

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 Open Budget Initiative commissioned 10 pilot studies on the subject. The studies were carried out by the IBP's partners in Argentina, Brazil, Bolivia, Croatia, Ecuador, India, Indonesia, Mali, Mongolia, and Peru.

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: Bolivia

Research conducted by Centro de Estudios para el Desarrollo Laboral y Agrario

Background

One of the four strategies emphasized in the National Development Plan (NDP) of Bolivia in 2007 was to consolidate and deepen democracy through decentralization and improving public administration and transparency. In turn, this pillar of the NDP sought to address the lack of transparency in and public oversight of public resource management. Despite passing numerous laws to address issues related to budget transparency, the implementation and enforcement of many of these policies remain largely inadequate. There have been a number of studies on transparency at the national level, such as the International Budget Partnership's (IBP) Open Budget Survey, which have ranked Bolivia in the middle-low range. Given the July 2010 passage of the Framework Law of Autonomous Governments and Decentralization, the Center for the Study of Labor and Agrarian Development (*Centro de Estudios para el Desarrollo Laboral y Agrario*, or CEDLA) decided to conduct a study on the current status of access to information on budgets at the subnational level. The Autonomous Departmental Government Transparency Index (*Indice de Transparencia de Gobernaciones*, or ITG) analyzed the levels of transparency in Bolivian regional governments, which are the largest subnational administrative units, in order to strengthen public participation, encourage public debate, improve access to information and transparency, and have a positive impact

on budget policies and implementation and, therefore, the lives of people and the state of democracy in Bolivia.

Methodology

The ITG was constructed from the responses to a questionnaire examining the public availability of government budget information, public participation in budget processes, and oversight that was developed based on the questionnaire for the International Budget Partnership's Open Budget Survey. The ITG questionnaire included three sections: 1) two tables for indicating information on the availability of key budget documents; 2) questions regarding the availability of the Budget Proposal; and 3) 50 questions related to the stages of the budget process (formulation, approval, execution, and monitoring).

Researchers with a broad understanding of budgets completed the questionnaire for six of the nine Bolivian regional governments: Cochabamba, Chuquisaca, La Paz, Oruro, Santa Cruz, and Tarija. Researchers completed the questionnaires by gathering evidence from budget documents that were publically available online or by request and interviewing civil society representatives and departmental government officials from the executive and legislature. Each question received a multiple choice response based on the amount of information available, and each response was assigned a value from zero to 100 (or was marked

“not applicable”). The individual scores for the information from the two tables in section one and the 77 questions in sections two and three were then combined and averaged to determine each department’s ITG score.

Key Findings

In the six Bolivian regional governments investigated, the overall index scores reflected very weak levels of transparency, as well as serious shortcomings in terms of the timeliness and comprehensiveness of the information disclosed, and inadequate opportunities for public participation in the budget process. The department of Tarija received the highest score on the index with 28 out of a possible 100 points, followed by Cochabamba with 22 points, and Santa Cruz with 21 points. Chuquisaca, Oruro, and La Paz were the three poorest performing regional governments, with scores of 20, 14, and 11, respectively. All of these scores indicated either a low level of transparency and participation (scores between 21 and 40) or little to none at all (scores between zero and 20). While laws may be in place at the subnational level in Bolivia requiring governments to meet certain standards of transparency, the results of the index shows very little implementation and enforcement of these legal mandates and, therefore, little progress toward the goals of transparency and democracy as espoused in the NDP.

One common factor contributing to the overall low scores is that the Executive Budget Proposal was prepared but not released to the public in any of the six regional governments, which cost each department 32 points on the index. The budget proposal is a critical document in the budget process as it lays out the government’s plans for realizing its policy priorities and meeting the needs of the public. Because of its importance, the budget proposal is given substantial weight in the index, with one full section of the questionnaire devoted to this document. The budget proposal determines revenues, expenditures, and debt for the upcoming fiscal year; it contains the preliminary policy proposals and goals and helps shape the budget decision-making process.

Two budget documents, the Citizens Budget and the Mid-Year Report, were not produced in any

of the six regional governments studied. The Citizens Budget is particularly important because it presents budget information in widely accessible language and formats to ensure that the public understands what is in the budget and is better able to participate in budget processes. The lack of a Citizens Budget reduced each department’s score by six points. Scores on the ITG certainly would have been higher if these two budget documents were made available, but there would still be much room for improvement throughout the budget process.

A number of other budget documents, like the Enacted Budget, In-Year Reports, the Year-End Report, and the internal Audit Report, were produced by governments but made available only upon request. Very little information was found posted on the government websites, including documents which the law explicitly requires be posted online. The departmental government of Cochabamba does not even have a working website. Even if some information is available online, to be more transparent, budget information should also be made available through other means of communication for those without Internet access.

Dissemination

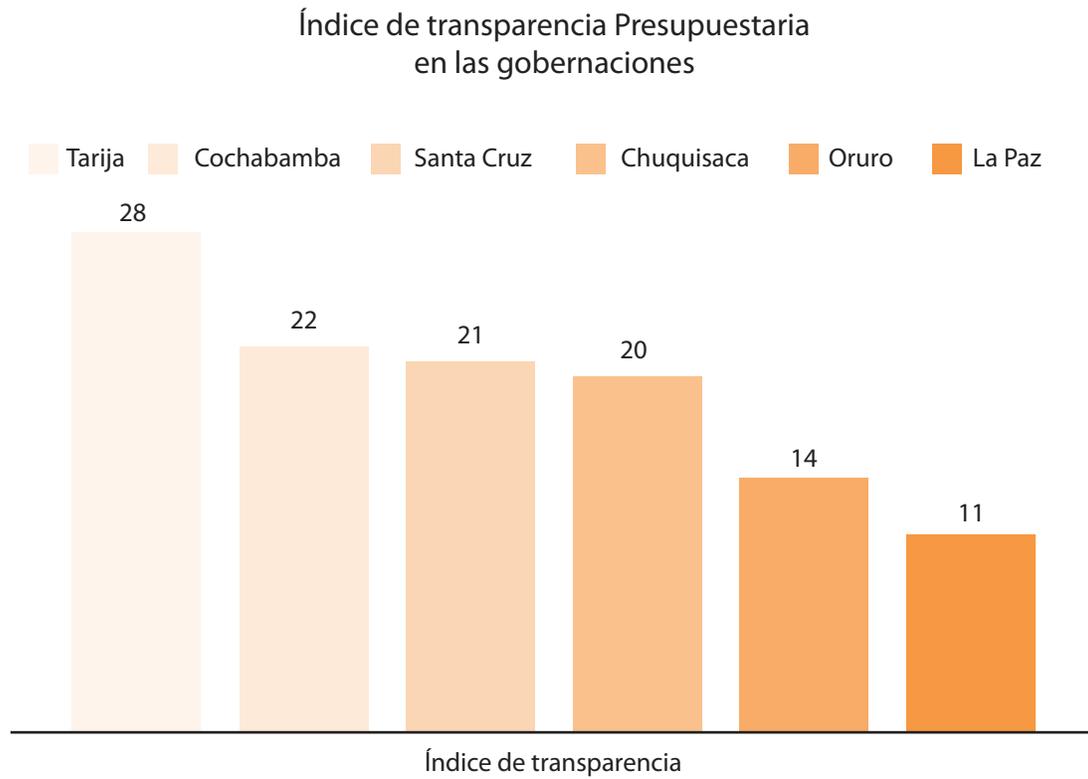
The results of this study were published in a full report, complete with many useful graphs and tables for analysis. This report is available on CEDLA’s website at <http://www.cedla.org/content/2313>. CEDLA also hosted an international event in April 2011, “Strengthening Social Actions: Transparency in Governance and Social Participation.” The event was held in La Paz, Bolivia, and attended by representatives from civil society, governments, the media, and other stakeholders from Bolivia, Argentina, Mexico, and Ecuador, who discussed some of the challenges associated with government transparency and decentralization and shared lessons learned from prior experiences and initiatives. The meeting and the findings from the report received wide coverage from a number of local and national media sources. CEDLA’s work on budget transparency at both the subnational and national level continues as they pursue the goals established in the National Development Plan, with the ultimate aim of improving the lives of Bolivians.

Recommendations

Given the above analyses and findings from the Bolivian subnational transparency index, there is plenty of room for improvement, and many avenues for progress. CEDLA has offered the following recommendations to the six autonomous departmental governments to improve their levels of transparency:

- Governments should produce and make available to the public the Executive's Budget Proposal and a Citizens Budget, two key budget documents that are crucial for transparency and participation.
- Government should produce and publish on their websites all of the key budget documents identified in this study.
- Governments should provide and consolidate spaces for civil society and public participation throughout the budget process in order to enable them to influence policies and monitor and evaluate government performance.
- Governments should implement guidelines and mechanisms to make the current transparency laws more effective and enforceable.
- The departmental executive branch should provide the departmental legislatures with the Budget Proposal as early in the budget process as possible to allow for adequate time for debate and approval.

Figure 1. Autonomous Departmental Government Transparency Index



Fuente: Elaboración CEDLA