

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE
South Africa, September 2009

International Budget Partnership
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Section One: The Availability of Budget Documents

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

Budget Documents Used in Completing the Questionnaire	
	Budget Year Used
Pre-Budget Statement	2009/10
Budget Summary	2009/10
Executive's Budget Proposal	2009/10
Supporting Budget Documents	2009/10
Citizens Budget	2009/10
Enacted Budget	2009/10
In-Year Reports	2009/10
Mid-Year Report	2008/09
Year-End Report	2007/08
Audit Report	2007/08

Table 2. Key Budget Documents Used: Full Titles and Internet Links

Budget Document	Full Title, Date, and Internet Link
Pre-Budget Statement	<p>Medium Term Budget Policy Statement 2008, National Treasury, Republic of South Africa; Tuesday, 21 October 2008</p> <p>http://www.treasury.gov.za/documents/mtbps/2008/mtbps/MTBPS%20full.pdf</p>
Budget Summary	<p>2009 Budget Highlights; National Treasury, Republic of South Africa, 11 February 2009</p> <p>http://www.treasury.gov.za/documents/national%20budget/2009/guides/Treasury%20budget%20highlights.pdf</p>
Executive's Budget Proposal	<p>Estimates of National Expenditure 2009, National Treasury, Republic of South Africa, Wednesday, 11 February 2009</p> <p>http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p>Estimate of National Revenue 2009, National Treasury, Republic of South Africa, Wednesday, 11 February 2009</p> <p>http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p>
Budget Document One in Support of the Executive's Budget Proposal	<p>Budget Review 2009; National Treasury, Republic of South Africa, Wednesday, 11 February 2009</p> <p>http://www.treasury.gov.za/documents/national%20budget/2009/review/</p>
Budget Document Two in Support of the Executive's Budget Proposal	<p>Division of Revenue Bill 2009, Minister of Finance, Republic of South Africa, February 2009</p> <p>http://www.treasury.gov.za/legislation/bills/2009/Division%20of%20revenue%20bill%20No.4%20of%202009.pdf</p>
Budget Document Three in Support of the Executive's Budget Proposal	<p>Appropriation Bill, Minister of Finance, Republic of South Africa; February 2009</p> <p>http://www.treasury.gov.za/legislation/bills/2009/Appropriation%20bill%20-%205%20of%202009.pdf</p>
Citizens Budget	<p>A People's Guide to Budget 2009, National Treasury, Republic of South Africa; Wednesday, 11 February 2009</p> <p>http://www.treasury.gov.za/documents/national%20budget/2009/guides/Peoples%20Guide%20to%20the%20Budget%20-%20English.pdf</p> <p>The guide is also available in Afrikaans, Setswana, Xhosa, and Zulu at</p> <p>http://www.treasury.gov.za/documents/national%20budget/2009/</p>

Enacted Budget	Division of Revenue Act, 2009 (Act No. 12 of 2009), The Presidency, Republic of South Africa; Friday, 3 April 2009 http://www.treasury.gov.za/legislation/acts/2009/gov-gaz09b_gazette32106eng.pdf
In-Year Reports	Statement of National Revenue, Expenditure and Borrowing Issued by the Director-General, National Treasury on a monthly basis http://www.treasury.gov.za/comm_media/press/monthly/0906/press.pdf
Mid-Year Review	Medium Term Budget Policy Statement 2008,(Annexure A 2007/08 outcome and half-year spending estimates for 2008/09), National Treasury, Republic of South Africa, 21 October 2008 http://www.treasury.gov.za/documents/mtbps/2008/mtbps/ISBN%20page.pdf
Year-End Report	Consolidated Financial Information for the Year Ended 31 March 2008; National Treasury, Republic of South Africa; Approved on 27 October 2008 http://www.treasury.gov.za/publications/annual%20reports/annual%20financial%20statements/Consolidated%20fin%20info%20-%2031032008.pdf Further, Each Ministry releases its own year-end Report (annual report), readily available to public in hard copy, compact disk and on the Ministry Website.
Audit Report	National General Report of the Auditor General on the Audit Outcomes of Departments, Constitutional Institutions, Public Entities and Other Entities for the Financial Year 2007-08; Auditor General, Republic of South Africa; Monday, 11 May 2009 http://www.agsa.co.za/Portals/1/Section%201of%204%20-%202007-8%20national%20report.pdf
Other Documents	-Tax Pocket Guide 2009, National Treasury, Republic of South Africa, 11 February 2009 http://www.treasury.gov.za/documents/national%20budget/2009/guides/Budget%20Pocketguide%202009.pdf -Budget Tax Proposals 2009, South Africa Revenue Services(SARS), Republic of South Africa; Wednesday, 11 February 2009 http://www.treasury.gov.za/documents/national%20budget/2009/guides/Budget%20Proposals%202009.pdf -Public Finance Management Act (PFMA), 1999 (Act No. 1. of 1999) available online at http://www.treasury.gov.za/legislation/PFMA/default.aspx -The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) allows citizens access to information on request as well as proactive disclosure. It is available online at http://www.dfa.gov.za/department/accessinfo_act.pdf Auditor General-South Africa Annual Report, 2008/2009 available online at http://www.agsa.co.za/Portals/1/AG%20AR%2020090814.pdf
Relevant Ministries & Departments	www.treasury.gov.za for National Treasury www.sars.co.za for South African Revenue Services http://oag.treasury.gov.za/ for the Office of the Accountant General http://www.agsa.co.za/ for the Office of the Auditor General

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

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

*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.

Peer Reviewer Two Comment: Whilst it is true that there are free documents available, these are usually only distributed to parliamentarians and the media. As civil society organizations we almost always purchase copies from the local Revenue Service office as this is the quickest way to have documents available in hard copy.

Table 4. Distribution of the Enacted Budget and Other Reports

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

⁺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.

Peer Reviewer Two Comment: Whilst it is true that documents are available for the year-end report, audit report and mid-year review and available for free, I would question if there is a mass distribution of these.

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

Note 1: The Open Budget Survey research process was carried out over a 12-month period and the final version of the Open Budget Questionnaires reflect decisions made after multiple rounds of discussions between Survey researchers, peer reviewers, and the International Budget Partnership (IBP) (in several countries these decisions also considered comments received from governments). When peer reviewers or governments agreed with the answers provided by researchers, they often provided no comment. Thus for many questions, the section in the questionnaire that should contain peer reviewer comments is left blank. However, if the government did not provide any comments to a question (because it did not dispute the answer), the section within the questionnaire that is meant to reflect government comments specifies the answer that the government agreed with (by default).

Since the IBP continued its discussions with the researchers even after receiving peer reviewer and government comments, for some questions these discussions resulted in a mutual decision to change the answers, even if the peer reviewers and governments agreed with the original answer provided by the researcher. Such changes may have happened as a result of:

1. A more consistent application of the Survey methodology;
2. New information identified by the researcher or by IBP that had a bearing on the answer for a particular question; or
3. Decisions made to ensure cross-country comparability of answers.

For more information on these changes for any question please write to info@internationalbudget.org.

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"> All expenditures are classified by administrative unit. Expenditures are classified by administrative unit, but some small units are not shown separately. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented. Not applicable/other (please comment). <p><u>Citation:</u> Information on the main budget expenditure by vote is found on page 158 of Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review," and also page ix in the introduction of the budget document entitled, "Estimates of National Expenditure 2009."</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and at http://www.treasury.gov.za/documents/national%20budget/2009/ene/00%20Introduction.pdf</p> <p><u>Peer Reviewer One Comment:</u> This information is also documented in the Appropriation Bill (2009, pp. 5-30) Source: http://www.treasury.gov.za/legislation/bills/2009/Appropriation%20bill%20-%205%20of%202009.pdf</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<p>2. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <ul style="list-style-type: none"> a. All expenditures are classified by functional classification, and the categorization is compatible with international standards. b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by function. d. No expenditures classified by function are presented. e. Not applicable/other (please comment) <p><u>Citation:</u> Information on the consolidated national, provincial and social security expenditure by functional classification can be found on pages 164-165 of Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review."</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer One Comment:</u> The functional classification is in accordance with the Government Finance Statistics (GFS).</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a
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<p>3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ul style="list-style-type: none"> a. All expenditures are classified by economic classification, and the categorization is compatible with international standards. b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by economic classification. d. No expenditures classified by economic classification are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Information on consolidated government expenditure by economic classification is found on page 162 of Annexure B: Statistical Tables for the budget document entitled “2009 Budget Review,” and also page xi in the introduction of the budget document entitled, “Estimates of National Expenditure 2009.”</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and at http://www.treasury.gov.za/documents/national%20budget/2009/ene/00%20Introduction.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<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:</u> Information presenting expenditures for individual programmes for the budget year can be found on pages 1-871 of the budget document entitled “Estimates of National Expenditure 2009.”</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u> Programme expenditure information is tabulated in a more concise form in the Appropriation Bill (2009, pages 5 – 30). Source: http://www.treasury.gov.za/legislation/bills/2009/Appropriation%20bill%20-%205%20of%202009.pdf</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	a
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<p>5. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate expenditure are presented. b. No, multi-year estimates of aggregate expenditure are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Most consolidated government expenditure estimates found in pages 162-167, Annexure B: Statistical Tables for the budget document entitled “2009 Budget Review” are for a multi-year period, 2005/06 to 2011/12.</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer One Comment:</u> This information can also be located in the Estimates of National Expenditure (2009, pages viii – xi) This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<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:</u> Information presenting detailed expenditure estimates for the multi-year period 2005/06 to 2011/12 can be found on pages 158 to 167, Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review." Detailed medium-term expenditure estimates can also be found on pages 1-871 of the budget document entitled "Estimates of National Expenditure 2009."</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<p>7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> Detailed information on the different sources of tax revenue for the budget year can be found on pages 3-5 of the budget document titled "2009 Estimate of National Revenue."</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p> <p><u>Peer Reviewer One Comment:</u> This information is also documented in the Budget Review (2009, pages 152-155) This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a
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<p>8. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <ul style="list-style-type: none"> a. All sources of non-tax revenue are identified individually. b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually. c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually. d. No sources of non-tax revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> Information on the different sources of non-tax revenue for the budget year can be found on page 4 of the budget document titled “2009 Estimate of National Revenue.”</p> <p><u>Comment:</u> This information can be found online at http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p> <p><u>Peer Reviewer One Comment:</u> This information is also documented in the Budget Review (2009, pages 156-157) This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	a
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<p>9. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate revenue are presented. b. No, multi-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information identifying multi-year aggregates of budget revenue is found on page 5 of the budget document titled “2009 Estimate of National Revenue.” The medium term estimates cover two years beyond the current budget year. This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p> <p><u>Comment:</u> Additional information is included to show the effects of tax proposals; hence, current year estimates show the “before” and “after” tax proposals estimates.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>10. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Detailed classification of revenue estimates is presented for a multi-year period on pages 154 to 157, Annexure B: Statistical Tables of the budget document entitled “2009 Budget Review.”</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <p>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).</p> <p>b. Yes, the data reflect the outstanding debt at the end of the budget year.</p> <p>c. Yes, the data reflect the outstanding debt at the start of the budget year.</p> <p>d. No, data on the outstanding debt are not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information identifying the total government outstanding debt for the budget year is presented on page 171, Annexure B: Statistical Tables of the budget document entitled “2009 Budget Review.”</p> <p><u>Comment:</u> Explanatory notes are provided in footnotes to Table 8 on pages 168 - 171 of Annexure B: Statistical Tables of the budget document entitled “2009 Budget Review.” This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>a. Yes, interest payments on the debt are presented. b. No, interest payments on the debt are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information identifying the present interest cost payments on the debt for the budget year is available on page 107 of the budget vote for National Treasury as “State Debt Cost.” It is found in the budget document entitled “2009 Estimates of National Expenditure.”</p> <p><u>Comment:</u> The information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/7%20nat%20treas.pdf</p> <p><u>Peer Reviewer One Comment:</u> This information is also presented in the Budget Review (2009, pages 160 – 161) under “<i>Direct Charges against the National Revenue Fund.</i>” This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>13. Does the executive’s budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?</p> <p>a. Yes, extensive information related to the composition of government debt is presented.</p> <p>b. Yes, key additional information is presented, but some details are excluded.</p> <p>c. Yes, some additional information is presented, but it lacks important details.</p> <p>d. No, additional information related to the composition of government debt is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information identifying the composition of government debt for the budget year is presented on pages 71 -86, Chapter 5 (Asset and Liability Management) of the budget document entitled “2009 Budget Review.” The gross borrowing requirement of the budget is also reflected in the National Treasury budget vote on page 111 of the budget document entitled “2009 Estimates of National Expenditure.”</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap5.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/ene/7%20nat%20treas.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>14. Does the executive’s budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?</p> <ul style="list-style-type: none"> a. Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly. b. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded. c. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details. d. No, information related to the macroeconomic forecast is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Information concerning the macroeconomic outlook is provided extensively on pages 19-40; Chapter 2 (Economic Policy and Outlook) of the budget document entitled “2000 Budget Review.”</p> <p><u>Comment:</u> The information covers trends, projections and forecasts across most macroeconomic indicators and can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap2.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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15. Does the executive's budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?

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

Citation:

Information concerning the macroeconomic outlook is provided extensively on pages 19-40; Chapter 2 (Economic Policy and Outlook) of the budget document entitled "2000 Budget Review."

Comment:

The information covers mostly trends and narrative discussions of the likely impacts of movements in economic aggregates. It falls short of quantitative estimates and forecasts as would be the output of macroeconomic modeling. The macroeconomic indicators can be found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/chap2.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: The Budget Review (2010) provides robust macroeconomic analysis and forward estimates on revenue and debt service obligations; to ensure fiscal sustainability. Long term projections and sensitivity analysis are made in relation to the proportion of debt to GDP, and risks are identified, for example. This exercise informs decisions to borrow and also places South Africa in a position to come up with sustainable budget.

b

<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> <p>a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on the impact of policy proposals on expenditures is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information showing the thrust of policy proposals, expenditure outlays and anticipated outcomes is captured on pages 1-18, Chapter 1 (A Time of Crisis a Window of Opportunity) of the budget document, “2009 Budget Review.” The “2009 Budget Speech” also provides useful insights into the fiscal stance and macroeconomic framework supporting policy proposals.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap1.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/speech/speech.pdf</p> <p><u>Peer Reviewer One Comment:</u> Page 5 of the Budget Review (2009) provides a good summary of new spending priority areas and the budget allocation over the MTEF period.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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17. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?

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

Citation:

Information on fiscal and tax policy measures can be found on pages 12-14, Chapter 1 (A Time of Crisis a Window of Opportunity) of the budget document, "2009 Budget Review."

The "2009 Budget Speech" on pages 17 -20 also provides a brief outline of revenue estimates and tax proposals covering a wide range of tax instruments.

This information can be found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/chap1.pdf>

and

<http://www.treasury.gov.za/documents/national%20budget/2009/speech/speech.pdf>

Comment:

An additional document entitled, "2009 Budget tax Proposals" is produced and can be found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/guides/Budget%20Proposals%202009.pdf>

Additional information is included to show the effects of tax proposals hence current year estimates show the "before" and "after" tax proposals estimates on page 5 of the budget document titled "2009 Estimate of National Revenue" found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

Estimates for Years Prior to the Budget Year	
<p>18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit for BY-1. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> Information on the main budget expenditure by administrative classification is found on page 158 of Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review," and also page ix in the introduction of the budget document entitled, "Estimates of National Expenditure 2009." The audited outcomes for three preceding years, adjusted appropriations and revised estimates are also shown.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/00%20Introduction.pdf It is worth noting however that the "Estimates of National Expenditure" does not capture the original BY-1 allocations as the "Budget Review" does.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<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:</u> Information on the consolidated national, provincial and social security expenditure by functional classification can be found on pages 164-165 of Annexure B: Statistical Tables for the budget document entitled “2009 Budget Review.” The audited outcomes for three preceding years, adjusted an appropriations and revised estimates for BY-1 are also shown.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<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> <p>a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.</p> <p>b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.</p> <p>c. Some, but not all, expenditures are classified by economic classification for BY-1.</p> <p>d. No expenditures classified by economic classification are presented for BY-1.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information on consolidated government expenditure by economic classification is found on pages 162-165 of Annexure B: Statistical Tables for the budget document entitled “2009 Budget Review,” and also page xi in the introduction of the budget document entitled, “Estimates of National Expenditure 2009.”The audited outcomes for three preceding years, adjusted appropriations and revised estimates for BY-1 are also shown.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/00%20Introduction.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<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:</u> The budget document titled, “2009 Estimate of National Expenditure” provides expenditure estimates for individual programmes covering four previous years of which three are audited outcomes and the adjusted appropriations and revised estimates for BY-1.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>22. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?</p> <ul style="list-style-type: none"> a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> The expenditure estimates of all programmes are included in the "Estimates of National Expenditure" for the 2008/09 budget year to include an adjusted appropriation which is based on mid-year estimates and a revised estimate based on figures obtained immediately prior to the budget release.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<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> <p>a. Yes, such prior-year estimates of aggregate expenditure are presented.</p> <p>b. No, such prior-year estimates of aggregate expenditure are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> Estimates of aggregate level of expenditure for all programmes are presented for four previous budget years of which three are audited outcomes (2005/06 -2007/08) and the adjusted appropriations and revised estimates for BY-1(2008/09).</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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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)?
- 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).

Citation:

Estimates of aggregate level of expenditure for individual programmes are presented for four previous budget years of which three are audited outcomes (2005/06 -2007/08) and the adjusted appropriations and revised estimates for BY-1(2008/09). See for example page 112 of the "2009 Estimate of National Expenditure" for Vote 7: National treasury. This information can be seen online at:
<http://www.treasury.gov.za/documents/national%20budget/2009/ene/7%20nat%20treas.pdf>

Comment:

Overall, detailed information on individual programmes can be found online at:
<http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

<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:</u> Audited outcomes are presented for up to BY-2 (2007/08)</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<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:</u> Adjusted appropriations are presented for all programmes. The adjusted appropriations are based on mid-year estimates and a revised estimate is also included based on figures obtained immediately prior to the budget release.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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27. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?

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

Citation:

Detailed information on the different sources of tax revenue for BY-1 can be found on pages 3-5 of the budget document titled "2009 Estimate of National Revenue." The document also shows the actual outcome for BY-2 (2007/08) which is an audited outcome.

Comment:

This information can be found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf>

Detailed information presenting revenue classification for the multi-year period 1991/02 to 2011/12 can be found on pages 150 to 157, Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review" found at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

<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:</u> Information on the different sources of non-tax revenue for BY-1 can be found on pages 4 of the budget document titled “2009 Estimate of National Revenue.” The document also shows the actual outcome for BY-2 (2007/08) which is an audited outcome.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf Detailed information presenting revenue classification for the multi-year period 1991/02 to 2011/12 can be found on pages 150 to 157, Annexure B: Statistical Tables for the budget document entitled “2009 Budget Review” found at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<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:</u> There are three estimates of BY-1 which are the original appropriation, the adjusted appropriation as indicated in the MTBPS and the revised estimates as in the period prior to budget release. Since the period between the release of the MTBPS and the executive budget is less than six months, the update is done within this timeframe.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf. Detailed information presenting revenue classification for the multi-year period 1991/02 to 2011/12 can be found on pages 150 to 157, Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review" found at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<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> <p>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> <p><u>Citation:</u> Detailed information presenting revenue classification for the multi-year period 1991/02 to 2011/12 can be found on pages 150 to 157, Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review" found at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<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:</u> Detailed information presenting revenue classification for the multi-year period 1991/02 to 2011/12 can be found on pages 150 to 157, Annexure B: Statistical Tables for the budget document entitled "2009 Budget Review" found at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<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:</u> Actual outcomes for the year 2007/08(BY-2) are presented.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/enr/enr.pdf</p> <p><u>Peer Reviewer One Comment:</u> Pages 154-157 of the Budget Review (2009) also contain actual revenue outcomes for BY-2.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<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> <p>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> <p><u>Citation:</u> Information on the Total Debt of Government is presented on Table 8, pages 168-171 of Annexure B: Statistical Tables of the budget document titled “2009 Budget Review.” Information identifying the composition of government debt for the BY-1 and trends is also presented on pages 71 - 86, Chapter 5 (Asset and Liability Management) of the same budget document.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/review/chap5.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<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:</u> Actual outcomes are presented for two years prior to the budget year (BY-2). This is reflected in Annexure B: Statistical Tables of the budget document titled "2009 Budget Review" and the budget vote for National Treasury.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/ene/7%20nat%20treas.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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Comprehensiveness	
<p>35. Does the executive's budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on extra-budgetary funds is not presented. Not applicable/other (please comment). <p><u>Citation:</u> The bulk of extra-budgetary funds in South Africa such as Social Security Funds (Road Accident Fund, Unemployment Insurance Fund, and Compensation Fund) as well as other entities prescribed in the PFMA, are included in budget documentation. A detailed description, both narrative and financial is included in the budget document titled, "2009 Budget Review" found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap6.pdf</p> <p><u>Comment:</u> A list of public entities included in the budget, the responsible department and relevant schedule of the Public Finance Management Act (PFMA) is available online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/Annexure%20W2.pdf Details of selected transfers and subsidies are captured under the relevant programme of the responsible entity. An example would be page 819 of the budget document titled "2009 Estimates of national Expenditure," Vote 33: Transport detailing expenditure on public entities.</p> <p><u>Peer Reviewer One Comment:</u> Pages 92-94 of the Budget Review (2009) discusses Social Security Funds as identified above.</p> <p>Last Year's comment (still valid): The researcher is correct in commenting on the extensive coverage of the listed items in the budget documents. However, the response could be re-phrased, distinguishing between the "funding of the funds" (for example through dedicated taxes on wage bills in the case of the Unemployment Insurance Fund) and the "funding of the activities of social security funds," which do get appropriated through the various votes (programmes) of national government. An explanation on extra-budgetary funds may be necessary here.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<p>36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on intergovernmental transfers is not presented. Not applicable/other (please comment). <p><u>Citation:</u> An extensive narrative and financial review of division of revenue and inter-governmental fiscal transfers is provided in Chapter 8, (pages 113-126) of the budget document titled "2009 Budget Review."</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap8.pdf The Division of Revenue Act prescribes the level of equitable share each provincial government or local government authority is entitled to. A system of conditional grants is also operated in line with South Africa' quasi-federal system of governance. An explanatory memorandum on division of revenue is also presented online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/Annexure%20W1.pdf as Annexure W1 of the budget document titled "2009 Budget Review."</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> There are also intergovernmental fiscal reviews prepared every two-three years.</p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a
<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:</u> Detailed programme information is presented on transfers to public corporations under each administrative classification. The funded</p>	a

corporations are those aligned to the relevant schedule of the PFMA and are listed online at:
<http://www.treasury.gov.za/documents/national%20budget/2009/review/Annexure%20W2.pdf>

Comment:

The bulk of public corporations fall under Vote 30: Public Enterprises and Page 697 of the budget document titled, "2009 Estimates of National Expenditure" presents a selection of transfer payments made to certain public corporations. This can be seen online at:
<http://www.treasury.gov.za/documents/national%20budget/2009/ene/30%20public.pdf>

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." My main concern is that such transfers are often not classified clearly as capital or current spending. In fact, due to no fault of public corporations, one cannot see in their summarized financial statements – often presented in the "Estimates of Expenditure" – what tax funds have been used for. This is an accounting challenge, but government in my opinion is not tackling the usage of resources carefully. One more thing – It is true that the biggest public enterprises fall under the Public Enterprise budget vote, but there are other entities for which reporting is not captured. An example was the exclusion of budget information for the "National Empowerment Fund" – an agency meant to support entrepreneurial activity.

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because in the main, transfers to public corporations are reported in the budget documentation and detailed motivations made for major capital projects of public corporations. If you look at Page 766 of the budget document titled, "2009 Estimates of National Expenditure," you will see that outlays for capital as well as current expenditures for the National Empowerment Fund are captured.

IBP Comment: Based on a review of comments and documents, IBP editors chose answer "a."

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

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

Citation:

All quasi-fiscal activities are included in the main budget or in the budgets of the relevant extra-budgetary agencies.

Comment:

Good examples are the strategic projects like the investment in Broadband Infracore and the Pebble Bed Modular Reactor cited on page 697 of the budget document titled, "2009 Estimates of National Expenditure" under Public Enterprises. This can be seen online at: <http://www.treasury.gov.za/documents/national%20budget/2009/ene/30%20public.pdf>

Researcher Response to this Question was "e"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c." It is true that government's performance in some areas that could be classified as "quasi-fiscal" is transparent and well captured. An example of this would be the partnership government has with the "Business Trust" to support the Tourism Enterprise Programme. However, in the case of the Pebble Bed Modular Reactor details on exact costs and in particular the contribution of venture capital by partners in developing the prototype is at best opaque, with little details in the public domain. Similarly, offsets from the controversial arms deal, and other areas, are not given enough detail through a transparent disclosure."

Government Comment: Government did not dispute researcher's original answer "e," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer two to "c." I chose my answer because the citation and comment above seem to support the idea that there is some information provided.

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

C

39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?
- Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value.
 - Yes, information is presented, highlighting key information, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on financial assets is not presented.
 - Not applicable/other (please comment).

Citation:

A narrative and financial description of financial assets held by government is presented in Chapter 5 (Asset and Liability Management), pages 71-86 of the budget document titled, "2009 Budget Review."

Comment:

Answer is "a" because this information is available online at: <http://www.treasury.gov.za/documents/national%20budget/2009/review/chap5.pdf>

Researcher Response to this Question was "a"

Peer Reviewer One Comment: A more appropriate response is "b." Chapter 5 largely details financial liabilities. Only a small narrative section is dedicated towards speaking about financial assets. The quantification of available financial assets is also omitted from this section.

Peer Reviewer Two Comment: A more appropriate response to this question would be "c." Personally, I have never seen a complete audit of government assets, financial or otherwise that has been completely to my satisfaction. For instance, government still does not have an updated and comprehensive asset register for land that it owns. Moreover, the asset and liability section of the Budget Review does not in my opinion provide a narrative or financial description of "financial assets."

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer one to "b." I chose my answer because the question restricts itself to financial assets and governments have not been known to divulge details of their asset holdings in non public entities.

IBP Comment: Per OBI methodology, IBP editors chose answer "b."

b

40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?
- Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value.
 - Yes, information is presented, highlighting key information, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on non-financial assets is not presented.
 - Not applicable/other (please comment).

Citation:

The answer is "b" because information on non-financial assets is presented as disclosure notes in the financial statements of all national and provincial departments, as these departments prepare financial statements on the adjusted cash basis. The information is only disclosed as part of the financials. The financial statements of extra-budgetary institutions are compiled on the Accruals Basis of Accounting and therefore include full details of all non-financial assets held by such institutions.

Comment:

An explanatory memorandum on the structure of government account is captured on Annexure W2 of the budget document titled, "2009 Budget Review." It is available online at:
<http://www.treasury.gov.za/documents/national%20budget/2009/review/Annexure%20W2.pdf>

d

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "d." Although what the respondent stated is correct (i.e. in the financial statements of departments, the extent of their non-financial asset holdings is indicated, although a detailed breakdown per category is usually only to be found in their asset registers, which is not publicly available), the question wants to know whether this information is contained in the executive budget or any of the supporting budgetary documents, which it is not.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's original answer "b," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "b." I chose my answer because part of the documentation entered as supporting budgetary documentation are the departmental annual reports and as such, to the extent to which this information is contained in the annual reports, it is presented with budget documentation. Peer Reviewer One seems to argue that this information is not as detailed as in their asset register, to which I agree, and that some details are excluded. This also has to be considered within the whole of government accounting systems and the checks and balances that include both internal and external audits. Those performing audits form an opinion based on their analysis of documents, like the asset

<p>registers of government departments.</p> <p>IBP Comment: IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	
<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:</u> At the national level, expenditure arrears are not in the legal framework or presented in the budget documents; however they do exist at provincial levels.</p> <p><u>Comment:</u></p> <p>Peer Reviewer One Comment:</p> <p>Peer Reviewer Two Comment:</p> <p>Government Comment: Government did not dispute researcher’s answer.</p>	<p>e</p>

<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:</u> Table 9, Financial Guarantees: Amounts Drawn on Government Guarantees is presented on Annexure B: Statistical Tables in the budget document titled, “2009 Budget Review.” A narrative description of the basis for recording these liabilities is presented on pages 83 -84, Chapter 5 of the same document.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/review/chap5.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?
- Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates.
 - Yes, information is presented, highlighting key future liabilities, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on future liabilities is not presented.
 - Not applicable/other (please comment).

Citation:

The National Treasury has a risk management guideline as articulated on page 83 of the "2009 Budget Review" and as such has made provisions and estimated the likelihood that contingent liabilities may fall due and payable based on actuarial assessments of for instance the Government Employees pension Fund.

Comment:

This information can be found online at:
<http://www.treasury.gov.za/documents/national%20budget/2009/review/chap5.pdf>

Researcher Response to this Question was "a"

b

Peer Reviewer One Comment: A more appropriate response to this question would be "b." Whilst the Budget Review (2009) includes a narrative section (as inferred above), the quantitative estimates of future liabilities, however, only refers to historical information (i.e. 2005/'06 – 2007/'08). Therefore the quantitative amounts of future contingent liabilities are not indicated. The risk management guideline referred to above is also not publicly available.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should be changed as suggested by Peer Reviewer One to "b." I chose my initial answer because the risk management guideline stipulates that actuarial estimates should be used to estimate the likelihood that a future liability may fall due and payable. This is a technical exercise conducted by professional actuaries; in the absence of evidence that government cover for liabilities is below actuarial provisions, one is bound to assume that these are followed to the letter.

IBP Comment: Based on a review of comments, IBP editors chose answer "b."

44. Does the executive's budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?

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

Citation:

No sources of donor assistance are identified individually in the Executive's Budget Proposal. However, the relevant departmental annual report provides details of all sources of donor assistance, both financial and in-kind. An example is the annual report of the Department of Health; Vote 16 for 2007/08 which can be found online at: <http://www.doh.gov.za/docs/reports-f.html>

Comment:

Further, all ODA both cash/ grants and in-kind assistance reflected in international agreements entered into between South Africa and each of its development partners are reported on the Development Co-operation Information System found online at: <http://www.dcis.gov.za/>

Researcher Response to this Question was "d"

Peer Reviewer One Comment: A more appropriate response is "b." At the end of each vote in the Estimates of National Expenditure (2009), there is a summary of all donor funding received by the respective votes (e.g. Vote 10, p202). There is no indication of in-kind assistance received.

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." Each departmental budget has a section in the Estimates of Expenditure that provides sources of donor funding. An example of this can be seen in the Public Service Budget Vote on pages 184-187 of the 2009 Estimates of Expenditure.

Government Comment: A more appropriate response to this question would be "b." Names of the Donors are provided in the ENE for every donor funded project, both financial and in-kind.

Researcher Response: I suggest the answer should be changed to "b." I chose my answer because some sources of donor funding are identified individually and captured in the relevant section of the Estimates of National Expenditure depending on whether they have been notified. Table 26.E Summary of donor funding on page 616 of the budget documentation titled "2009 Estimates of National Expenditure" is a good example. A more complete picture of donor expenditure can be seen in the Departmental Annual Reports as stated in the citation above.

IBP Comment: Per OBI methodology, IBP editors chose answer "b."

b

45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?
- a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.
 - b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded.
 - c. Yes, some information is presented, but it lacks important details.
 - d. No, information on tax expenditures is not presented.
 - e. Not applicable/other (please comment).

Citation:

Information on tax expenditures is captured in Annexure C: Summary of Additional Tax Proposals for 2009/10 of the budget document titled, "2009 Budget Review" on pages 175 - 186. Except in the case of taxes on personal income, tax expenditures are not quantified e.g. special provisions for business.

Comment:

This information is available online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20c.pdf>

The "2009 budget Review" also presents a "before" and "after" tax proposals revenue estimates for the key tax expenditures which tends to support this citation. See also Annexure B: Statistical tables found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20b.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

<p>46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Earmarked revenues can be seen in Chapter 4: Revenue Trends and Tax Proposal of the budget document titled, “2009 Budget Review.”</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap4.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?</p> <ol style="list-style-type: none"> One percent or less of expenditure is dedicated to secret items. Three percent or less, but more than one percent, of expenditure is dedicated to secret items. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public. Not applicable/other (please comment). <p><u>Citation:</u> Expenditure for secret services total 0.49% of the budget for 2009/10. This includes transfers by National Treasury of R 2 585.4 million to the Secret Services Account and R 589.8 million for Defense Intelligence.</p> <p><u>Comment:</u> Information relating to these expenditures is available online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/7%20nat%20treas.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/ene/19%20defence.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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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> <ol style="list-style-type: none"> 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. Yes, information is presented, highlighting the link between major policy goals and the budget, 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 is not presented. Not applicable/other (please comment). <p><u>Citation:</u> The link between government's stated policy goals and the proposed budget is provided in both the "2009 Budget Review" and the "2009 Estimates of National Expenditure." The introduction to the latter document makes mention of the realized need to improve the quality of this linkage since its introduction in the year 2000.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/00%20Introduction.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	a

<p>49. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the link between the budget and the government’s stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the major policy goals, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> An extensive explanation covering a seven year period is reported, both narrative and financial. This includes information on the four previous years, the current budget year and two outer years. This information is largely found in the budget document titled “2009 Budget Review.”</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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50. Does the executive's budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?
- a. Non-financial data are presented for all programs.
 - b. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.
 - c. Non-financial data are presented for programs representing less than two-thirds of expenditure.
 - d. No non-financial data are presented.
 - e. Not applicable/other (please comment).

Citation:

The "2009 Budget Review" and the "2009 Estimates of National Expenditure" and Departmental Annual Reports provide extensive information on beneficiaries for expenditure programmes.

Comment:

This information can be found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/default.aspx> and

<http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx>

a

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." For social programmes (e.g grants) extensive information is available, but non-financial information on economic programmes (e.g. small business support) is patchy. This is not a Treasury problem, but a problem for departments implementing economic programmes.

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because each budget Vote in the budget document titled, "2009 Estimates of National Expenditure" has a section titled Selected performance and operations indicators where the numbers of beneficiaries or number of units delivered is captured depending on each case. I am not required to form an opinion as to the quality of non-financial data presented and the purpose for which it could be used.

IBP Comment: Per OBI methodology, IBP editors chose answer "a."

51. Are the non-financial data presented useful for assessing how an expenditure program is performing?
- 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).

Citation:

The "2009 Estimates of National Expenditure" and the "2009 Budget Review" provide information on spending plans, expenditure outcomes for the past years, strategies, policies, objectives and performance targets over a seven year period.

Comment:

There is commitment to improve on the quality and scope of this information. The National Treasury even commissioned a Fiscal Incidence Study for Social Spending in South Africa, 2006 which could be found online at:

<http://www.treasury.gov.za/publications/other/Fiscal%20Incidence%20Study/Report%20on%20fiscal%20incidence%20in%202006.pdf>

Researcher Response to this Question was "a"

b

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The evidence suggests not all non-financial data is useful yet in measuring programme performance.

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." Again good for social programmes – and lots of independent analysis – but still not adequate for economic programmes.

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should be changed to "b." I chose my answer because the quality and usefulness of non-financial data is doubtful in a number of cases and as such cannot be relied upon for basic monitoring and evaluation of public programmes. Take for instance the Department of Health performance indicators on page 275 of the budget documentation titled, "2009 Estimates of National Expenditure," the number of beneficiaries by expenditure category or income group is not given yet a means test is applied when admitting patients to public facilities. This information could be useful in inferring on the expenditure incidence of public programmes and how they could be structured to address the needs of the poorest in the population.

IBP Comment: Based on a review of comments and documents, IBP editors chose answer "b."

<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ul style="list-style-type: none"> a. Performance indicators are presented for all programs. b. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. c. Performance indicators are presented for programs representing less than two-thirds of expenditures. d. No performance indicators are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Each programme and sub-programme included in the “2009 Estimates of National Expenditure” provides service delivery objectives and indicators.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/default.aspx and http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?

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

Citation:

Most performance indicators are explicit and allow for tracking of progress in meeting policy goals.

Comment:

This information can be found online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/review/default.aspx> and

<http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx>

Researcher Response to this Question was "a"

Peer Reviewer One Comment: A more appropriate response to this question would be "b." Only selected indicators are reported on in the Estimates of National Expenditure (2009). Some of these indicators are also not properly formulated, especially in relation to meeting certain quality standards.

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." There are some really poorly developed indicators. For instance, the Science and Technology department has an objective to support small business development in the ICT sector, but the indicators have no targets and are not measurable. Similarly, programmes such as those involved with supporting cooperatives, adult literacy and local economic development often have poorly designed indicators.

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should be changed to "b." I chose my answer because I agree with both peer reviewers that some indicators are not captured for programmes and sub-programmes. The absence of a monitoring and evaluation culture within the South African space means that until recently, not enough attention has been given to designing quality performance indicators that could assist one to form an opinion about budget outcomes and progress in attaining policy goals. During a meeting with Treasury officials on the 19th February, 2010, it was confirmed that a Handbook is being produced by the National Treasury in an attempt to devolve quality Programme performance capacity that links outputs to outcomes.

IBP Comment: Based on a review of comments and documents, IBP editors chose answer "b."

b

<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:</u> Performance indicators are used in conjunction with performance targets. This could be seen when looking at the Vote 26: Housing in the “2009 Estimates of National Expenditure” where past, current and projections of performance and operations indicators are captured in terms of housing units, publication or turnaround times for turnkey projects.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/26%20housing.pdf and generally at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> See for example Vote 16 of the “Appropriation Bill.” This information can be seen on the Internet at: http://www.treasury.gov.za/documents/national%20budget/2009/ene/16%20soc.pdf</p> <p><u>Comment:</u> The overall aim of government, which is to reduce poverty and inequality, is stated in most policy documents and is clearly linked to most outcomes of social spending programmes. A clear understanding of backlogs in service delivery in terms of housing, water, sanitation and health exists across government and performance targets relate to the desired and feasible rate of reduction in this backlog.</p> <p><u>Peer Reviewer One Comment:</u> Chapter 6 of the Budget Review (2009) and pages 104-106 provides narrative sections on the provision of support to the poor.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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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, including commercial projects involving the private sector?</p> <ol style="list-style-type: none"> a. Yes, extensive information on tax rates, fees, royalties and other revenues sources 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:</u> This information is available in Chapter 4: Revenue trends and tax proposals of the "2009 Budget Review" document. Annexure C of the same document also presents a summary of additional tax proposals for the 2009/10 years with the relevant tax tables. A Tax Proposals Guide for 2009/10 is also produced by the South African Revenue Services (SARS) with the updated legislation and a Tax pocket Guide.</p> <p><u>Comment:</u> This information is available free of charge to the public online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap4.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20c.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/guides/Budget%20Proposals%202009.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ul 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:</u> An analysis of the tax burden, also taking into consideration changes in tax legislation is extensively covered in the "2009 Budget Review," Chapter 4: revenue trends and tax proposals</p> <p><u>Comment:</u> This information is available free of charge to the public online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/chap4.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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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 a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.
- b. Yes, information is presented, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on conditions associated with IFI assistance is not presented.
- e. Not applicable/other (please comment).

Citation:

Although IFI assistance is limited, information on IFI conditionality is not available.

Comment:

Researcher Response to this Question was "d"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "a." The *Budget Review* (2009) outlines conditions associated with all borrowing requirements. The Review further disaggregates sources from which Treasury/Government will finance borrowing requirement, and carefully states the implications thereof (currency fluctuations and cash balance). To finance the Budget, the Government borrows both from the local markets (through issuing bonds/bills) and also from multilateral institutions such as the World Bank and the African Development Bank. As stated in the *Budget Review* (2009, p80), "Owing to the strength of South Africa's capital market, most of the borrowing requirement can be financed domestically." This implies less reliance on international financial institutions, which ultimately eases the conditionality whenever South Africa has to borrow from such institutions.

IBP Comment: Per OBI methodology, IBP editors chose answer "d."

d

<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ol style="list-style-type: none"> Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. Yes, information is presented, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on conditions associated with donor country assistance is not presented. Not applicable/other (please comment). <p><u>Citation:</u> A summary of donor funding is presented under each department highlighting amounts and purpose; however, conditions are not highlighted.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> The information and conditions attached to donor funding is available at the departmental level as donor assistance is received at that level. There is no consolidated reporting on donor funding.</p>	d
<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:</u> The "2009 Budget Review," the 2009 Budget Highlights and "A Peoples Guide to Budget 2009" are examples of public summary documents on the budget.</p> <p><u>Comment:</u> These documents are available online at: http://www.treasury.gov.za/documents/national%20budget/2009/guides/Treasury%20budget%20highlights.pdf and http://www.treasury.gov.za/documents/national%20budget/2009/default.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

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

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

Citation:

The "People's Guide to Budget 2009" is produced and issued in more than one language.

Comment:

The document is available online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/guides/Peoples%20Guide%20to%20the%20Budget%20-%20English.pdf>

It presents summary figures but lacks graphical analysis which could be beneficial to a wider audience.

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." The Citizens Budget sets out the main expenditure and revenue sources, and some highlights, but nothing more than that. It could be written in a much more accessible format.

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because although the document can be made more user friendly and accessible with more graphical, object or pictorial caption, it is still very informative to those who have an interest and can read it.

IBP Comment: Based on a review of comments and document, IBP editors chose answer "a."

a

<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> <p>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> <p><u>Citation:</u> The "2009 Budget Review," provides a glossary containing definitions of terms used in the budget document.</p> <p><u>Comment:</u> This information is available online at: http://www.treasury.gov.za/documents/national%20budget/2009/review/annex%20a.pdf Further, information on the structure of government accounts, an explanatory memorandum on the division of revenue and the introduction to the statistical tables of the "2009 Budget Review" give further clarity on matters contained in the budget.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Citizens have a right in law to access budget information: -The Promotion of Access to Information Act (No. 2 of 2000) makes it obligatory for citizens to access this information on request; -The Public Finance Management Act (No .1 of 1999) (as amended) also prescribes that this information should be tabled in Parliament at specified periods like all other bills which are therefore open to public scrutiny.</p> <p><u>Comment:</u> This information is available online at: http://www.treasury.gov.za/legislation/PFMA/act.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it (for example, from a ministry or agency)?

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

Citation:

Spending information is available for all departments on a monthly basis at the National Treasury website. Information is also available from specific departments also in line with the prescripts of the Promotion of Access to Information Act (No. 2 of 2000).

Comment:

Also see the monthly expenditure schedules by administrative unit, available online at:

http://www.treasury.gov.za/comm_media/press/monthly/0909/schedule_2.pdf

a

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." There is a lot of departmental information available. However, there are gaps in some departments. Notable examples are Trade and Industry, Economic Development and Defence.

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire as "a." I chose my answer because the information is available in practice and for all departments with the exception of the security-related entities

IBP Comment: Per OBI methodology, IBP editors chose answer "a."

65. 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?

- 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).

Citation:

This information is available; however, the quality of non-financial information still needs to be improved to capture the essence of quantitative performance and operational indicators. For instance, the number of poor households to be connected to the national electricity grid in 2009/10 could be reported.

Comment:

Researcher Response to this Question was "b"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "a." Detailed information on this is reported in departments' Annual Reports and Strategic Plans, available to the public upon request.

IBP Comment: Per OBI methodology, IBP editors chose answer "b."

b

Section Three: The Budget Process

The Budget Process	
Executive's Formulation of the Budget	
<p>66. 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:</u> Information regarding the release date of the budget is known in advance. There is a legal provision in the Public Finance Management Act (No.1 of 1999) (as amended) which prescribes, on page 19, that the Minister (of Finance) must table the annual budget for the financial year in the National Assembly before the start of that financial year. This is available on the Internet at: http://www.treasury.gov.za/legislation/PFMA/act.pdf</p> <p><u>Comment:</u> An events calendar is also available at the National Treasury website at: http://www.treasury.gov.za/calendar.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<p>67. Does the executive release to the public its timetable for preparation of the executive’s budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or what ever central government agency is in charge of coordinating the budget’s formulation)?</p> <p>a. Yes, a detailed timetable is released to the public. b. Yes, a timetable is released, but some details are excluded. c. Yes, a timetable is released, but it lacks important details. d. No, a timetable is not issued to the public. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Treasury Guidelines dated May 2009 were issued detailing how the preparation of expenditure estimates for the 2010 Medium Term Expenditure Framework should be done. It also notes the key budget calendar dates.</p> <p><u>Comment:</u> The guidelines are available online at: http://www.treasury.gov.za/publications/guidelines/2010%20MTEF%20guidelines.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ul style="list-style-type: none"> a. The executive adheres to the dates in its timetable. b. The executive adheres to most of the key dates in its timetable. c. The executive has difficulty adhering to most of the dates in its timetable. d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. e. Not applicable/other (please comment). <p><u>Citation:</u> The timing of the budget calendar is respected in South Africa owing to its founding in national legislation.</p> <p><u>Comment:</u> The guideline is available online at: http://www.treasury.gov.za/publications/guidelines/2010%20MTEF%20guidelines.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> a. Yes, the executive holds extensive consultations with a wide range of legislators. b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. c. Yes, the executive holds very limited consultations, involving only a few members of the legislature. d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. e. Not applicable/other (please comment). <p><u>Citation:</u> Consultations with the MPs in determining budget priorities start to take place when the MTBPS is presented to Parliament four months before the budget is tabled. The National Treasury presents the MTBPS which includes the fiscal policy: macro-assumptions, goals, trends and targets of the budget. The fiscal policy framework, including budget priorities, is reviewed within parliamentary committees.</p> <p><u>Comment:</u> The MTBPS can be found online at: http://www.treasury.gov.za/documents/mtbps/2008/mtbps/MTBPS%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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70. 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).

Citation:

Parliamentary hearings are held within the various committees which are open to the public. Citizens can also make written submissions to parliamentary committees.

Comment:

The "Tips for Trevor Campaign" was hailed in the "2009 Budget Speech" as having contributed to the aligning of the budget with people's stated priorities. In 2009/10, 2363 tips were received from the public and this information is available online at:

<http://www.treasury.gov.za/documents/national%20budget/2009/speech/speech.pdf>

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c." There are of course consultations, but they are very limited in my opinion. For instance, not even large coalitions like the People's Budget Campaign are consulted during the development of budgets. Similarly, social dialogue forums like NEDLAC (a statutory body which brings together government, labour, community and business) are consulted before the budget is tabled.

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire "a." I chose my answer because spaces for engagement are there and have been institutionalized and opened for everyone to participate. In addition to NEDLAC, which has civil society representation, there is the Finance and Fiscal Committee, a statutory committee of parliament that provides independent technical input on revenue sharing and lists civil society as one of its key stakeholders.

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

b

<p>71. When does the executive release a pre-budget statement to the public?</p> <ul style="list-style-type: none"> a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year. b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year. c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. d. The executive does not release a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u> The pre-budget statement, the Medium Term Budget Policy Statement (MTBPS), is released publicly four months before the start of the budget year.</p> <p><u>Comment:</u> The MTBPS 2008 was released on 21st October 2008, more than four months before the start of the next Fiscal Year, on 1st April of each year. The MTBPS for each of the previous three years was also released in October.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>72. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u> The MTBPS provides a detailed macroeconomic and fiscal framework upon which the spending plans of departments should be developed.</p> <p><u>Comment:</u> The MTBPS can be found online at: http://www.treasury.gov.za/documents/mtbps/2008/mtbps/MTBPS%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>73. 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> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u> The MTBPS describes in detail the government's policies, objectives and priorities, setting out the policy context and direction for provinces and departments to make their spending plans.</p> <p><u>Comment:</u> The MTBPS can be found online at: http://www.treasury.gov.za/documents/mtbps/2008/mtbps/MTBPS%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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Legislative Approval of the Budget	
<p>74. 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:</u> The Budget is presented to the legislature in mid-February when in fact the budget year normally begins on April 1.</p> <p><u>Comment:</u> Key dates in the budget process are noted on the MTEF Guideline for 2010 available online at: http://www.treasury.gov.za/publications/guidelines/2010%20MTEF%20guidelines.pdf Although the last budget was released on 11th February 2009, it has previously been presented on the 20 February (2008) and 21st February (2007) which falls short of the six weeks before the start of the budget year.</p> <p><u>Researcher Response to this Question was "c"</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "b." This is based on the 2009 budget release date, which is the year which pertains to the evaluation in this questionnaire. As an aside, the 2010 budget release is on the 17th February, which is also approximately six weeks before the start of the budget year (i.e. April 1 2010).</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> A more appropriate response to this question would be "b." The 2009 Budget was delivered to the legislature on the 11th of February; six weeks before the beginning of the financial year.</p> <p><u>Researcher Response:</u> I suggest the answer should remain as I indicated in the questionnaire: "c." I chose my answer because the question required that I form an opinion on the basis of practice and I looked at the trend over the three fiscal years ending with 2009/10 which in essence became an exception in this case. I am not allowed to refer to the 2010/11 budget.</p> <p><u>IBP Comment:</u> Per OBI methodology, and based on a review of comments, IBP editors chose answer "b."</p>	b

<p>75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?</p> <ul style="list-style-type: none"> a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies. b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies. c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard. d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard. e. Not applicable/other (please comment). <p><u>Citation:</u> The Parliament’s Portfolio Committee on Finance holds public hearings on Money Bills introduced in Parliament. In addition, civil society is invited to make oral and written submissions on the macroeconomic and fiscal framework of the budget, both at the pre-budget (MTBPS) and post-tabling phase.</p> <p><u>Comment:</u> Information on making submissions to parliament is provided online at: http://parliament.gov.za/live/content.php?Category_ID=53</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ul style="list-style-type: none"> a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard. b. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard. c. Yes, a limited number of hearings are held in which testimony from the executive branch is heard. d. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard. e. Not applicable/other (please comment). <p><u>Citation:</u> The Budget Committee of Parliament holds extensive hearings with departments on their budget votes. In addition, the Select Committee on Finance scrutinizes allocations to provincial and national government.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?

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

Citation:

Members of the public do provide testimony in some cases; however, this is left to the discretion of the legislative committee. Separate committees report to the National Assembly of Parliament on departmental budgets. These reports are adopted by the House and then referred to the relevant Ministry or Department. Each individual Budget Vote is decided on by the National Assembly when the Appropriation Bill is passed, after direct questions have been posed to the relevant line Ministers.

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings. b. Yes, the committees release reports, but some details are excluded. c. Yes, the committees release reports, but they are not very informative. d. No, the committees do not release reports or do not hold public hearings. e. Not applicable/other (please comment). <p><u>Citation:</u> There were no records of publicly available information on the Parliament website even though some is kept as part of mainstream parliamentary records.</p> <p><u>Comment:</u> The Finance Portfolio Committee is required by law to issue a report on their public hearings and some committees do produce a report but this is not standard practice.</p> <p><u>Peer Reviewer One Comment:</u> The Parliamentary Monitoring Group (PMG) also publishes independent and objective reports and minutes of selected committee hearings at: www.pmg.org.za .</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>C</p>
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79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?

- a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures.
- b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items.
- c. Not applicable/other (please comment).

Citation:

A Joint Standing Committee on Intelligence is given information relating to national security and defense intelligence in accordance with the Intelligence Services Oversight Act No. 40 of 1994.

Comment:

It is not clear from available information what kind of information is available to this committee.

Researcher Response to this Question was "b"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "a." The Joint Standing Committee on Intelligence is given all information for the budget year on the spending of all secret items. The Committee is privy to all the necessary information. There is secrecy in relation to the information reaching the public, however there is no basis to assuming that some information is not made available to the Committee. All the information is made available to the Committee and cannot be disclosed to researchers.

Researcher Response: I suggest the answer should be changed to "a." I chose my answer because after discussing the level of information access by the Joint Standing Committee on Intelligence with Ms Ntombi Mbuqe, a Liaison Officer responsible for this committee in Parliament and Mr. Theo Coetzee, the oppositions representative in the Committee (Democratic Alliance), I formed the view that the committee was being given extensive information on all spending on secret items.

IBP Comment: Based on a review of comments, IBP editors chose answer "a."

a

<p>80. Does the legislature have authority <i>in law</i> to amend the budget presented by the executive?</p> <ol style="list-style-type: none"> a. Yes, the legislature has unlimited authority <i>in law</i> to amend the budget. b. Yes, the legislature has authority <i>in law</i> to amend the budget, with some limitations. c. Yes, the legislature has authority <i>in law</i> to amend the budget, but its authority is very limited. d. No, the legislature does not have any authority <i>in law</i> to amend the budget. e. Not applicable/other (please comment). <p><u>Citation:</u> The Money Bills Amendment Procedure and Related Matters Act (No. 9 of 2009) became law on 16 April 2009. The Act seeks to give effect to Section 77(3) of the Constitution of the Republic of South Africa which prescribes that Parliament should provide procedure for the amendment of money bills.</p> <p><u>Comment:</u> The Act is new and as such has not been used. The Act can be found online at: http://www.info.gov.za/view/DownloadFileAction?id=99921</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a
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<p>81. 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 or the approved budget is not released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> Program-level details are included in the approved budget as prescribed by law, notably Section 26 of the Public Finance Management Act. Information regarding the approved budget, including program-level details are published in the "Appropriation Act" and published in the Government Gazette.</p> <p><u>Comment:</u> The Appropriations Act(No 16 of 2009) is published in the Government Gazette and can be found online at: http://www.info.gov.za/view/DownloadFileAction?id=105366 and the Division of Revenue Act found online at: http://www.info.gov.za/view/DownloadFileAction?id=98614</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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Executive's Implementation of the Budget	
<p>82. 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> <ul style="list-style-type: none"> a. In-year reports on actual expenditure are released at least every month. b. In-year reports on actual expenditure are released at least every quarter. c. In-year reports on actual expenditure are released at least semi-annually. d. In-year reports on actual expenditure are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> Section 32 of the PFMA promotes the need for in-year management of resources, and requires that within 30 days after the end of each month, the National Treasury must publish in the National Gazette a statement of actual expenditure per vote with regard to the National Revenues Fund.</p> <p><u>Comment:</u> Information on in-year reports on the actual expenditure are available on the Internet website of the National Treasury at: http://www.treasury.gov.za/comm_media/press/2009/2009081402.pdf and the "Government Gazette" available on Internet at http://www.gics.co.za</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ul style="list-style-type: none"> a. Yes, in-year reports cover all expenditures. b. Yes, in-year reports cover at least two-thirds, but not all, of expenditures. c. Yes, in-year reports cover less than two-thirds of expenditures. d. No in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> The National Treasury publishes monthly and cumulative statements of actual expenditure per vote and cumulative up-to-the date with regard to the National Revenues Fund.</p> <p><u>Comment:</u> Information on in-year reports on the actual expenditure are available on the website of the National Treasury at: http://www.treasury.gov.za/comm_media/press/2009/2009081402.pdf and the "Government Gazette" available on THE Internet at: http://www.gcis.co.za</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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84. What is the most detail provided in the in-year reports on actual expenditures organized by *administrative unit*?

- a. The in-year reports on actual expenditures organized by administrative unit contain program-level detail.
- b. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs).
- c. The in-year reports on actual expenditures organized by administrative unit contain only departmental totals.
- d. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals.
- e. Not applicable/other (please comment).

Citation:

Statements of receipts and payment for each quarter are published in the National Treasury Website as per Section 32 of the PFMA.

Comment:

Information on in-year reports on the actual expenditure are available on the website of the National Treasury at:

http://www.treasury.gov.za/comm_media/press/2009/2009081402.pdf
and

http://www.treasury.gov.za/comm_media/press/monthly/monthly_2009.aspx

C

Researcher Response to this Question was "a"

Peer Reviewer One Comment: A more appropriate response to this question would be "c." Actual expenditure information is documented in the monthly expenditure reports per vote only and not by programme.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should be changed to "b." I chose my answer because there is some programme-level detail with respect to grant transfers by national departments to the provinces on a quarterly basis.

IBP Comment: Based on a review of the document and comments, IBP editors chose answer "c." According to in-year reports "Spending of these grants is subsumed in the spending of a range of programs across provincial departments."

<p>85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> a. Yes, comparisons are made for all expenditures. b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. c. Yes, but comparisons are made for less than two-thirds of expenditures. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> Information is presented in the media releases showing a summary of provincial budget for each month as well as detailed analysis comparing actual year to date figures. Similarly, Section 32 of the PFMA media releases gives the same or similar information.</p> <p><u>Comment:</u> This information is available online at: http://www.treasury.gov.za/comm_media/press/monthly/monthly_2009.asp</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ul style="list-style-type: none"> a. In-year reports on actual revenue collections by source of revenue are released at least every month. b. In-year reports on actual revenue collections are released at least every quarter. c. In-year reports on actual revenue collections are released at least semi-annually. d. In-year reports on actual revenue collections by source of revenue are not released. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Information is released monthly to the public as per Section 32 of the PFMA and a schedule for release of monthly reports was published and is available online at: http://www.treasury.gov.za/comm_media/press/monthly/Publication%20Dates%20of%20Section%2032%20for%202010.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>87. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ul style="list-style-type: none"> a. In-year reports cover the actual revenue collections of all sources of revenue. b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue. c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources. d. In-year reports on actual revenue collections are not released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> The Statements of National Revenue, Expenditure and Borrowing are issued monthly by the Director General of the National Treasury. The statement for the month ended 31st July 2009 is available online at: http://www.treasury.gov.za/comm_media/press/monthly/0909/press.pdf</p> <p><u>Comment:</u> This information is available online at: http://www.treasury.gov.za/comm_media/press/monthly/monthly_2009.aspx, together with the accompanying tables for revenue, expenditure and financing.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>88. 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:</u> The month's revenue figures are compared with the annual budget estimates as well as the year to date figure. Figures for the same period in the previous year are also shown.</p> <p><u>Comment:</u> An example is the revenue figures for the month ended 31st July 2009 which are available online at: http://www.treasury.gov.za/comm_media/press/monthly/0909/schedule_1.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<p>89. 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:</u> The Statements of National Revenue, Expenditure and Borrowing issued monthly by the Director General of the National Treasury also present a detailed schedule on financing for the month.</p> <p><u>Comment:</u> An example on financing is Table 4: Financing of the Statements of National Revenue, Expenditure and Borrowing which can be found online at: http://www.treasury.gov.za/comm_media/press/monthly/0909/schedule_4.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>90. 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> <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, or such in-year reports on borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> The schedule in Table 4: Financing of the Statements of National Revenue, Expenditure and Borrowing also captures the status of all outstanding debt, the interest rates, maturity profile and currency denomination.</p> <p><u>Comment:</u> This information can be found online at: http://www.treasury.gov.za/comm_media/press/monthly/0909/schedule_4.pdf An example of detail is in Table 4.3 Issuance and Redemption of Foreign Loans which specify loan TY2/86 at the rate of 6.875 due on 27 May 2019 and denominated in US Dollar.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>91. 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> <p>a. Reports are released 1 month or less after the end of the period. b. Reports are released 2 months or less (but more than 1 month) after the end of the period. c. Reports are released more than 2 months after the end of the period. d. In-year reports are not released. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Information is released monthly to the public as per Section 32 of the PFMA and a schedule for release of monthly reports was published and is available online at: http://www.treasury.gov.za/comm_media/press/monthly/Publication%20Dates%20of%20Section%2032%20for%202010.pdf</p> <p><u>Comment:</u> An example is shown here of a Provincial budget quarterly report released on the 14th August 2009 found online at: http://www.treasury.gov.za/comm_media/press/2009/2009081401.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The “Medium Term Budget Policy Statements and Adjusted Estimates of National Expenditure” serve as the mid-year review. The MTBPS provides a detailed macroeconomic and fiscal framework upon which the spending plans of departments should be developed.</p> <p><u>Comment:</u> The MTBPS is available online at: http://www.treasury.gov.za/documents/mtbps/2008/mtbps/MTBPS%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?

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

Citation:

The Adjustments Appropriation Bill is tabled at the same time as the MTBPS is tabled in parliament, and through it, parliament's approval and adoption of the revised spending plans for the current financial year. In terms of Section 30(2) of the Public Finance Management Act, (Act No 1 of 1999) (PFMA), expenditure provided for in the Adjustments Appropriation Bill includes, among other line items, the money to be appropriated for expenditure already announced by the Minister during the tabling of the annual budget, and the shifting of funds between and within votes or to follow the transfer of functions, in terms of the Section 42 of the PFMA.

Comment:

There has been a significant realignment of Ministries and a creation of new ones in 2009. The adjustment budget will capture these changes, some of them reflecting the results of political bargaining and negotiations with labour. The "Adjustment Estimates of National Expenditure for 2008" can be found online at:
<http://www.treasury.gov.za/documents/mtbps/2008/adjustments/adjustments%20full.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

<p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> In the "2008 Adjusted Estimates of National Expenditure," the amount to be appropriated by a vote reflects the adjusted Rand amount to be voted for 2008/09, and also indicates revised estimates of statutory expenditure. Adjusted expenditures are set out by programme and economic classification. Narrative explanations are also given for the additional appropriations for roll-overs and unforeseeable and unavoidable expenditures.</p> <p><u>Comment:</u> The "Adjustment Estimates of National Expenditure for 2008" can be found online at: http://www.treasury.gov.za/documents/mtbps/2008/adjustments/adjustments%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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95. 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:

The Medium Term Budget Policy Statement (MTBPS) contains a mid-year review of tax policy, and revenue and adjusted figures are provided based amongst others on the buoyancy in the first six months.

Comment:

Information on revised revenue estimates for 2008 can be found in Chapter 4: Tax Policy in the MTBPS found online at:
<http://www.treasury.gov.za/documents/mtbps/2008/mtbps/Chapter%204.pdf>

a

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." The overall changes are carefully explained, but details for instance on projected tax overruns in the four months leading to budget day are not projected into the estimates. This creates space for politicians to claim that "additional revenue" is available.

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because as much as I do understand Peer Reviewer Two's concern, the information is provided in the budget documentation and surges during different periods of the revenue cycle. It explains projected tax overruns, especially once the tax year has been finalized. I am not however expected to form an opinion about the quality and accuracy of revenue projections at this stage.

IBP Comment: Per OBI methodology, IBP editors chose answer "a."

<p>96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain <i>minimal</i> level 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 gives prior notification to 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, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below). e. Not applicable/other (please comment). <p><u>Citation:</u> The Public Finance Management Act, 1999 (Act No. 1 of 1999) at Section 30(2) (e) regulates the shifting of funds between and within votes in an adjustment budget which is tabled before the national Assembly before implementation. When the Adjusted Estimates are tabled in the National Assembly by the Minister of Finance, the executive seeks Parliament's approval and adoption of its revised spending plans for the ongoing financial year.</p> <p><u>Comment:</u> The introduction of the adjustment budget on Page i (found online at http://www.treasury.gov.za/documents/mtbps/2008/adjustments/adjustments%20full.pdf) explains in detail the situation under which funds that have not been used including those in the contingency reserve can be appropriated.</p> <p><u>Peer Reviewer One Comment:</u> Also with the newly introduced Money Bills Amendment Act (2009), the legislature will have more say regarding the shifting of funds and the approval of the adjustments budget.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

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

Citation:

There have been numerous reports of problems in the procurement process. Amongst those dominating the media this year were those of the public broadcaster SABC cited in this Mail & Guardian Article dated 02 July 2009 by Glynnis Underhill (available online at: <http://www.mg.co.za/article/2009-07-02-sabc-crisis-there-are-political-commercial-forces-at-play>) and the Correctional Services where Adrian Basson reported in the mail & Guardian dated 30th January 2009 (available online at <http://www.mg.co.za/article/2009-01-30-popcrubalfour-must-resign>) that fraud and corruption was rife in the department's procurement system.

Comment:

The procurement system in South Africa has undergone numerous reforms, the thrust of which was to ensure compliance with minimum norms and standards, competitive procedure and a supply chain management function against a backdrop of preferential procurement legislation and policies. The latter requires that procurement in government be aligned to the Black Economic Empowerment policy. The recent of these initiatives are the under development preferential procurement regulations which are available online at: <http://www.treasury.gov.za/public%20comments/1-32489%2014-8%20Nat%20Treas.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

C

<p>98. When does the legislature typically approve supplemental budgets?</p> <ul style="list-style-type: none"> a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify). b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify). c. Not applicable/other (please comment). <p><u>Citation:</u> According to Section 30(1) of the Public Finance Management Act, the Minister may table the adjustments before the National Assembly and when necessary. Generally, supplemental expenditures are put before parliament ahead of spending. The budget is adjusted annually during the mid-year review as well as when the Minister of Finance submits the budget and announces additional items that are not included in the budget documentation.</p> <p><u>Comment:</u> Information on the adjusted budget is available online at: http://www.treasury.gov.za/documents/mtbps/2008/adjustments/adjustments%20full.pdf and explains in detail the situation under which funds that have not been used including those in the contingency reserve that can be appropriated. Attention however has to be drawn to the provisions of Section 30 (1) (c) which allows for the adjustment budget in case of Section 16 which itself provides for the Minister to allow expenditure in emergency situations which should be of an exceptional nature, if it is not currently provided for and is without serious prejudice to the public interest.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>99. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Supplemental budgets have been fairly small relative to the size of the original budget; based on trends in the last five years, the average is less than 2 percent.</p> <p><u>Comment:</u> This information is available online at: http://www.treasury.gov.za/documents/mtbps/2008/adjustments/adjustments%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The contingency reserve funds can be utilized for emergencies like disasters without prior approval. However, these funds have to be appropriated during the Adjusted Budget mid -year in terms of Section 30 (2) (c) of the Public Finance Management Act, 1999. This information is described in the introduction to the "2008 Adjusted Estimates of National Expenditure."</p> <p><u>Comment:</u> This information is available online at: http://www.treasury.gov.za/documents/mtbps/2008/adjustments/adjustments%20full.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Expenditure is approved before funds are spent except for emergencies like disasters where the Minister of Finance approves the funding allocation and spending occurs before Parliament approves.</p>	<p>b</p>
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Executive’s Year-end Report and the Supreme Audit Institution	
<p>101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget’s actual outcome for the year?</p> <ul style="list-style-type: none"> a. The report is released six months or less after the end of the fiscal year. b. The report is released 12 months or less (but more than six months) after the end of the fiscal year. c. The report is 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:</u> In terms of Section 65 of the PFMA, each department is required to present its annual reports including budget's actual outcomes for the year to the public (Parliament) by the 30 September (deadline). That is no more than six months after the enacted budget.</p> <p><u>Comment:</u> The reports are comprehensive and cover most aspects of the particular department's operations for the previous year. The reports are available online on most departments' website as well as on request at the relevant department in hard copy as well as CD-rom.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	a

<p>102. In the year-end report 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:</u> The annual reports of departments present final audited results. The Auditor General attaches their opinion letter on all financials accompanying the annual reports. This is in accordance with Section 188 of the Constitution of the Republic of South Africa, 1996, read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004).</p> <p><u>Comment:</u> Information can be found online at various departmental website, and on request at departmental offices.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

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

Citation:

The reports provide a detailed explanation of over and under expenditure on the basis of the amounts finally appropriated and amounts received and spent by departments.

Comment:

Researcher Response to this Question was "a"

Peer Reviewer One Comment: A more appropriate response would be "b." Each department has to include an Appropriation Statement which includes information on an adjusted Appropriation, final appropriation and actual expenditure. Information on enacted levels is omitted.

Source:

<http://www.treasury.gov.za/publications/annual%20reports/national%20treasury/nt%20annual%20report%202008-09.pdf> (see page 117 of the National Treasury Annual Report).

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because the enacted levels referred to in this question include in-year changes approved by the legislature and appear in these statements as the final appropriation. I admit however that this is an anomaly as it becomes difficult to readily assess the changes in the budget allocations without the initial appropriation being recorded beside the final appropriation.

IBP Comment: Based on a review of comments and documents, IBP editors chose answer "a."

a

<p>104. 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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The information is found in the budget review and explanation is given. The rest of the information is provided in departmental reports.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> Year-end reports are at the departmental level and as such there is no centrally coordinated year-end report. Information can be found in the Budget Review, particularly the fiscal policy chapter.</p> <p><u>Researcher Response to this Question was "b"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> A more appropriate response to this question would be "a." All the details are provided. Unless if explanation of the details that are missing is provided.</p> <p><u>Researcher Response:</u> The issue here is more to do with the high level of aggregation when it comes to revenue outlays. It is difficult to see which revenue lines are faltering and which ones are performing well; hence, any discussion of performance will miss detail.</p> <p><u>IBP Comment:</u> Per OBI methodology, IBP editors chose answer "b."</p>	<p>b</p>
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<p>106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The year-end reports are more detailed and sector-specific. The annual report for the Department of Housing for instance discusses economic challenges in housing delivery citing issues of cost escalation, skills shortage, and interest rate movements amongst others.</p> <p><u>Comment:</u> The Department of Housing Annual Report for 2007/08 is available online at: http://www.housing.gov.za/Content/Documents/Annual%20Report%202007-2008/package%20p1-200.pdf as an example.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?

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

Citation:

Departmental year-end reports are detailed and adequately address operational indicators to targets and outcomes. The annual report for the Department of Housing outlines projections of deliverables in term of physical units and those that were delivered during the report year.

Comment:

The Department of Housing Annual Report for 2007/08 is available online at: <http://www.housing.gov.za/> as an exemplar.

Researcher Response to this Question was "a"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c." Reporting on performance is a major weakness. For instance, even the Government Programme of Action or its equivalents in departments are often not updated or have an incomplete list of indicators, or bear little resemblance to budget allocations. As a result, in some areas there is no way to track performance within a fiscal year. But, in other areas (e.g. public works) there is strong and well-developed reporting system for non-financial data.

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because using again the example of the Department of Housing report, extensive discussions are presented on the number of units delivered as well as the effect movements in for instance, inflation, fuel and oil prices, land and labour costs had on the overall property prices and rate of delivery.

IBP Comment: Per OBI methodology, IBP editors chose answer "a."

a

108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?
- Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
 - Yes, an explanation is presented, highlighting key differences, but some details are excluded.
 - Yes, some explanation is presented, but it lacks important details.
 - No, an explanation is not presented, or such a report is not released.
 - Not applicable/other (please comment).

Citation:

Departmental year-end reports also capture service delivery outputs against pre-set measurable performance indicators. See for instance page 95 of the Department of Housing Annual Report, where instead of 1100 Social Rental Housing Units, the Department delivered 1200 units.

Comment:

The Department of Housing Annual Report for 2007/08 is available online at: <http://www.housing.gov.za/> as an exemplar.

Researcher Response to this Question was "a"

Peer Reviewer One Comment: A more appropriate response to this question would be "b." The performance indicators of departments are often poorly specified and not measurable. Sometimes percentages are used without any baseline information. Source: As an example, see the annual report of Department of Housing as referred to above.

Peer Reviewer Two Comment: A more appropriate response to this question would be "b." To the credit of many departments, they provide lots of reliable and honest information. However, in other cases, failures are hidden and no clear explanations provided

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "a." I chose my answer because there are explanations given about differences in the pre-set indicators. As discussed earlier, there are issues around the quality and comprehensiveness of indicators for some departments where the use of percentages as compared to absolute units is used, for instance. In some cases, it is clear that using the alternative indicator will advance the measurement of programme performance more than subjective percentage-based indicators would, yet departments opt for the latter indicator.

IBP Comment: Per OBI methodology, IBP editors chose answer "a."

a

109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?

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

Citation:

The explanations are given in explicit targeting criteria for social programmes. The various programmes under the Department of Housing target different groups based on income as a measure of poverty levels. At the end of the day, it is known who amongst the population benefit from social housing programmes. There are however programmes like engineering infrastructure that benefit all people in a locality whose benefit incidence is not well captured. Similarly an analysis of who benefits from tenders for housing provision to the poor is usually missing.

Comment:

The Department of Housing Annual Report for 2007/08 is available online at: <http://www.housing.gov.za/> as an exemplar.

Researcher Response to this Question was "b"

b

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be "c." The problem of under-spending or indeed over-spending is a major issue for some government programmes, and there has been little explanation as to why this has occurred. IBP staff should note that the spending variance from the budget in SA is extremely small – less than 0,5% according to Treasury. However, the question here is whether there has been an adequate explanation, and on both over- and under-spending there has not been a recent explanation as to why this occurs. So even simple reporting of why budget outcomes have been achieved is not adequately captured. This must mean that distributional impacts of spending are even more difficult to explain.

Government Comment: A more appropriate response to this question would be "a." Expenditure information is provided at the program, sub-program and economic classification level where amounts appropriated and spend on the poor can be identified. Also the Indicators and targets as well as the service delivery focus in the ENE will have this kind of information. Nonetheless, it is important to note that there is no annual consolidated reporting on amounts spent on the poor.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: "b." I would say this is work in progress and yes attempts are being made to move in this direction.

<p><u>IBP Comment:</u> To maintain consistency in the criteria used to select answers across countries, IBP editors chose answer "b."</p>	
<p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key issues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented on extra-budgetary funds, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> The actual Outcomes of Extra-budgetary funds such Overseas Development Assistance (direct charges against Revenue Fund) are included in the Year-End Report. The annual reports of Departments have narrative descriptions and quantitative estimates of extra-budgetary funds.</p> <p><u>Comment:</u> Consolidated Financial Information for the Year Ended 31 March 2008; National Treasury, Republic of South Africa; Approved on 27 October 2008: http://www.treasury.gov.za/publications/annual%20reports/annual%20financial%20 statements/Consolidated%20fin%20info%20-%2031032008.pdf Further, Each Ministry release its own year-end Report (annual report), readily available to the public in hard copy, compact disk and on the Ministry Website. In the annual reports, information about extra-budgetary funds is reported in detail, an example would be the Department of Housing (now called Human Settlements) Annual Report 2007/08 available online at: http://www.housing.gov.za/Content/Documents/Annual%20Report%202007-2008/package%20p1-200.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Direct charges are not necessarily extra budgetary activities. Direct charges are charged against National Revenue Fund.</p>	<p>b</p>

The Independence and Performance of the Supreme Audit Institution	
<p>111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> In terms of the section 188 of the Constitution, the Auditor General must audit and report on the accounts, financial statements and financial management of all national departments and other institution or accounting entity required by national legislation. Audit reports are required by law to be released to the public 5 months after year end of the fiscal year.</p> <p><u>Comment:</u> http://www.agsa.co.za/Portals/1/ACTS/PAA.pdf</p> <p><u>Researcher Response to this Question was "a"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.</p> <p><u>IBP Comment:</u> Per OBI methodology, IBP reviewer chose answer "b." The year ended in March, and the report was released in December.</p>	b

<p>112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?</p> <ul style="list-style-type: none"> a. All expenditures have been audited and the reports released to the public. b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited. c. Expenditure representing less than two-thirds of expenditure have been audited. d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year. e. Not applicable/other (please comment). <p><u>Citation:</u> p. 8, National General Report of the Auditor General on the Audit Outcomes of Departments, Constitutional Institutions, Public Entities and Other Entities for the Financial Year 2007-08: http://www.agsa.co.za/Portals/1/Section%20of%204%20-%202007-8%20national%20report.pdf</p> <p><u>Comment:</u> The Auditor General's report for 2007/08 which was released on 11th May 2009 gives assurance on page 8 that "National government comprises 34 departments, all of which [were] included in [the] general report."</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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<p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <ol style="list-style-type: none"> The annual audit report(s) includes one or more executive summaries summarizing the report's content. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or was released more than 24 months after the end of the fiscal year. Not applicable/other (please comment). <p><u>Citation:</u> Pp. 1-4, National General Report of the Auditor General on the Audit Outcomes of Departments, Constitutional Institutions, Public Entities and Other Entities for the Financial Year 2007-08: http://www.agsa.co.za/Portals/1/Section%201of%204%20-%202007-8%20national%20report.pdf</p> <p><u>Comment:</u> All audit reports include an executive summary. This information is available online at: http://www.agsa.co.za/</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a
<p>114. 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:</u> This is prescribed by law in the Public Audit Act (2004). Basically it aims at enhancing the Auditor General to provide independent and objective quality audit and related value-added services in the management of resources, thereby enhancing good governance in the public sector.</p> <p><u>Comment:</u> This information is available online at: http://www.agsa.co.za/Portals/1/ACTS/PAA.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	a

<p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, the SAI releases to the public audits of all extra-budgetary funds. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year. Not applicable/other (please comment). <p><u>Citation:</u> The report of the Auditor General includes all charges against the Revenue Fund, including Extra-Budgetary funds.</p> <p><u>Comment:</u> http://www.agsa.co.za/Portals/1/ACTS/PAA.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	a
<p>116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have <i>the discretion in law</i> to undertake those audits it may wish to?</p> <ol style="list-style-type: none"> The SAI has full discretion to decide which audits it wishes to undertake. The SAI has significant discretion, but faces some limitations. The SAI has some discretion, but faces considerable limitations. The SAI has no discretion to decide which audits it wishes to undertake. Not applicable/other (please comment). <p><u>Citation:</u> The Auditor General has full discretion in terms of section 5 and 29 of the Public Audit Act, 2004 (PAA). The Act is available online at: http://www.agsa.co.za/Portals/1/ACTS/PAA.pdf</p> <p><u>Comment:</u> Examples of special audit reports undertaken by the Auditor General’s Office can be found online at: http://www.agsa.co.za/audit-reports/SAR.aspx</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	a

<p>117. Who determines the budget of the Supreme Audit Institution?</p> <ul style="list-style-type: none">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). <p><u>Citation:</u> This is provided in Section 38 of the Public Audit Act (2004) and the budget is approved by an oversight mechanism provided by the legislature.</p> <p><u>Comment:</u> The Act is available online at: http://www.agsa.co.za/Portals/1/ACTS/PAA.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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<p>118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?</p> <ul style="list-style-type: none"> a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate. b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate. c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate. d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector. e. Not applicable/other (please comment). <p><u>Citation:</u> To the extent that the Auditor General maintains its legal and financial independence, there are no known limitations to its employing and designating appropriately qualified staff to perform specialized audits of central government agencies and the security sector.</p> <p><u>Comment:</u> Section 29 of the Public Audit Act (2004) also prescribes that this should happen. The Act is available online at: http://www.agsa.co.za/Portals/1/ACTS/PAA.pdf</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p>	<p>a</p>
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119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?

- a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year.
- b. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year.
- c. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit.
- d. No, the SAI does not maintain any formal mechanisms of communication with the public.
- e. Not applicable.

Citation:

The website of the Auditor General has provisions for comments and suggestions.

Comment:

Recommendations made to parliament representing the public, and comments on all reports to parliament are taken into account. The office also holds stakeholder consultations with stakeholders at national, provincial and municipal level. These consultations are held across the provinces and are reported in the Auditor General's Annual Report for 2008/09 available online at:

<http://www.agsa.co.za/Portals/1/AG%20AR%2020090814.pdf>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

C

<p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The Auditor General's report and Annual reports (including Audit Report) of all public entities are tabled in Parliament and also referred to the Standing Committee on Public Accounts (SCOPA) which scrutinizes these reports and calls upon the Accounting Officers responsible to question on matters pointed out by the Auditor General in these reports.</p> <p><u>Comment:</u> Portfolio Committees of Parliament also look at these reports and give advice as part of their close scrutiny and oversight function. Information about committees of Parliament is available online at: http://parliament.gov.za/live/content.php?Item_ID=35&Revision=en/12&SearchStart=0</p> <p><u>Peer Reviewer One Comment:</u> Audit Reports are in the public domain.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

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

Citation:

There is no evidence that such a report exists.

Comment:

Consultation with National Treasury officials confirmed that such a report was not produced, at least by the executive. Telephone interview with a Mr. Thando Ngozo of National Treasury (Budget Office) conducted on September 16, 2009.

Researcher Response to this Question was "d"

Peer Reviewer One Comment: A more appropriate response to this question may be "c." Some departments do comment in Annual Reports on remedial action taken, but as far as we are concerned, this is not regulated and/or required by law.

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "c." In the Annual Reports for each department, the Accounting Officers indicate how the issues raised by the AG have been or will be addressed. Although this does not always include all the issues but some issues are addressed. Hence "c" would be the appropriate answer, as the Annual Report is available to the public.

Researcher Response: I suggest the answer should be changed to "c." I chose my answer because it is true that some departments do report on actions they have taken to address the Auditor General's recommendation; however this remains at the discretion of the department concerned and the absence of a centrally coordinated tracking mechanism remains worrisome.

IBP Comment: Based on a review of comments, IBP editors chose answer "c."

C

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

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

Citation:

There is a lack of a robust monitoring mechanism and record of follow-up action by the Auditor General e.g. strengthening of controls, systems or procedures. In a meeting held on 23rd June 2009 to discuss the role of the Auditor General's office and the oversight function of SCOPA, the Auditor General made it clear that their role was to "point out irregularities and suggest remedies but that the taking of action was the primary responsibility of the Accounting Officer of each entity."

Comment:

A record of this meeting can be found online at:
<http://www.pmg.org.za/report/20090623-workshop-introduction-auditor-general-his-team-discussion-role-agsa-m>

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

d

<p>123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?</p> <ul style="list-style-type: none"> a. Yes, legislators are provided with detailed audit reports related to the security sector 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). <p><u>Citation:</u> The reports are tabled before the designated Parliamentary Portfolio Committees.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> I agree. These accounts/budgets are not in the public domain, i.e. the sittings are closed (in camera).</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p>	<p>a</p>
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