access to the budget's proposal printed version to verify the correspondent pages in that document (following the researchers' assumption that both, proposal and enacted documents, are similar)</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer "a" to maintain consistency with the criteria used for selecting answers across countries.</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>2. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification, and the categorization is compatible with international standards. All expenditures are classified by functional classification, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function. No expenditures classified by function are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Since the Budget of 2005, the Government has introduced the functional classification. See: http://www.hacienda.gob.ni/hacienda/CD2005/Estruct_func_gto1.pdf. In the General Budget of the Republic (PGR) 2006, there is a higher level of detail. See: http://www.hacienda.gob.ni/hacienda/presupuesto2006/E_14_Clasif_Funcional.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> If PGR 2006 was also used and cited should it be included in Table 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>3. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification, and the categorization is compatible with international standards. All expenditures are classified by economic classification, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification. No expenditures classified by economic classification are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Since 2005, the economic classification of the expenditure is included in the annexes http://www.hacienda.gob.ni/hacienda/CD2005/Presup_Gtos.pdf . This is still done in the PGR 2006. http://www.hacienda.gob.ni/hacienda/presupuesto2006/E_18_Presup_Gasto.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> Same comment as # 2.</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>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> However, the programs included are too broad and there is not much detail on them. The information by program is more detailed only for the Executive Branch and not for the other entities and autonomous organisms. See: http://www.hacienda.gob.ni/hacienda/CD2005/Presup_Gtos.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> The link provide is not the most appropriate. Information by individual programs is presented in http://www.consultaciudadana.gob.ni/cciudadana/CD2005/index.html</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>
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5. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?

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

b

Citation and/or comment: In 2005, only the multi-year estimation of the Program of Public Investments is presented. It is not presented for the rest of the budget. It was only in August 2005, when the law 550 was enacted [See: Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday /08/2905. Page 5764, Arto.37], that incorporates in the art. 37 the inclusion of the Medium Term Budget Framework. It should enclose budget estimations of –at least- two forthcoming years. For 2006, it was included a Medium Term Strategic Framework that includes expenditure estimations of some institutions as a pilot experience. See:
<http://www.hacienda.gob.ni/hacienda/presupuesto2006/mpmp1.jsp>, page 60

Peer Reviewer ONE Comment: 2005 PGR includes estimates 2005-2007

http://www.hacienda.gob.ni/hacienda/CD2005/Proyecc_Plurianual.pdf but only for Programa de Inversiones Públicas. Would that be enough for response “a”? The following note was added in the comment section above: “(or August?)”

It could be useful to specify the law 550: “Ley de Administracion Financiera y Regimen Presupuestario” or provide link to La Gaceta (specially because others are not necessarily familiar with Nicaragua’s newspapers):

http://www.presidencia.gob.ni/buscador_gaceta/BD/LEYES/2005/LEY%20550%20LEY%20DE%20ADMINISTRACI%C3%93N%20FINANCIERA%20Y%20DEL%20R%C3%89GIMEN%20PRE%20E2%80%A6.pdf

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer “b” to maintain consistency with the criteria used for selecting answers across countries.

<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> <ul style="list-style-type: none"> a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 5. It has only been until the 2006 General Budget of the Republic (PGR) that the multi-year estimations are being included for some institutions as pilot experiences, but it is only in three Ministries. See: http://www.hacienda.gob.ni/hacienda/presupuesto2006/mpmp1.jsp</p> <p>Peer Reviewer ONE Comment: 2005 PGR includes projections 2005-2007 http://www.hacienda.gob.ni/hacienda/CD2005/Proyecc_Plurianual.pdf but only for Programa de Inversiones Públicas. I still think “d” is appropriate.</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>
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7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?

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

b

Citation and/or comment: The General Budget of the Republic (PGR) includes an income budget that reflects most of the tax revenue. However, in the last years, it has been denounced that there is an underestimation of the revenues as a mean of diminishing the budgetary transfers to some institutions -as Universities or the Supreme Court- that are proportionally determined according to the Political Constitution. See: <http://www.hacienda.gob.ni/hacienda/CD2005/cuadroingresos.pdf>. This underestimation has been denounced and proved by independent economists showing that in some years (2004) it has been more than 10% of tax revenues. See, as an example, Acevedo, Adolfo: http://www.ccer.org.ni/documentos/041204_pgr_2005.pdf

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

8. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?
- a. All sources of non-tax revenue are identified individually.
 - b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually.
 - c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually.
 - d. No sources of non-tax revenues are identified individually.
 - e. Not applicable/other (please comment).

b

Citation and/or comment:

Researcher's answer to this question was "b." In general, the sources coming from grants or loans are clearly registered –that represent around 30% of incomes-, the earmarked incomes (as fee for public services) are mostly registered but that is not the case of the property sale or rent revenue. The current transfers of autonomous entities and public enterprises are registered, but in different moments it has been pointed out that it is not registered the totality of the revenues.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "a"
<http://www.hacienda.gob.ni/hacienda/CD2005/cuadroingresos.pdf>

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "b" to maintain consistency with the criteria used for selecting answers across countries.

9. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?
- a. Yes, multi-year estimates of aggregate revenue are presented.
 - b. No, multi-year estimates of aggregate revenue are not presented.
 - c. Not applicable/other (please comment).

b

Citation and/or comment: Multi-year estimates have not been presented up to now. With the Law 550 on Financial Administration enacted in 2005, it is included the requirement of incorporating the Medium Term Strategic Framework. Therefore, this will have to change but as of yet it has not entered in force and it is estimated that will enter until budgetary exercise 2008.

In the budget proposal and General Budget of the Republic (PGR) 2006 it has been included a medium term strategic framework, but it was not reviewed by the Assembly. According to independent economists, these projections show differences with the reality undervaluing the increase of the fiscal incomes in relation to previous periods. To see, for example, Acevedo, Adolfo:

http://www.ccer.org.ni/documentos/041204_pgr_2005.pdf.

Again, the estimate of fiscal incomes with the IMF differs with the one from the Budget. This has been recognized recently by the Vice-minister of Finance in an interview to the local media [see "*Reducirán el Estado, Entrevista a Juan Sebastián Chamorro en El Nuevo Diario del 26 de febrero 2006.*"

<http://www.elnuevodiario.com.ni/2006/02/26/nacionales/13635>].

To this the fact is added that the estimations that are agreed with the IMF in the signature of the Memoranda of understanding the REAL numbers are registered and not those that are presented in the General Budget of the Republic (PGR) to the National Assembly.

Peer Reviewer ONE Comment: This comment is clearer and provide more specific information than the others regarding Ley 550. Refer to this comment in all the related questions could be useful and more practical.

Peer Reviewer TWO Comment:

10. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?

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

d

Citation and/or comment: In 2005, no multi-year estimation was presented. In 2006, some estimates are presented, but these have been questioned of being based on undervalued figures. Additionally, these only appear in an aggregate level.

See: http://www.hacienda.gob.ni/hacienda/presupuesto2006/F_2_0_MarcoFiscal.pdf Page 3. See also comment of question 9.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

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

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

d

Citation and/or comment: The budgetary documentation integrates information on what will be destined to the national debt of the budgeted year, but not on the balances neither of the beginning of the year, nor of the end. The Central Bank produces information in relation to the debt, but it is not included in documents of the PGR. Only the amounts allocated to pay the redemption and the interests of that year are presented in the PGR.

<http://www.hacienda.gob.ni/hacienda/CD2005/sdp.htm>

http://www.hacienda.gob.ni/hacienda/presupuesto2006/Presupuesto_20062345.html

Researcher Response to Peer Reviewer: As it is known, the General Budget of the Republic (PGR) for the analysis has been mainly used. This decision has been made based on the fact that the National Assembly (“Asamblea Nacional”) approved on November 2005 a reform to Law 550 in which it is established that the form of presentation of the PGR approved in this Law will not enter into force until the Budget Year 2008 and this includes – among others – the requirement for a “Marco Presupuestario de Mediano Plazo”. (See <http://www.asamblea.gob.ni/> , **LAW OF REFORM OF LAW 550 FINANCIAL ADMINISTRATION AND BUDGETARY SYSTEM 565**, Approved on November 17, 2005, published on La Gaceta N. 226, November 22nd 2005 [“**Article 4.-** Addition of a final paragraph to the article of the Law, that will be read as follows “**Framework of the General Budget of the Republic Annual Law**. The framework of the General Budget of the Republic annual Law that is established in the Article 34 of this Law will enter into force from the budget formulation for the year 2008. Temporarily, the framework of que se establece en el Artículo 34 de la presente Ley será efectiva a partir de la formulación presupuestaria del año 2008. In the mean time, the framework of the General Budget of the Republic annual Law will be governed by the economic classification of Income and Expenditures of the Budgetary Balance Sheet that was approved by the National Assembly in the General Budget of the Republic of the year 2005”.]

Peer Reviewer ONE Comment: Nevertheless, the “Marco Presupuestario de Mediano Plazo 2006-2008” in the PGR 2006, presented a section “Balance Fiscal y Financiamiento” (pp. 20-21) with information regarding this question.

Peer Reviewer TWO Comment

<p>12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <ul style="list-style-type: none"> 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><u>Citation and/or comment:</u> http://www.hacienda.gob.ni/hacienda/CD2005/sdp.htm http://www.hacienda.gob.ni/hacienda/presupuesto2006/Presupuesto_20062345.html</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>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> <ul style="list-style-type: none"> 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><u>Citation and/or comment:</u> Information is included on how much of the payments corresponds to internal debt and external debt, how much is short term and long term, how much to amortization and how much to interests, as well as with whom it is the debt, but there is no information on the interest rates nor on the total amount owed in the budgetary information, it is necessary to consult other sources.</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>

14. Does the executive's budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?

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

d

Citation and/or comment:

Researcher's answer to this question was "d." The budgetary information for 2005 does not include documentation on the macroeconomic forecast [see <http://www.hacienda.gob.ni/hacienda/CD2005/index.html>] although the Central Bank has made several presentations on the matter. The documentation of General Budget of the Republic (PGR) 2006 does include this information within the Medium Term Strategic Framework

[at <http://www.hacienda.gob.ni/hacienda/presupuesto2006/mpmp1.jsp>]

The Law 550 of Financial Administration and Budgetary Regime establishes that in the Message of the Bill that the Presidency sends should include the macroeconomic context, the estimation of the main macroeconomic variables and the assumptions on which they are based, among others [see Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday 29/08/05. Pag.57-64, Arto. 35].

Researcher Response to Peer Reviewer: See comment to question 11.

Peer Reviewer ONE Comment: A more appropriate response to this question would be "c." The Exposicion de Motivos included some macroeconomic forecast (GDP growth, inflation and exchange rate) but it is limited. The "Marco Presupuestario de Mediano Plazo 2006-2008" in the PGR 2006, presented some of these information.

Peer Reviewer TWO Comment:

IBP Comment IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries. Though the creation of new information documents in 2006 is useful, it has been accounted for and it does not apply for the 2005 budget cycle, which is being evaluated.

<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> There is no information of the impact of macroeconomic assumptions, not even in the PGR 2006. The Law 550 does not establish any requirement regarding this issue.</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>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> The General Budget of the Republic (PGR) does not include more information on the impact, nor on the proposals of public policies and their effect in the expenditure. In the “exposición de motivos” that accompanies the executive’s budget project, in some occasions shifts in the policies are mentioned, but this “exposición de motivos” disappears once the Budget is enacted by the Assembly. Law 550 does not establish any requirement to do so either.</p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “c.” The exposición de motivos presents some information but it lacks important details. This document is available at: http://www.hacienda.gob.ni/hacienda/CD2005/exposicionmotivos.pdf</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> <ul style="list-style-type: none"> a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of policy proposals on revenues is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>Researcher’s answer to this question was “d.” Same as question 16</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be “c.” The exposición de motivos presents some information but it lacks important details. This document is available at: http://www.hacienda.gob.ni/hacienda/CD2005/exposicionmotivos.pdf</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer “d” to maintain consistency with the criteria used for selecting answers across 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>
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Estimates for Years Prior to the Budget Year

18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?
- 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).

Citation and/or comment:

Researcher's answer to this question was "d." The budgetary documentation does not include reference to the previous expenditures per unit, nor in general. In general, the Ministry of Finance (MHCP) presents to the National Assembly its report on expenses from January to September of the budgetary year more or less at the same time that the proposal of General Budget of the Republic (PGR) of the executive is delivered, but not like part of the proposal. There is no estimation of the total cost of that budgetary exercise. Law 550 - that has not entered into force - does not establish any requirement either to integrate in the budgetary documentation this information.

Peer Reviewer ONE Comment: Nevertheless, estimates for years priors to budget are available for the "entes descentralizados" (decentralized entities) like INIM (continuing with the same example): <http://www.consultaciudadana.gob.ni/cciudadana/CD2005/INIM2005.pdf> In PGR 2006 the same happens. See Annexes II at http://www.hacienda.gob.ni/hacienda/presupuesto2006/Presupuesto_20062345.html

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries. Only the 'entes descentralizados' included information for BY-1.

d

<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> <ul style="list-style-type: none"> a. All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. b. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by function for BY-1. d. No expenditures classified by function are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 18.</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>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> <ul style="list-style-type: none"> a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by economic classification for BY-1. d. No expenditures classified by economic classification are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 18.</p> <p><u>Peer Reviewer TWO Comment:</u> Same as Question 18.</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>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> Same as Question 18.</p> <p><u>Peer Reviewer TWO 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>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> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 18. Actual expenditures are reflected not estimations, in the semester report that the Executive sends to the Assembly, but it is not the totality of the expenditure either since not every unit renders account in a timely manner. See http://www.hacienda.gob.ni/hacienda/libros.jsp In some Ministries it is being implemented a centralized registry of their expenditures in real time (Integrated System of Financial and Administrative Management - SIGFA), but this is not yet for the totality of the administrative units. See http://www.consultaciudadana.gob.ni/cciuadana/</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> There is neither estimation nor information on previous years. It is not considered either in Law 550 of Financial Administration and Budgetary Regime any requirement on the matter.</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>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> Same as Question 23</p> <p><u>Peer Reviewer ONE Comment:</u> Same as # 18</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>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> <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 expenditures are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Researcher’s answer to this question was “d.”</u> The actual expenditure of any year is not presented in the budgetary documentation or in the supporting documentation. See: http://www.hacienda.gob.ni/hacienda/libros.jsp</p> <p><u>Peer Reviewer ONE Comment:</u> Only in the estimates for years prior to budget for “entes descentralizados” like INIM (continuing with the same example), it is indicated that data 2003 (AP-2) for budget year 2005 (AP) reflected real outcome, and 2004 estimate: http://www.consultaciudadana.gob.ni/cciudadana/CD2005/INIM2005.pdf In PGR 2006 the same happens. See Annexes II at http://www.hacienda.gob.ni/hacienda/presupuesto2006/Presupuesto_20062345.html</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “d” to maintain consistency with the criteria used for selecting answers across countries. Only the ‘entes descentralizados’ included information for BY-2.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</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> See http://www.hacienda.gob.ni/hacienda/libros.jsp</p> <p><u>Peer Reviewer ONE Comment:</u> # 25, only for those cases estimates are present and comparable.</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>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> There is no information on previous years in the budgetary documentation, neither of expenses nor of incomes. It is not establish either as a requirement in Law 550 of Financial Administration and Budgetary Regime. See http://www.hacienda.gob.ni/hacienda/libros.jsp and see “Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday 0829/05”</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> Same as Question 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: 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> Same as Question 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: 0 auto; display: flex; align-items: center; justify-content: center;">d</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> Same as Question 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: 0 auto; display: flex; align-items: center; justify-content: center;">b</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> <ul style="list-style-type: none"> a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue. d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 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;">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> <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 revenues are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 27.</p> <p><u>Peer Reviewer ONE Comment:</u> See #25.</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>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> No information on previous years in relation to the public debt is presented. Information on the total amounts owed does not appear either. There is only information on the amounts to be paid for interests and amortizations during that budgetary year. See http://www.hacienda.gob.ni/hacienda/libros.jsp</p> <p><u>Peer Reviewer ONE Comment:</u> See # 11. Information for 2004- 2008 is presented.</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>34. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?</p> <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 government debt are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Same as Question 33.</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>

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> <ul style="list-style-type: none"> a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on extra-budgetary funds is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In the different documents of the Budget that were revised, it has not been found either information on any extra-budgetary funds or explanations on that matter. See http://www.hacienda.gob.ni/hacienda/libros.jsp</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>36. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ul style="list-style-type: none"> a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on intergovernmental transfers is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In the General Budget of the Republic (PGR) information on transfers of non-enterprise autonomous entities and public enterprises is included, but frequently it has been questioned whether this information reflects the exact amounts faithfully.</p> <p>http://www.hacienda.gob.ni/hacienda/CD2005/ingresos.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>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> In the budgetary documentation up to 2005, little detail was included on these transfers. Law 550 establishes more precise norms on the transfers to those corporations, but it still leaves fields unclear. See "<i>Gobierno de Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05,</i>" Law 550 of Financial Administration and Budgetary Regime, Arts. 73, 74 y 76. "</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>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> There is no information on that matter in the reviewed documentation.</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>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value. b. Yes, information is presented, highlighting key information, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is no information on that matter in the reviewed documentation.</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>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> According to declarations offered by the Director of the Office of Public Ethics of the Presidency, Lic. Haydeé Acosta, it does not exist a truthful inventory of the assets of the State. This has lead -in the case of real estate- to fraudulent sales and another irregularities denounced by the media</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>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> Since a couple of years ago, the Representative Orlando Tardencilla has been pointing out and demanding information on what happens to the expenditures that were not executed., that in the case of capital expenditures it is usually an important amount. Until now, there has been no clear answer by the Ministry of Finance The same has happened to the resulting over -collection of taxes mentioned before. It is simply indicated that it enters into a “Unified Account of the Treasure” but clear information has not been 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;">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> There is no information on that matter in the reviewed documentation.</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>

43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?

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

d

Citation and/or comment: There is no information on that matter in the reviewed documentation. See:

<http://www.hacienda.gob.ni/hacienda/libros.jsp>. Only some funds are contemplated for the liabilities of workers whose jobs terminate during the budgetary year. The Nicaraguan laboural legislation states that when ceasing their jobs by their own decision or of their employer, the worker has the right to receive on month of payment for each of the three years worked, and a twenty-day payment for the following three years, without exceeding the equivalent of five salaries. If it is the case of a "carga de confianza", it will have to be added between two to six months of salary. *República de Nicaragua, Ley 185, Código del Trabajo, Aprobado el 28 de Octubre de 1994, Arto. 45 y 47.*

On the other hand, since the last years, it has been pointed out that the Government of Nicaragua owes a considerable amount to the Social Security Pensions Fund for patron contributions that were not paid. [See "Nueva Ley quebrará al INSS" *El Nuevo Diario*, 1º de octubre 2005, Managua, Nicaragua, in <http://www.elnuevodiario.com.ni/2005/10/01/nacionales/2406>]. It has not been effective any payment nor have passed any budgetary allocation for that.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

<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> <ol style="list-style-type: none"> All sources of donor assistance are identified individually. At least two-thirds of, but not all, sources of donor assistance, are identified individually. Less than two-thirds of sources of donor assistance are identified individually. No sources of donor assistance are identified individually. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Most part of grants are registered in the General Budget of the Republic (PGR), especially during the last years. However, there is a part that is not clearly presented. For example, Nicaragua has received around US\$ 18 millions from the Global Fund against AIDS, the Malaria and Tuberculosis that were distributed mainly among several Ministries. These funds have not been registered in the PGR 2004, or in the one of 2005 of those Ministries.</p> <p><u>Peer Reviewer ONE Comment:</u> http://www.consultaciudadana.gob.ni/cciadadana/CD2005/Donacion_Prestamo.pdf</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>45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ol style="list-style-type: none"> Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on tax expenditures is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is no information on that matter in the reviewed documentation.</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>

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).

c

Citation and/or comment: The funds that come from loans and grants from the external cooperation with specific destination are generally reflected on the budget of the Ministries, but the totality of them is not presented. It was mentioned before the case of the resources from the Global Fund against AIDS, Malaria and Tuberculosis that adds up an average of US\$ 6 million by year, and there are other funds like this. However, from 2006 an important portion of the donor countries have decided to contribute through *Global Budget Support*, not tagged to any specific allocation.

Peer Reviewer ONE Comment: A more appropriate response would be "b."
http://www.consultaciudadana.gob.ni/cciudadana/CD2005/Donacion_Prestamo.pdf

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "c" to maintain consistency with the criteria used for selecting answers across countries.

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

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

d

Citation and/or comment: There is not accurate information on what is allocated to secret items, although in the last years due to the particularities of the history of Nicaragua, the national security and intelligence expenditures have a higher level of control than in the 80's. However, since September 11 2001, the USA war against Iraq and the pressures of the US Government with the antiterrorism campaign, there have been funds that did not pass through the General Budget of the Republic (PGR) and on which there is no information. Due to the sending of Nicaraguan troops to Iraq, it was known that there was a "donation" of an anonymous source that financed the expenses of that mission in 2004, that did not count with the support of the National Assembly, which has not done any effort either to know the source of funding, though the legislation allows them to do it.

Researcher Response to Peer Reviewer: This question as well as question 81 considers the news published on the media at that time (2004) based on the comments of the President of the Republic, himself, about the origin of the financing of the travel of the Nicaraguan troops to Irak as part of the occupying forces. This answer also responds to the comment of peer reviewer ONE in question 81.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

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> The budget of each Ministry includes some information on the policy goals that have been established, especially those that provide assistance, but it is not clear the link between what is needed, what is planned and what is budgeted. As an example, in the case of the Ministry of Health over the last years, goals were established on the amount of pregnant women to be assisted which was higher than the amount of fertile women in the whole country. It means that not even if all women of Nicaragua were pregnant in the same year, it would have been possible to accomplish the goal established. The same has happened with the goal of the construction and maintenance of roads.</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>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> <ol style="list-style-type: none"> 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. Yes, information is presented, highlighting the major policy goals, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the link between the budget and the government's stated policy goals over a multi-year period is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Even though since 2002 there has been discussion on the National Plan of Development to 2025 that includes goals for each sector, it is not mentioned in the General Budget of the Republic (PGR) nor has it been included in the budget documentation. The information of the Ministries only includes the goals of the budgeted year and other autonomous entities do not even include it in 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>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> As it was pointed out in previous questions, the main Ministries include information on the amount of people that they plan to assist or attend with their programs, but that is not the case of the other Powers of the State, autonomous entities, universities and municipalities that receive budget transfers. See, as an example: http://www.hacienda.gob.ni/hacienda/CD2005/CSJ2005.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>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> As it was mentioned before, firstly, the data is not complete. Secondly, the information is not used either in the evaluation of the General Budget of the Republic (PGR) or in the evaluation of the performance of the Ministries during the year. Therefore, they are not used to evaluate the performance or the expenditure execution.</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>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> The budgeted entities don't present performance indicators for the programs. See as an example: http://www.hacienda.gob.ni/hacienda/CD2005/minsa.htm However, in the General Budget of the Republic (PGR) 2006, which includes a Medium Term Strategic Framework for three Ministries as a pilot experience, performance indicators have been incorporated in a table with indicators for those Ministries, the Ministry of Health among them. See: http://www.hacienda.gob.ni/hacienda/presupuesto2006/F_5_1_MGSMP_MINSA.pdf, page 4 and following. But it is not included either in the budget of that year nor for all the Ministries.</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>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> Same as Question 52.</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> Same as Question 52.</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>

55. Does the executive's budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country's most impoverished populations?

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

c

Citation and/or comment:

Researcher's answer to this question was "c." No all the budgeted entities indicate these policies and those that indicate them do it on a very concise way. Although it can be found in a part of the document of the PGR what will be spent in Reduction of Poverty, this expenditure does not always correspond or is directed to poverty reduction because the classification of the expenditure agreed with the World Bank is very lax and allows to incorporate 100% of the expenses of several Ministries like Health, Education and Agriculture. For example, in the case of the Ministry of Health, in 2005 the expenditure of internal audit or those of administrative and financial management were included like a cost for the reduction of poverty (See http://www.hacienda.gob.ni/hacienda/CD2005/Estrat_Red_Pobreza1.pdf page 6) Or in the case of Ministry of Agriculture, the expenditure of the Superior Direction of the Ministry or the genealogical registry was included. (See *ibid* Pages 4 and 5)

Researcher Response to Peer Reviewer: The fact that it is declared that the purpose is to reduce poverty or benefit the poorest is not enough. Regarding the General Budget of the Republic (PGR) and the definitions of the policies enclosed with the PGR *there are no elements clearly reflecting the precision of the discourse of benefiting the poor, as mentioned above.*

Peer Reviewer ONE Comment: A more appropriate response to this question would be "b." Several documents reflect the interest to benefit the country's most impoverished population: <http://www.hacienda.gob.ni/hacienda/CD2005/exposicionmotivos.pdf>
http://www.hacienda.gob.ni/hacienda/CD2005/Alivio_HIPC.pdf
http://www.hacienda.gob.ni/hacienda/CD2005/Estrat_Red_Pobreza1.pdf
http://www.hacienda.gob.ni/hacienda/CD2005/Estrat_Red_Pobreza2.pdf

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "c" to maintain consistency with the criteria used for selecting answers across countries. Missing information is important.

Additional Key Information for Budget Analysis & Monitoring	
<p><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>	
<p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources?</p> <ol style="list-style-type: none"> a. Yes, extensive information on tax rates and fee schedules is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The information on the rates is available in the Tributary Legislation and is compiled in the webpage of General Direction of Revenues, in the section of Legislation and Norms: http://www.dgi.gob.ni/interna.php?sec=41 The Information in relation to the customs tariffs is available in the webpage of the General Direction of Custom Services in the Section of customs tariffs: http://www.dga.gob.ni/. The rents with specific purposes that are collected by different institutions for the services they provide, are not always available to the public and this problem has been indicated at different moments as a source of disagreement from the users and that can lead to corruption.</p> <p><u>Peer Reviewer ONE Comment:</u> Include internet links in Table 2.</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>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"> a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. b. Yes, an analysis is presented; highlighting key aspects of the distribution, but some details are excluded. c. Yes, some analysis is presented, but it lacks important details. d. No analysis on the distribution of the tax burden is presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is no information on that matter. There is only some information in the case of the collection of tax in relation with the economic sector that is contributing. See http://www.dgi.gob.ni/interna.php?sec=96</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>

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

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

c

Citation and/or comment: In the General Budget of the Republic (PGR) information on amounts and sources are presented, as well as what is being allocated to specific projects, but not all the information in relation to the conditions required is included. At different moments, independent economists have indicated the urgency that the “Memorandum of Understanding” between the IMF and the Government of Nicaragua should become public, but these are only known after the Government of Nicaragua gives its approval, which sometimes takes a long time and in some cases, it does not completely occur. Additionally, this information is not enclosed with the PGR, but it must be looked up by independent means. For example, in the webpage of the Central Bank the last published Letter of Intent and Memorandum of Understanding with the IMF is the one of November 2002. See <http://www.bcn.gob.ni/publicaciones/acuerdos/> though in the IMF page there is a Letter of Intent from August 2004 <http://www.imf.org/external/np/loi/2004/nic/01/index.htm>, as well as news on the conclusion of the Approval of the Seventh, Eighth and Ninth Review of the Poverty Reduction and Growth Facility (PRGF) in January of this year. (See <http://www.imf.org/external/country/NIC/index.htm>)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

<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> The budget information reviewed does not include details on the conditions associated with assistance from donor countries, only the amounts and the projects or programs supported. (See http://www.hacienda.gob.ni/hacienda/CD2005/Donacion_Prestamo.pdf) though most of the information can be found on the Web pages of the donor's representatives or the Ministry of External Affairs of Nicaragua. (See http://sysoda.cancilleria.gob.ni/lite/)</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>
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<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ol style="list-style-type: none"> Yes, it provides a summary that is very informative. Yes, it provides a summary that is somewhat informative. Yes, but the summary is not very informative. No, it does not provide a summary. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>Researcher’s answer to this question was “c.” The PGR 2005 provides a summary but only of incomes and expenditures, and the classifications but not of the reasons that lead to such distribution of the budget. (See http://www.hacienda.gob.ni/hacienda/CD2005/index.html) In the PGR 2006, this summary is not specified separately anymore, the information is included in annexes and there is no summary. (See http://www.hacienda.gob.ni/hacienda/presupuesto2006/Presupuesto_20062345.html)</p> <p>Peer Reviewer ONE Comment: A more appropriate response to this question would be “d.” The link above corresponds to “Presupuesto General 2005” (including the enacted budget, annexes, summary charts and statistics) but doesn’t present a Budget Summary as stated in the guide “<i>El resumen Ejecutivo debe ser un documento independiente del Presupuesto, presentado por medio de un discurso o publicado por escrito de manera independiente al Presupuesto</i>”.</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer “c” to maintain consistency with the criteria used for selecting answers across countries. Researchers referred to the “cuadros resumen” and the “exposicion de motivos” as summaries, though they are not very informative. See http://www.hacienda.gob.ni/hacienda/CD2005/exposicionmotivos.pdf</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>61. Does the executive publish a “citizen’s budget” or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <ol style="list-style-type: none"> Yes, it publishes a citizen’s budget that is very informative. Yes, it publishes a citizen’s budget that is somewhat informative. Yes, but the citizen’s budget is not very informative. No, it does not publish a citizen’s budget. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In the documentation reviewed, a document like this has not been found. See http://www.hacienda.gob.ni/hacienda/libros.jsp</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>

<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> Same as question 61.</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>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> There is no a detailed summary of the budget process, only the mention of the four main stages: formulation, approval, implementation and evaluation (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_procesos.jsp). In 2005, the operational manuals for the first three stages were included, in the webpage of the MHCP, but not the evaluation stage.</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>

64. Do citizens have the right in law to access government information, including budget information?

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

Citation and/or comment: The access to information has improved, though there are still grey zones. Additionally, the information mentioned it's only available on the Internet, which in a country with only 10% of the population with Internet access represents a real constraint. The new Law 550, of Financial Administration and Budgetary System, states in the Art. 23 that all the kinds of budgets that are referenced by the law, as well as the reports should be available to citizens and the media the latest 15 days after they are released. (See: Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday 29/08/05, Ley 550 Law of Financial Administration and Budgetary Regime, Arto. 23). On the other hand, the Presidency of the Republic along with a number of NGO's and the media, has been working in the elaboration and enactment of an Access to Public Information Law, that is still in process.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

b

<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> <ul 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. a. In practice, no highly disaggregated expenditure information is available. b. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In the Executive Branch, there is a general disposition to provide broader financial information than the one included in the General Budget of the Republic (PGR), but this is not the case for the other state authorities (legislative, judiciary, autonomous, Electoral Supreme Council) or the decentralized entities like the public enterprises. It has not been known cases where information was required and denied. It is not usual either this kind of requirement.</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>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> <ul 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> Even though in the last years there has been a greater will from public entities to inform, especially in the cases of the Ministries and the Executive Branch entities, it is still complicated to obtain information disaggregated from the Ministries. The response is usually late or the paperwork is tiresome and many times, simply, it is said that the information required is not 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>

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 Executive should present to the National Assembly the proposal of the Annual General Budget of the Republic (PGR) at the latest on October 15th each year. This is stated by the Law 550 (See Government of Nicaragua, La Gaceta, year CIX, No.167, Monday 29/08/05, Law 550 of Financial Administration and Budgetary System, Arto 35)</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	a
<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> In the documentation reviewed from the Ministry of Finance and Public Credit (MHCP) it was not found information on this matter. This information sometimes is not presented timely not even by the budgeted units. This limits the possibility of working with sectorial units in the definition of their budgets, at the same time, that makes it difficult the negotiation within each Ministry and end up allocating the whole responsibility (power) to the Ministry of Finance and Public Credit (MHCP) which generally argues that is waiting to negotiate with the IMF to make available to the public the preliminary figures and other details.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	d

<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> See comments of question 68.</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>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> The Executive only holds consultations with members of the legislature in relation to the legislature’s budget, but not in relation to the General Budget of the Republic (PGR) until the executive’s budget proposal is presented. The priorities are defined by the Executive itself based on the agreements with the IMF and almost in an inertial way, using again the amounts allocated in previous years.</p> <p><u>Researcher Response to Peer Reviewer:</u> This answer is based on the systematic observation that has been carried out on the budge process for several years, as well as the findings from the Latino American Budget Transparency Index 2003 and 2005 (See http://www.cisas.org.ni/pdf/Reporte_Regional_Espanol%202005.pdf http://www.cisas.org.ni/pdf/Resultados%20para%20Nicaragua.pdf http://www.fundar.org.mx/secciones/publicaciones/PDF/indice_latinoamericano.pdf among others)</p> <p><u>Peer Reviewer ONE Comment:</u> The researchers should try to identify officials interviewed with as much specificity as possible according to the Guide. None information is presented (title, ministry, date of interview, name, etc.).</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>

71. Does the executive hold consultations with the public as part of its process of determining budget priorities?

- 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).

c

Citation and/or comment: As it was pointed out in question 70, the Executive discusses little with other constituencies on the budget priorities. In theory, the National Council of Economic and Social Planning (CONPES) is the round table where civil society organizations are consulted (See <http://www.conpes.org.ni/Decreto102-2002.pdf>). In this forum, different organized economic and social sectors of the country are represented. One of the arguments given by the Executive in the last years is that the priorities were determined with an open consultation since they respond to the priorities of the National Plan of Development –PND (see <http://www.pnd.gob.ni/>) However, different things can be argued in this matter; on one side, the priorities defined there are global and strategic, this does not imply participation in determining the priorities of next year. On the other side, it is not clear the relationship between the PND and the PGR in each year. Additionally, it is considered that consultations are limited by the time allocated to them and the amount of information provided that, even though it has been getting better in the last years, it is still incomplete.

Aside from that, the Decree 102-2002, Decree that established the National Council of Economic and Social Planning (CONPES), states in the Art 4 that “ The functions and powers of the Council are... 3: Making recommendations, upon request from the President of the Republic, to the General Budget of the Republic (PGR) annual Bill, to the investment and public expenditure process. (See <http://www.conpes.org.ni/Decreto102-2002.pdf> page 3, underline is ours). This means that the consultation is subject to the will of the President.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

<p>72. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> The executive releases a pre-budget statement at least four months in advance of the start of the budget year. 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. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. The executive does not release a pre-budget statement. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive releases information and documents on the macroeconomic situation and other issues, but this is not widely done nor through a formal preliminary document, as it is established in the Good Practices for Budget Transparency defined by the OCDE. This is generally presented in the CONPES around six weeks (August) prior to the presentation of the General Budget of the Republic (PGR) Bill to the National Assembly.</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>73. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented; highlighting key aspects of the fiscal and macroeconomic framework, 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> As it was pointed out, the executive doesn’t disseminate a formal document with this information, though a macroeconomic and fiscal framework is presented to the CONPES and the National Assembly. This framework not always presents all the details and the information varies during the preparation and presentation of the PGR, depending on the negotiations with the IMF. One of the issues that have been questioned in the last years is the veracity of the fiscal revenues estimations that –as it was mentioned before- in recent years has been reported up to 10% less than what was agreed with the IMF, for the same period.</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>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> See previous question. In preliminary information the executive releases some of the issues related to the priorities and limitations defined with the IMF.</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>
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> Two months and a half. The legislation establishes that the executive must present the to the National Assembly its project of PGR at the latest on October 15th of the previous year to the budget year (See: Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday 08/29/05, Ley 550 Law of Financial Administration and Budgetary Regime, Arto. 35).</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>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> <ol style="list-style-type: none"> 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. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> This corresponds to the Economic Committee. The Central Bank and the MHCP send information to the Assembly, but generally there is no further discussion in that regard and it's not open either to the public or to the members of the Committee. In 2005 the parties in the Assembly made an agreement with the President to approve the PGR without any modification that, according to the latter, was essential to achieve an agreement with the IMF.</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>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> <ol style="list-style-type: none"> Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard. Yes, a limited number of hearings are held in which testimony from the executive branch is heard. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Economic Committee invites some Ministries and institutions, as well as some civil society organizations, to express their opinion in the discussion and approval process of the PGR. Frequently, the institutions use this space to demand to the Assembly to maintain their budget allocations or to give them a higher allocation.</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>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> The public can not always participate in the hearings of administrative units. In some cases, the public can attend to listen, but there is no time allocated for questions to the speakers. On one side, the program of these hearings is not always available in advance, and on the other side, there are many limitations to gain admittance to the National Assembly.</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>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> The representatives in the Economic Committee comment to the media on some of the issues presented by organizations and groups, but they don't elaborate a report on these issues, only the opinion on the annual PGR Law.</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>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> <ul style="list-style-type: none"> a. The executive responds to such legislative requests, and it generally provides an appropriate and timely response. b. The executive responds to such legislative requests, but its responses are sometimes not appropriate or timely. c. The executive responds to such legislative requests, but its responses are typically not appropriate or timely. d. The executive responds selectively or ignores such legislative requests. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive generally responds and attends to the National Assembly requests. However, the responses usually don't have enough information.</p> <p><u>Peer Reviewer ONE Comment:</u> The researchers should try to identify officials interviewed with as much specificity as possible according to the Guide. None information is presented (title, ministry, date of interview, name, etc.).</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>
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<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> <ol 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> Although in theory there is no spending on secret items, and thus the Parliament does not require that information, the case showed in question 47 suggests that the Parliament does not receive the information either because the Executive does not provide it or because the Parliament itself does not require it. See comments on question 47</p> <p><u>Researcher Response to Peer Reviewer:</u> Both comments correspond to the news published on the media at that time (2004) based on the comments of the President of the Republic, himself, about the origin of the financing of the travel of the Nicaraguan troops to Iraq as part of the occupying forces.</p> <p><u>Peer Reviewer ONE Comment:</u> Does comments to question # 47 correspond to the government official interviewed? The researchers should try to identify officials interviewed with as much specificity as possible according to the Guide. None information is presented (title, ministry, date of interview, name, etc.).</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>
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<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> According to the Constitution, it is possible to amend specific items of the budget if the expenditure remains within the limits of the total expenditure approved and the limit approved can be incremented if it keeps up within the limits that the established incomes collected. The limit of the incomes can be increased if there are new taxes or higher revenue collected, but in any case, the agreements with the IMF drastically reduce the possibility of any modification. Additionally, the limitations associated to the loans or assistance funds that entered as “tight debt” or “compromised” also reduce the capacity of amendment by the legislators.</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>83. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> Though, several times the programs are too general and not always reflect with clarity their content.</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>

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> There are three quarterly reports and one Settlement Report. This last one must be delivered to the Assembly before the conclusion of the first quarter of the following year. (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp)</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>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 reports cover 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> The information covers the totality of the administrative units, but not all the expenditures due to a problem in the accountability of the administrative units. However, this has been improving, especially in the cases of those that are within the Integrated System of Administrative Management (SIGFA) that reflects most of the spending in real time. (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp)</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>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> <ol style="list-style-type: none"> Yes, comparisons are made for all expenditures. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. Yes, but comparisons are made for less than two-thirds of expenditures. No, comparisons are not made, or no in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The reports present comparisons with the original estimates and year-to-date expenditure, as well as with the same period in the previous year.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> It is important to add that, in some cases, in the Final Report it is argued the positive balance that resulted from the budgetary execution, but this is not observed when the is unfavorable. (See “Informe de Liquidación del Presupuesto General de la República 2004”, page. 1, I. Ley anual del Presupuesto 2004 y sus modificaciones; Pág. 6, II. Resultados del Balance Fiscal http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp</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> <ol style="list-style-type: none"> In-year reports on actual revenue collections by source of revenue are released at least every month. In-year reports on actual revenue collections are released at least every quarter. In-year reports on actual revenue collections are released at least semi-annually. In-year reports on actual revenue collections by source of revenue are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There are three quarterly reports and one Settlement Report. This last one must be delivered to the Assembly before the conclusion of the first quarter of the following year. (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp) One of the agencies responsible for collecting revenues, the General Direction of Incomes (DGI), presents monthly reports. (See www.dgi.go.ni) The General Direction of Customs (DGA) does not present any information in that matter in the Web page (See www.dga.gob.ni). However, the DGI in general compares its performance in relation to the goals established with the IMF and not in relation with what was established in the Annual Budget Law.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment</u> Although information release to the public exists, it is restricted to a very select group, given the technical language whereupon it is presented and the little effort of the corresponding sources to explain how to access to the information and to motivate the public to visit the place where the information is presented.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

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

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

b

Citation and/or comment:

Researcher's answer to this question was "b." It has been indicated by independent economists (See Acevedo, Adolfo, "El Déjà vu 2004-2005 taco a taco" mimeografiado, November 11, 2005) that the collected taxes are not totally shown in the reports. In 2004, until the end of the year it was being hidden an over-collection of revenues equivalent to 10% of the estimated total revenues.

Researcher Response to Peer Reviewer: The comment of the Peer Reviewer TWO is really partial. Yes, this is a private calculation but it has been backed and cited by most part of the well known economist in the country, not connected to the Government or the International Financial Institutions (IFIS), like Julio Francisco Báez o Nestor Avendaño to mention the two most well-known. It is not true that Adolfo is committed with one of the parties involved in the debate of the macro-economic management of the country, which is in the hands of the IMF, to a lesser extent the government and the FSLN (because of its complicity or because of letting it go in the National Assembly). In the review the government itself made at the end of 2004, but that they did not include in the General Budget of the Republic (PGR) , they recognized that the undervaluation of the incomes by tax was around 10% of the total and that it was due to the fact that the information considered for the PGR was only "estimates."

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e." Until now, there is no official or private calculation that reveals or shows the share of revenues that is covered by the reports presented by the Executive. On the comment to the actual response, the IBP will have to think about the convenience of exposing the opinion of one economist as a generalized questioning of the specialists in Nicaragua. More, having into account that the opinion that is being referenced comes from a professional that is compromised with one of the parties involved in the debate of the macro-economic management of the country.

IBP Comment: IBP editors chose answer "b" to maintain consistency with the criteria used for selecting answers across countries. The reference cited was used by researchers for their assessment but it does not determine their answer. IBP considers the researcher's recommendation, the IBP editorial review and the Peer Reviewers comments before deciding on the final answer.

<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> (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp)</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; 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 the three quarterly reports that the Ministry of Finance sends to the Assembly, and in the settlement of the PGR information is included on the external debt that is financed by the PGR, as well as the amounts paid for the debt services. It is not included anything in those reports related to the composition or the amounts of the principal amounts of the debt.</p> <p>The Central Bank, on the other hand, elaborates quarterly reports on the debt (See http://www.bcn.gob.ni/publicaciones/Deuda/Trimestral/) that is shown in its webpage since 2004. These reports are also sent to the National Assembly and there is a formal presentation.</p> <p>However, the reports do not truly reflect the level of net internal borrowing. The internal borrowing is presented at an aggregate level and not in detail, and does not incorporate details on debt that the Central Bank transfers to the Government. Some information on the debt services is provided, but the information of the total debt or the amount redeemed is not included.</p> <p><u>Peer Reviewer ONE Comment:</u> Include Central Bank link in Table 2.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>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?</p> <ol style="list-style-type: none"> Yes, extensive information related to the composition of government debt is presented. Yes, key additional information is presented, but some details are excluded. Yes, some additional information is presented, but it lacks important details. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is some information provided in relation with the service of Public Debt and Fees, but not in relation with the principal of such debt. The reports on budget implementation only reflect information in relation to the amounts paid. (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp as an example. Report January-March 2005, Pages 16 and 17). The Central Bank also presents quarterly reports that since 2004 put on their Web page. These are produced.</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>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> Now a day, the quarterly reports are released before the end of the following trimester, but not before two months. In the legislation enacted at the end of 2005 (and that in theory will enter into force this year) establishes that the financial performance evaluation reports will have to be sent to the National Assembly and to the General Auditing of the Republic thirty days following the end of each quarter (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary Regime, Art 66)</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>

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

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

d

Citation and/or comment:

Researcher's answer to this question was "d." The executive releases to the National Assembly quarterly reports of the incomes and expenditure, but has not released until now a mid-year review that includes an updated forecast of the current fiscal year or the following years, either does it include information on the financial actives and passives or any other information. Basically, a balance of the budget implementation is published with no analysis or forecast on the changes or expenditures paid (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp as an example. Report January-June 2005). In brief, it is a report with no analysis.

The recently Law 550 passed (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary Regime) does not establish any regulation nor it does mention any mid-year analysis. It is only mentioned in art. 65 that the quarterly reports and the final budget report should include an analysis of the financial and material results and evaluation of the spending programs and any other information that is considered relevant.

Researcher Response to Peer Reviewer: Therefore, it seems that the original response should have been more categorical starting by stating that "The Executive does not release a mid-year review as proposed in answer "d". I do not understand the comment of the Peer Reviewer.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e" and keeping the comment written as the actual answer.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

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

d

Citation and/or comment:

Researcher's answer to this question was "d." As it was said in the previous answer, the Executive does not present any mid-year analysis, just a report. The Law 550 states in Art 65 that there should be a quarterly analysis to evaluate the resulting effects, to interpret the shifts that have changed from the original enacted levels and to look for the causes. (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary System. Art 65). Nothing is indicated in relation to the inclusion of estimation to the current year.

Researcher Response to Peer Reviewer: Therefore, it seems that the original response should have been more categorical starting by stating that "*The Executive does not release a mid-year review as proposed in answer "d"*". I do not understand the comment of the Peer Reviewer.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e" and keeping the comment.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

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

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

d

Citation and/or comment:

Researcher's answer to this question was "d." At mid year the total expenditure by ministry with its functional and economic classification is presented, but it does not include any analysis. (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp as an example. Report January-June 2005).

Researcher Response to Peer Reviewer: Therefore, it seems that the original response should have been more categorical starting by stating that "The Executive does not release a mid-year review as proposed in answer "d." I do not understand the comment of the Peer Reviewer.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e" for the reasons explained in questions 93 and 94.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

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

Citation and/or comment:

Researcher's answer to this question was "d." The information presented at mid year does not include updated estimations of revenues; it only includes what has been collected.

Researcher Response to Peer Reviewer: Therefore, it seems that the original response should have been more categorical starting by stating that "The Executive does not release a mid-year review as proposed in answer "d". I do not understand the comment of the Peer Reviewer.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e" for the reasons explained in questions 93, 94 and 95.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

d

<p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> In practice, the executive makes the transfers without informing previously, in part because the Law 51 of the Budgetary Regime is not clear in that matter. This gave place to several irregularities, some of them led to an important group of public officers from Arnaldo Aleman’s Government (1997-2002) to a trial and later, to exile. The Law 550 of Financial Administration and Budgetary System (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary Regime) establishes in Art 55 that all shifts in budget allocations between administrative units should be informed quarterly by the Ministry of Finance to the National Assembly and establishes some limitations for this reallocations.</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>
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98. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

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

c

Citation and/or comment: One of the main exceptions is that the funds of external sources are not subject to the national budget law, as required by donors and external borrowers, according to the law itself, so the provisioning complies with the specific conditions of each of the agreements signed by the Government and the donors. Recently, a wide debate has developed around the selection of a Spanish constructing company to build an important infrastructure road, and the way the Spanish Embassy has advocated selecting one of the two companies even though they did not fulfill the requirements. Today, the consequences are of public evidence. The construction has been delayed in more than 50% over what was already anticipated. Recently, also, it has been substantially discussed that some other procurement processes related to the construction that have not followed competitive processes, instead they have been directly contracted, almost in secrecy and with other irregularities. See, as an example:

<http://www.laprensa.com.ni/archivo/2005/junio/28/nacionales/nacionales-20050628-13.html>

Regarding the rest, the media has pointed out other irregularities in the procurement of services in different units of the executive, as the Supreme Court and the Electoral Council.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

99. When does the legislature typically approve supplemental budgets?

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

b

Citation and/or comment: Until 2005 the changes in the budget to the budgetary limits were automatic (increases) when the loans and grants were liberated that did not appear in the original budget, or when more revenues was collected than the originally budgeted. Other modifications to the budget require legislative approval. However, there is evidence that in practice some changes should have been approved by the legislature but were not. In a recent modification to the budget 2004 (modification approved in July 2004), the National Assembly included an article stipulating that a monthly review should be made of new debts or grants agreements, which generated an important disapproval from the executive. This obligation is just now starting to be effective.

The Law 550 of Financial Administration and Budgetary Regime (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary System Art 52) establishes that all project of modification of the PGR Law should be elaborated by the Ministry of Finance and should be presented to the National Assembly for its discussion and approval. If the funds come from earmarked resources (art 53) it could be incorporated to the General Budget of Expenditure and the Ministry of Finance (MHCP) will inform monthly to the National Assembly and the General Auditing of the Republic (it doesn't say anything that it should be previously approved).

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

100. In most years, how large are supplemental budget requests relative to the size of the original budget?

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

b

Citation and/or comment: In some exceptional years, as in 2003, the complementary requests were almost 17%. In 2004, the amount of complementary expenditures was around 2% (See http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp, Implementation Report 2004).

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

101. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?

d

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

Citation and/or comment: In the past, the expenditure of contingency funds were executed in case of an increase the cost of basic services or an increase of the employers' social security contribution, though it has been usually for natural disasters mainly, but it was not clearly established the approval of the legislature in any regulation or any specific period.

The funds contemplated to contingencies in the last years (since 2002) have had a very low level (around one million *cordobas* against to 12 or 14 billions of total budget).

In the Law 550, Art 56 it is established that in case of events such as disasters, wars, generalized internal conflicts or epidemics, the executive by Decree will be authorized to execute the funds allocated to contingencies that can not be higher than 1% (Art 39) of the total PGR. If the amount is not enough, the executive will ask for a reform in the PGR as an urgency matter. (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary Regime).

It is also established that the use of contingency funds designated to "indispensable and urgent expenditures"(Art 39) whatever is the purpose, it should be informed to the National Assembly the latest fifteen days after it has been authorized by the President of the Republic (Art 52).

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

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> <ul style="list-style-type: none"> a. Reports are released six months or less after the end of the fiscal year. b. Reports are released 12 months or less (but more than six months) after the end of the fiscal year. c. Reports are released more than 12 months after the end of the fiscal year. d. The executive does not release a year-end report. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive has to release its annual report to the Assembly before the end of the first quarter of the following year. (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary System Art 67 and 68).</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>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation and/or comment:</u> The year-end report is presented, but generally the expenditure is not audited externally. It is only done when the funds come from cooperation and the donor requires it, but this information is not public, nor it is include in the year-end report of the General Controller of the Republic.</p> <p>In the Law 550 it is established that the General Controller of the Republic (GCR) should release a verdict on the auditing of the Financial Balance Sheets to the National Assembly and the Ministry of Finance and Credit at the latest on September 30th (9 months) after the budgetary exercise audited. (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary Regime Art 138).</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>

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

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

c

Citation and/or comment: An important detail is that it doesn't explain what happens with the under-spent funds that in some cases represent a high portion. (see as an example http://www.hacienda.gob.ni/hacienda/PDF/Presupuesto/Informes/inform_Web.pdf, Settlement Report 2004, pages 6 and 7) For the same year, an independent economist detected and indicated an over- collection of more than a billion of *córdobas*, equivalent to around a 10% of total incomes, but this is not explained nor is registered in the report. (see on the issue <http://www.laprensa.com.ni/archivo/2004/agosto/14/economia/economia-20040814-02.html>)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: It could be added the following comment “this lack of more information on the allocation of the under-executed funds can be observed in pages 19 and 22, where it is said and detailed the composition of the expenditure and the funding source of it. However, it is not said what happened with the non-executed funds”

105. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report, or another document released to the public by the executive (please specify below)?

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

c

Citation and/or comment: There are some explanations on the requests of extension of budget, but there is no much in the year-end report. In most cases, they are limited to a description of what had happened, without deepening in explanations (see http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp Settlement Report 2004, pages 19-22). Greater emphasis is made in the comparison with what was spent the previous year.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: Add to the comment, the following “It could be given, by the executive, explanations like those exposed by independent economist in the media on the variations and forecasts of the national macroeconomic behavior” See:

<http://www.laprensa.com.ni/archivo/2006/febrero/16/economia/economia-20060216-11.html>
<http://www.laprensa.com.ni/archivo/2006/enero/20/economia/economia-20060120-03.html>.

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

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

c

Citation and/or comment: As has been indicated, the year-end report does not include greater explanations for the differences between the enacted levels by the Assembly and the actual revenues. For example, in 2004 it was registered a collection of Income Tax of 114,8% in relation to the PGR updated with the different reforms of the Annual Law of PGR, but the report does not explain why there was such a difference even though the PGR was modified in November of that year (Law 508 Law of Modification to the Annual Law of General Budget of Republic 2004, published in La Gaceta on November 4 of the same year), only one month before ending the budgetary exercise, as it is presented in the same report (see http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp Settlement Report, 2004, page 11)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

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

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

d

Citation and/or comment:

Researcher's answer to this question was "d." There is no explanation on the macroeconomic aspects and its evolution during the year included in the year-end report. (see http://www.hacienda.gob.ni/hacienda/drpresupuesto_informes.jsp Settlement report 2004)

The Law 550 does not establish in the description of the year-end report or the evaluation reports any requirement in relation to this information. (See Government of Nicaragua, La Gaceta, Año CIX, No.167, Monday 08/29/05, Law 550 law of Financial Administration and Budgetary Regime Art 66 and 67).

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "c." The explanations released in the year-end 2004 are not enough and have a predominantly technical language.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries. Information does not assess or explain macroeconomic variation.

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

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

d

Citation and/or comment:

Researcher's answer to this question was "d." There is no explanation. The information collected in the year-end report is mainly financial. (See as an example: http://www.hacienda.gob.ni/hacienda/dpresupuesto_informes.jsp Settlement Report 2004) The executive, annually, presents on January 10 a management report to the National Assembly but either there it does not present a valuation of the non-financial information. (See http://www.presidencia.gob.ni/Presidencia/files_index/presidente/Discursos/2006/ENERO/Informe-ante-asamblea-nacional-180106.htm)

The Ministries elaborate annual reports but are dispersed and not always are easily accessible. (See as an example <http://www.minsa.gob.ni/> for Health Reports)

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "c" Even though some explanations are expressed, they don't go deep on the purpose of the subexecutions or other important details based on the transparency of the budgetary execution See: Settlement Report of the General Budget of the Republic 2004 and 2005. http://www.hacienda.gob.ni/hacienda/dpresupuesto_informes.jsp (Pages 1-22) and http://www.consultaciudadana.gob.ni/cciudadana/pdf/Informe_Liquidacion_2005.pdf (Pp 5-27)

IBP Comment IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries. Information presented in the cited document does not include non-financial information.

109. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original performance indicators and the actual outcome?

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

d

Citation and/or comment:

Researcher's answer to this question was "d." See previous question

Researcher Response to Peer Reviewer: It is not only a problem of technical language but the absence of any valuation on the performance indicators and results.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "c." The explanations can be found released to the public in the reports 2004 and 2005, through, greater detail and simpler language are two of the main failures.

http://www.consultaciudadana.gob.ni/cciuadana/pdf/informe_Web.pdf Pag. 1-2.

http://www.consultaciudadana.gob.ni/cciuadana/pdf/Informe_Liquidacion_2005.pdf Pag. 1-2.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries. Information presented in the cited document does not assess goals nor any other evaluation indicator information.

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

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

d

Citation and/or comment:

Researcher's answer to this question was "d." The year-end report only gathers the total funds allocated in the PGR and what was used, without explaining the reason of the differences. In previous years, until 2004 the Government had the obligation to inform to the World Bank annually what had been done as part of the Poverty Reduction Strategy as part of the conditions to obtain the relief of the external debt. This information has not been included in the Annual Information to the National Assembly. (See http://www.secep.gob.ni/documentos/gastoenpobreza/Informe%20Gasto%20Pobreza%202004%20revisado%20_25feb05_.pdf) This report does not give much explanation on the differences between the enacted and the executed. This should be added to the mentioned questioning of what is considered expenditure on poverty, especially in Ministries like Health or Education where the totality of the expenditure is classified as expenditure on Poverty. On the other side, this information does not include any valuation of the non-financial information.

Researcher Response to Peer Reviewer: It is important to point out that the mentioned Report to the World Bank is presented only to the Bank and not always made available nationwide. In fact, moreover, in 2005, as there was not any longer the pressure of HIPC, *it was not presented*. Therefore, there was no explanation anywhere about the difference between what was budgeted and spent. Additionally, it is only made public if the government authorizes the World Bank to do so, because this is how it is established, as well as in the agreements with the IMF. The answer is "d."

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "c." The limitation existing in the reports of the executive released to the public is its predominantly technical speech. There are explanations, but they lack of deepness and a language that could be understood by an average citizen or a university student in his first years of study http://www.secep.gob.ni/documentos/gastoenpobreza/Informe%20Gasto%20Pobreza%202004%20revisado%20_25feb05_.pdf Page 4-11.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

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?

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

Citation and/or comment:

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

d

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?

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

d

Citation and/or comment:

Researcher's answer to this question was "d." The General Comptroller of the Republic does not have the capacity to certify and audit the accounts of all the ministries and organizations. Usually, it only carries out audits when there are complaints by irregularities. Most of the executed funds are not audited at all, and when they are, they are not made public nor that the audit is being carried out or its results. (See <http://www.cgr.gob.ni/Servicios/filerep/listard.asp?cate=12&cated=Informes%20de%20Auditoría&area=2&aread=Dirección%20General%20de%20Auditorías>)

However, the Law 550 establishes that the CGR will have to issue an auditing opinion on the Financial Statements to the National Assembly and the Ministry of Finance and Credit not later than the September, 30 (9 months) after the audited budget year. (See Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday 08/29/05, Law 550 Law of Financial Administration and Budgetary Regime Art. 138). The article mentioned should start to be implemented, in theory, in the PGR 2005.

Researcher Response to Peer Reviewer: From the comment of the Peer Reviewer it may be inferred that this happens or there is true evidence that this will be carried out with the enactment of Law 550, however - in support of our answer – up to now this year (ninth month of the year) there is no reference to on-going or finished audits of the budgeted funds of 2005 in the General Comptroller of the Republic (CGR) website, with the exception of the electoral funds. See <http://www.cgr.gob.ni/Servicios/filerep/listard.asp?cate=12&cated=Informes%20de%20Auditoría&area=2&aread=Dirección%20General%20de%20Auditorías>

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e". In the Law 550 establishes that the CGR will have to issue an auditing opinion on the Financial Statements to the National Assembly and the Ministry of Finance and Credit not later than the September, 30 (9 months) after the audited budget year. (See Government of Nicaragua, La Gaceta, Year CIX, No.167, Monday 08/29/05, Law 550 Law of Financial Administration and Budgetary Regime Art. 138). The article mentioned should start to be implemented, in theory, in the PGR 2005.

However, the CGR does not have the capacity to certify and control the accounts of all the ministries and entities. Usually, it only carries out audits when there are complaints about irregularities. Most of the executed funds are not audited at all, and when they are, they are not made public nor that the audit is being carried out or its results. (See <http://www.cgr.gob.ni/Servicios/filerep/listard.asp?cate=12&cated=Informes%20de%20Auditoría&area=2&aread=Dirección%20General%20de%20Auditorías>)

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

113. Two years after the completion of a fiscal year, what percentage of expenditure has been audited and (except for secret programs) the reports released to the public?

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

d

Citation and/or comment:

Researcher's answer to this question was "d." The percentage of the budget audited two years later is very limited. Lately some special audits have been done over the transferred funds to some of the 153 mayor's offices of the country and to some ministries (See <http://www.cgr.gob.ni/Servicios/filerep/listard.asp?cate=12&cated=Informes%20de%20Auditoría&area=2&aread=Dirección%20General%20de%20Auditorías>). However, these audits do not always include the totality of the fiscal year (See Auditing of the Ministry of Foreign Affairs) or do not cover the totality of funds of the period (See Special Auditing of ENEL which only includes the procurement funds of two companies). This should change when Law 550 enters into force.

Researcher Response to Peer Reviewer: I do not understand yet the criterion used by the peer reviewers to put "e" (not applicable) as answer, because *it is applicable* and the audit requirement *is not fulfilled*.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: A more appropriate response to this question would be "e" together with the comments that the evaluators added to the present answer.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the criteria used for selecting answers across countries.

<p>114. Do year-end audit reports of departmental expenditure that are released to the public include an executive summary?</p> <ol style="list-style-type: none"> All of these audit reports include an executive summary. Most of these reports include an executive summary. Some of these reports include an executive summary. None of these audit reports include an executive summary, or such reports are not released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>Researcher’s answer to this question was “d.” There are no audit reports by departments as explained above.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment: A more appropriate response to this question would be “e” because of the comments previously exposed.</p> <p>IBP Comment: IBP editors chose answer “d” to maintain consistency with the criteria used for selecting answers across 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>
<p>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?</p> <ol style="list-style-type: none"> 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. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> According to the Political Constitution, the five auditors are chosen by the Assembly for a five-year period (See http://www.asamblea.gob.ni/constitu.htm#tit8cap4 Art. 154), but there is nothing explicit about their removal. In principle, on legal matters, things are undone the way they have been done; thus only the National Assembly has the authority to remove any auditor. The President of the Auditors Union is elected among the five auditors for a one-year period, with the possibility of the reelection (CP Art. 156). There is nothing established either regarding its removal.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</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>116. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ul style="list-style-type: none"> a. Yes, the SAI releases to the public audits of all extra-budgetary funds. b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> CGR does not audit extra-budgetary funds.</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>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> <ul style="list-style-type: none"> a. The SAI has full discretion to decide which audits it wishes to undertake. b. The SAI has significant discretion, but faces some limitations. c. The SAI has some discretion, but faces considerable limitations. d. The SAI has no discretion to decide which audits it wishes to undertake. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Frequently, the OSA decides based on political considerations. Especially because the OSA is an institution where the two main political parties have a participation in the Directive Council since the constitutional reform of 2000. The resolutions, which must be approved by the Council, often are not made public because of the political implications for some of the parties.</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>

118. Who determines the budget of the Supreme Audit Institution?

- a. 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.
- b. 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.
- c. 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.
- d. 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.
- e. Not applicable/other (please comment).

Citation and/or comment: The General Comptroller of the Republic (GCR) presents its demands to the Executive, which in turn includes in the PGR an amount that usually does not cover the demand and the National Assembly finally approves whatever it considers pertinent, generally in consistence with what was presented by the Executive. The GCR receives external funding through grants from organisms like the IADB or the World Bank.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

c

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

- a. Yes, all audit reports are scrutinized.
- b. Yes, most audit reports are scrutinized.
- c. Yes, some audit reports are scrutinized.
- d. No, audit reports are not scrutinized.
- e. Not applicable/other (please comment).

c

Citation and/or comment: In the last years, the CGR has presented few auditing reports per year, except to releasing from fault some civil employee accused of corruption. For those cases, a special commission was formed (one of the cases was the president of the Republic) that in the end was settled according to the interests of the groups with majority in the National Assembly, as a result of a political agreement and not according to the law.

Researcher Response to Peer Reviewer: It is not necessary to interview any civil servant; it is enough with visiting the General Controller of the Republic (CGR) webpage and look at his work. See www.cgr.gob.ni
The case referred is the accusation made to some civil servants and ex-civil servants for the use of public resource for partisan activities. One of the accused was the President of the Republic himself, Eng. Enrique Bolaños and another one was the then President Arnoldo Aleman. The first one was initially declared guilty and the second one innocent. Later, in the National Assembly, and as a result of a political agreement the President was exonerated, but some of his reliable civil servants remained guilty. None of them are in prison or has been prosecuted or punished. See <http://www.cgr.gob.ni/Servicios/filerep/archivos/Auditoria%20especial%20sobre%20denuncia%20de%20delitos%20electorales%2011-04.doc>

Peer Reviewer ONE Comment: The researchers should try to identify officials interviewed with as much specificity as possible according to the Guide. None information is presented (title, ministry, date of interview, name, etc.).

Peer Reviewer TWO Comment:

<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> <ul style="list-style-type: none"> a. Yes, the executive reports publicly on what steps it has taken to address audit findings. b. Yes, the executive reports publicly on most audit findings. c. Yes, the executive reports publicly on some audit findings. d. No, the executive does not report on steps it has taken to address audit findings. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Or, it does only if the National Assembly specifically asks for it. In the few audits that the General Comptroller has carried out, even when there is responsibility of the public servants, there hasn't been a serious answer from the Executive to take care of the proven facts. Often, the civil employees take advantage of other laws to avoid responding. Also, high ranked civil employees have sought protection in the past before the courts for not responding to the requests of information of the CGR.</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>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> <ul style="list-style-type: none"> a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations. b. Yes, a report is released, covering key audit recommendations, but some details are excluded. c. Yes, a report is released, but it lacks important details. d. No, a report is not produced or it is prepared for internal purposes only (please specify). e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> CGR does not present any report in that matter.</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>

122. Are audit reports related to national security and other secret programs provided to the legislature (or relevant committee)?

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

Citation and/or comment: They are not provided unless the Assembly demands them specifically, which is rarely done.

Peer Reviewer ONE Comment: The researchers should try to identify officials interviewed with as much specificity as possible according to the Guide. None information is presented (title, ministry, date of interview, name, etc.).

Peer Reviewer TWO Comment:

d