

As subnational governments' responsibility for resource allocation and service provision has increased, so has the importance of transparency, participation, and accountability at this level. Recognizing this, as well as the scarcity of academic and policy literature on the subject, the International Budget Partnership's (IBP) Open Budget Initiative commissioned 10 pilot studies on the subject. The studies were carried out by the IBP's partners in Argentina, Brazil, Bolivia, China, Croatia, Ecuador, India, Mali, Mongolia, and Peru. In contrast to the methodology developed by the IBP for its Open Budget Survey (the IBP's biennial assessment of transparency in national government budgets), the methodologies for these subnational studies were developed by the organizations that implemented the studies.

For more information on the International Budget Partnership or the Open Budget Initiative, contact info@internationalbudget.org or visit www.internationalbudget.org.

Measuring Subnational Budget Transparency, Participation, and Accountability: Argentina

Research conducted by Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento

Background

Argentina is one of the most decentralized nations in Latin America, with provinces charged with implementing 45 percent of government spending, mostly on social services like health care and education. With much of the spending authority and responsibility residing at the provincial level, a clear understanding of where, when, and how public monies are spent allows citizens to hold subnational governments to account.

Methodology

In 2010 the Center for the Implementation of Public Policies Promoting Equity and Growth (*Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento*, or CIPPEC) conducted a two-stage study to assess the level of budget transparency in Argentine provinces. The first stage of the research was to create an index to score and rank the availability of budget documents in Argentina's 24 provinces. The index was compiled by measuring the availability of 10 budget documents on provincial government websites at three different times throughout the year (February, July, and September). The maximum possible index score for each of the

three measurements was 10, with each budget document and its components weighted and subdivided. CIPPEC tracked changes in the scores of each province during each measurement, and the average of all three measurements was used as the overall score.

In the second stage of the research, CIPPEC selected six of the 24 provinces for further investigation through in-depth cases studies. The selection of provinces was based on a number of factors, including geographical region, size, and levels of dependence on fiscal transfers, in order to have a representative sample. The six provinces were Buenos Aires, Chaco, Córdoba, Salta, Santa Cruz, and Tierra del Fuego. A survey questionnaire of 30 multiple-choice and open-ended questions was developed. The questionnaire was divided into three sections: 1) tables to measure the availability of budget documents; 2) questions regarding information available on the actual budget and the budget process, including questions on the roles of the executive, provincial legislature, and supreme audit institution throughout the budget cycle; and 3) questions on the information available on intergovernmental fiscal transfers. To complete the survey, researchers consulted provincial

government websites and interviewed various stakeholders, including government officials from the executive and legislative branches (from both ruling and opposition parties), members of the press, and civil society representatives. The index of all 24 provinces and the more detailed case studies yields a broad overview of the level of subnational budget transparency in Argentina.

Key Findings

The overall results of the transparency index show that there were many instances in which the provinces' scores changed over the time period studied. Between the first and second rounds of measurement, 22 of the 24 provinces' scores increased, and between the second and third measurements, eight of the provinces' scores increased and 15 decreased. Generally, these fluctuations were relatively minor.

The index rankings for the six case study provinces ranged from second place to 22nd. Despite these seemingly drastic differences in budget transparency, the provinces share a number of similar issues. In Buenos Aires, a high-ranking province, the executive is required by law to present the proposed budget to the legislature by August 31; the provincial budget, however, is partially based on the national budget, which isn't released until mid-September. This discrepancy has led to delays in the budget presentation in all four years from 2007-2010. The situation is the same in Salta and Santa Cruz. In contrast, Chaco, one of the lowest scoring provinces, has a budget presentation date of September 31, which is after the national budget date; consequently, its budget has been presented on time since 2007.

Poorly presented and organized budget information on provincial websites is another issue affecting some of the provinces. In both Buenos Aires and Chaco, budget documents are scattered

across multiple government websites, making it difficult for members of the public to find specific budget information. Tierra del Fuego, which ranked 21 out of 24 on the transparency index, launched a web portal for budget documents in December 2010, and CIPPEC notes that if this portal had been active during the evaluations, the information on the portal alone would have improved their index score by seven points.

Although CIPPEC intended to complete six case studies, it needed to drop one. After six months of receiving no responses from the provincial ruling party or opposition officials, CIPPEC determined that it would not be possible to do an in-depth analysis of transparency in Santa Cruz — one of the lowest ranked provinces in the index.

Dissemination

Índice de Transparencia Presupuestaria Provincial, the full report on this study was published by CIPPEC on their website at <http://www.cippec.org/Main.php?do=newsArticlesView&id=136>. As part of their efforts to disseminate the report and the study findings, CIPPEC organized meetings, phone calls, and other correspondence with authorities from the governments of Tierra del Fuego, Córdoba, Buenos Aires, and Salta. In addition, all of the provincial budget authorities were invited to a meeting in San Juan in June 2011, where CIPPEC presented the findings and sought feedback from the participants. The study has been covered widely in the news media in Argentina, including in two national newspapers, more than eight provincial newspapers, and numerous online news sources. The results of this study have potential to build a better understanding of budget transparency in Argentina, and to spur movement toward a more transparent budget system and process. For further information, contact Luciana Díaz Frers at ldiazfrers@cippec.org.

Recommendations

Based on the results of the analysis of Argentina's 24 provinces and the case studies, CIPPEC recommends the following:

→ Improvements in provincial transparency can be achieved quickly simply by publishing available budget information, especially through an online web portal designated for budget documents. This would enable governments to make

more information widely accessible with less lag time than publishing these documents elsewhere.

→ Provincial budget laws should be adapted so that governments are able to fulfill their budget requirements within reasonable time constraints, including aligning timelines for presenting budget documents that are based on national budgets with the national timelines.

Figure 1. Provincial Budget Website Transparency Index. Measurements of February, July and September

