Section 1. Public Availability of Budget Docs. “Section One: The Availability of Budget Documents” contains a series of four tables that allow the researcher to examine and map the public availability and dissemination of its country’s key budget documents (i.e., Pre-Budget Statement, Executive’s Budget Proposal (EBP) and Supporting EBP Documents, Citizens Budget, Enacted Budget, In-Year Reports, Mid-Year Review, Year-End Report, and Audit Report), as well as any national laws regulating budget processes and financial management. Once filled in, these tables will serve as a foundation for the completion of the rest of the questionnaire, as researchers will reference the specific documents cited in the tables to answer the questions contained in Sections 2-5 of the questionnaire.

### Table 1. Key Budget Documents

<table>
<thead>
<tr>
<th>BUDGET DOCUMENT</th>
<th>Full Title</th>
<th>Fiscal Year the Budget Document Refers to</th>
<th>Date of Publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting EBP Document</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-------------------------</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Budget Preparation (sumitted to National Assembly)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Explaining Documents (I - V) for 2014 Budget, Explaining Documents for Major Programs (for each gov't unit) for 2014 Budget, and Explaining Document for Independent Agencies' Budget Proposals for 2014 (submitted to National Assembly)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>October 02, 2013</td>
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<th>Supporting EBP Document</th>
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<tr>
<td>2014</td>
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<tr>
<td>October 02, 2013</td>
</tr>
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<table>
<thead>
<tr>
<th>Enacted Budget</th>
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</thead>
<tbody>
<tr>
<td>Enacted Budget for FY 2014 (set by National Assembly)</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>January 01, 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Citizens Budget (for EBP or Enacted Budget)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary of Budget for FY 2014</td>
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<tr>
<td>2014</td>
</tr>
<tr>
<td>February 24, 2014</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>In-Year Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Consolidated Financial Status for February 2014</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>April 18, 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional in-year report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Public Finance</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>June 19, 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional in-year report</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
</tr>
</tbody>
</table>
**Mid-Year Review**

Table 2a.

**Year-End Report**


**Audit Report**


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**Sources:** The Ministry of Strategy and Finance of Korea (MOSF) in charge of works related to the drafting, execution and performance management of the budget and the funds (cf. Budget System of Korea; See Attached file.) carries out its duties based on the National Finance Act (See Attached file.). The MOSF has to submit supplementary documentations such as appended document to budget proposal, summary of budget proposal, guidelines for budget preparation and fund operation plan (FOP), explaining documents (I - V) for budget, explaining document for major programs for each administrative unit, explaining document for independent agencies' budget proposals, performance plan (summary and for each administrative unit), national financial management plan (NFMP) and appended document to NFMP, statement of the gender-sensitive budget, statement of the tax expenditure budget, summary of FOP, appended document to FOP, supplementary document of FOP, budget proposal and FOP for each administrative unit along with budget proposal to the National Assembly by no later than 90 days before the beginning of the pertinent fiscal year according to Articles 33 and 34 of the National Finance Act: Article 33 (Submission of Budget Bills to National Assembly) The Government shall submit budget Bills, as approved by the President pursuant to the provisions of Article 32, to the National Assembly by no later than 90 days before the beginning of the pertinent fiscal year. Article 34 (Documents Accompanying Budget Bills) Each budget bill that shall be submitted to the National Assembly pursuant to the provisions of Article 33 shall be accompanied by the following documents: 1. The gross and net accounts of revenue and expenditure budgets; 2. An explanatory statement on each project in the revenue and expenditure budgets; 3. As regards continuing expenditures, a statement on the payments or estimated payments up to the end of the preceding year, predetermined payments to be disbursed after the relevant year, overall project plan and details on the status of progress thereof; 4. An explanatory statement on acts of burdening the National Treasury with liabilities; 5. As regards the acts of burdening the National Treasury with liabilities to be executed consecutively over the subsequent years, a statement on the payments or the estimated payments until the end of the preceding year and predetermined payments to be disbursed after the relevant year; 6. The table of budgetary employment ceiling and unit base prices for formulation of the budget bill; 7. The statement on the present value of the State-owned property as of the end of the year before the preceding year, and on its estimated present values as of the end of the preceding year and of relevant year; 8. The performance plan under the provisions of Article 8 (2); 9. The gender-sensitive budget; 10. The tax expenditure budget; 11. When the Government intends to reduce the amount demanded by an independent government body or the Board of Audit and Inspection in accordance with the provisions of Article 40 (2) or 41, a statement on opinions about the size of and reasons for such reduction, and the amount thereof from the relevant body or board; 12. Deleted; 13. The statements on transfers of surplus financial resources between an account and a fund or between accounts, and other documents that clearly show the financial status and the contents of the budget bill. 14. The expenditure budget for special cases of State property pursuant to Article 10 (1) of the Act on Regulation of Special Cases of State Property. The Board of Audit and Inspection of Korea (BAI) as a supreme audit institution examines the final accounts of revenues and expenditures of the State and reports the results of such examinations to the President and the National Assembly according to the Board of Audit and Inspection Act (See Attached file.).

**Comments:** The Monthly Consolidated Financial Status as In-Year Report provides only statistics of the consolidated revenues and expenditures of general and special accounts and funds for the state as a whole by the Treasury Bureau of the MOSF (See Attached file to Table 2b.). Hence, the MOSF published the first ever Monthly Public Finance (monthly fiscal report) on February 16, 2014 and issued the second report on March 21, the third one on April 18, the fourth one on May 20, the fifth one on June 19, the sixth one on July 22, the seventh one on August 20, and the eighth one on September 23, 2014 (cf. http://www.mosf.go.kr/policy/policy02.jsp; See Attached files.). The Monthly Public Finance report provides fiscal data covering the two months before such as national income accounts, gross revenues, gross expenditures, consolidated financial status, national debt, national property, and spending results of the 524 major programs on a monthly basis with comparing actual year-to-date expenditures with the original estimates for that period and the same period in the previous year. The MOSF produces a citizens version of key budget documentation during each of the four phases of the budget cycle in its press release (Refer to Tables 2a and 2b.).

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.
<table>
<thead>
<tr>
<th>South Korea</th>
<th>Budget Documents</th>
<th>Pre-Budget Statement</th>
<th>Executive's Budget Proposal</th>
<th>Enacted Budget</th>
<th>Citizens Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is it produced at all?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Is it produced for internal purposes only?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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</tr>
<tr>
<td>Is it published too late compared to the accepted timeframe?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Is it available to the public in hard copy, with charge?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Is it available to the public in hard copy, NO charge?</td>
<td>Yes</td>
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<td>Is it available to the public in soft copy, with charge?</td>
<td>Yes</td>
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<td>Is it available to the public in soft copy, NO charge?</td>
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<td>Yes</td>
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<tr>
<td>Is it available to the public online?</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

If available online, provide internet/URL address

- http://www.mosf.go.kr/policy/policy02.jsp
- http://www.mosf.go.kr/policy/policy02.jsp
- http://likms.assembly.go.kr/bill.jsp?bill_id=PRC_N1L3O1I0V0Y201B1Y0V350F6N0Y3U1
- http://www.mosf.go.kr/policy/policy02.jsp
- http://www.mosf.go.kr/policy/policy02.jsp

Is it machine readable? [only for electronic copies]

- Yes
- Yes
- Yes
- Yes
- Yes
- Yes
- Yes

Is there a “citizens version” of the budget document?

- Yes
- Yes
- Yes
- Yes
- Yes
- Yes
- N/A

Sources: The MOSF submitted supplementary documents along with the Budget Proposal for FY 2014 to the National Assembly(cf. The 10 files among the total of 21 documents are attached here but the remaining 11 files cannot be attached due to file size.; Refer to the
The MOSF posted citizens version of budget documentation (See Attached files.) on the Internet along with its press releases as follows: (1) Guidelines for Budget Preparation and Fund Operation Plan for 2015 on April 15, 2014 (cf. http://www.mosf.go.kr/policy/policy02.jsp?


boardType=general&hdnBulletRunno=76&cvbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&actionType=view&runno=4018443&hdnTopicDate=2013-09-26&hdnPage=16), (3) Performance Plan for 2014 on October 01, 2014 (cf. http://www.mosf.go.kr/policy/policy02.jsp?


boardType=general&hdnBulletRunno=76&cvbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&actionType=view&runno=4018993&hdnTopicDate=2013-11-21&hdnPage=12), and (5) Enacted Budget for FY 2014 on January 02, 2014 (cf. http://www.mosf.go.kr/policy/policy02.jsp?

boardType=general&hdnBulletRunno=76&cvbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&actionType=view&runno=4020694&hdnTopicDate=2014-02-24&hdnPage=5).

Especially, the MOSF sells the "Summary of Budget for FY 2014" as Citizens Budget in hard copy at the price of KRW14,000 (US$13.35) on consignment (cf. http://www.mosf.go.kr/policy/policy02.jsp?

boardType=general&hdnBulletRunno=76&cvbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&actionType=view&runno=4004101&hdnTopicDate=2014-02-24&hdnPage=5).

**Comments:** The electronic copies of some budget documentation provided in the form of '.hwp' file, which are available to the public with Hancom Office (which is very popular in Korea as Korean software), are changed into PDF version for file attachments. But, since the hwp format is similar to Microsoft Word rather than CSV or Excel format, the documents in the form of hwp or PDF cannot be machine-readable (cf. http://opendatahandbook.org/pdf/OpenDataHandbook.pdf). The MOSF posted citizens version of the Explaining Documents (I - V) for 2014 Budget on the Internet on November 21, 2013, which were classified by the National Assembly's standing committees, and citizens version of the Explaining Document (I) for 2014 is attached here as a case. The Performance Plan (PP) for 2014 is composed of Summary of PP and PP for the 51 administrative units, and the Summary of PP is attached here as a case. Further, the MOSF provides the public with basic fiscal information through social network services such as Facebook, Twitter, and Blog (cf. https://www.facebook.com/mosfkorea, https://twitter.com/mosfkorea, http://mosfnet.blog.me).

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

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**Table 2b. Details about Availability**

<table>
<thead>
<tr>
<th>South Korea</th>
<th>Budget Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tick box if answer to the questions is “yes”</strong></td>
<td>In-Year Report</td>
</tr>
<tr>
<td>Is it produced at all?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is it produced for internal purposes only?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is it published too late</td>
<td>Yes</td>
</tr>
<tr>
<td>Question</td>
<td>1st Response</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Is it available to the public compared to the accepted timeframe?</td>
<td>No</td>
</tr>
<tr>
<td>Is it available to the public in hard copy, with charge?</td>
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</tr>
<tr>
<td>Is it available to the public in hard copy, NO charge?</td>
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</tr>
<tr>
<td>Is it available to the public in soft copy, with charge?</td>
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<tr>
<td>Is it available to the public in soft copy, NO charge?</td>
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</tr>
<tr>
<td>Is it available to the public online?</td>
<td>Yes</td>
</tr>
<tr>
<td>If available online, provide internet/URL address</td>
<td>N/A</td>
</tr>
<tr>
<td>Is it machine readable? [only for electronic copies]</td>
<td>Yes</td>
</tr>
<tr>
<td>Is there a “citizens version” of the budget document?</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Sources:** The MOSF has just published the five Monthly Public Finance reports since February 2014 as of June 30, 2014. But the MOSF will surely publish the sixth and seventh Monthly Public Finance reports in July and August 2014, respectively. Hence, the newly published Monthly Public Finance reports (Refer to the attached files to Table 1 and the Comments of the Table 3.) rather than the Monthly Consolidated Financial Status (See the attached files of the seven consecutive reports to this Table.) are taken into consideration as In-Year Report. The MOSF and the BAI carry out their duties for settlement of accounts according to Articles 56 to 61 of the National Finance Act: Article 56 (Principle for Settlement of Accounts) The Government shall ensure that the settlement of accounts is processed fairly in accordance with objective data and evidence so that it can provide useful and adequate information about finance in accordance with the National Accounting Act. Article 57 (Preparation of Gender-Sensitive Settlement of Accounts) (1) The Government shall prepare a statement to evaluate whether females and males have equally benefited from the budget and whether the budget has been executed towards addressing gender discrimination (hereinafter referred to as “gender-sensitive settlement of accounts”). (2) The gender-sensitive settlement of accounts shall include results of execution, effect analysis on and evaluation of gender equality, etc. Article 58 (Preparation and Submission of Statement of Accounts by Central Government Agency) (1) The head of each central government agency shall submit a statement of accounts prepared for each fiscal year as prescribed by the National Accounting Act (hereinafter referred to as “statement of accounts of central government agency”) to the Minister of Strategy and Finance by no later than the end of February of the following year. (2) The Secretary General of the National Assembly, the Minister of Court Administration, the Secretary General of the Constitutional Court, and the Secretary General of the National Election Commission shall prepare a statement on the use of reserve funds for each fiscal year, and shall submit it to the Minister of Strategy and Finance by no later than the end of February of the following year. Article 59 (Preparation and Submission of National Statement of Accounts) The Minister of Strategy and Finance shall submit a national statement of accounts prepared for each fiscal year as prescribed by the National Accounting Act and approved by the President to the Board of Audit and Inspection by April 10 of the following year. Article 60 (Inspection of Settlement of Accounts) The Board of Audit and Inspection shall conduct an audit of the national statement of accounts submitted according to Article 59, and shall dispatch the statement to the Minister of Strategy and Finance by May 20 of the following year. Article 61 (Submission of National Statement of Accounts to National Assembly) The Government shall submit the national statement of accounts audited by the Board of Audit and Inspection pursuant to Article 60 to the National Assembly by May 31 of the following year. The MOSF and the BAI produce citizens version of key budget documentation in

Comments: As seen in the Comments of the previous question, since the hwp format is similar to Microsoft Word rather than CSV or Excel format, the documents in the form of hwp or PDF cannot be machine-readable(cf. http://opendatahandbook.org/pdf/OpenDataHandbook.pdf). The MOSF provides the public with basic fiscal information by actively using social network services such as Facebook, Twitter, and Blog. But the BAI does not use social network services and has only a home address(i.e., http://www.bai.go.kr). Thus the BAI's Audit Reports are accessible in order : (1) BAI's Home page(감사원 홈페이지) > (2) Information(from main menu bar, 정보마당) > (3) BAI Activities Materials(from left-side menu bar, 감사원활동자료) > (4) Audit Reports on Final Accounts(from sub-side menu bar, 결산감사보고). The BAI has published its annual report dealing with its overall activities and issued the Annual Report of the Board of Audit and Inspection for 2013 in March 2014(not attached here due to file size). Especially, (1) the Settlement Report of State Accounts for FY 2013 and its citizens version by the MOSF, and (2) the Audit Report for FY 2013 and its citizens version by the BAI along with them for FY 2012 are attached here for reference.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

<table>
<thead>
<tr>
<th>Table 3. When Are the Key Budget Documents Made Available to the Public?</th>
</tr>
</thead>
</table>

**South Korea**

**Pre-Budget Statement: When is the Pre-Budget Statement made available to the public?**

- 100. At least four months in advance of the budget year, and at least one month before the executive's budget proposal is introduced in the legislature
- 67. At least two months, but less than four months, in advance of the budget year, and at least one month before the executive's budget proposal is introduced in the legislature
- 33. Less than two months in advance of the budget year, but at least one month before the executive's budget proposal is introduced in the legislature
- 0. Does not release to the public, or is released less than one month before the executive's budget proposal is introduced to the legislature

**Executive Budget Proposal: When is the Executive Budget Proposal made available to the public?**

- 100. At least three months in advance of the budget year, and in advance of the budget being approved by the legislature
- 67. At least two months, but less than three months, in advance of the budget year, and in advance of the budget being approved by the legislature
- 33. Less than two months in advance of the budget year, but at least in advance of the budget being approved by the legislature
- 0. Does not release to the public, or is released after the budget has been enacted

**Enacted Budget: When is the Enacted Budget made available to the public?**

- 100. Two weeks or less after the budget has been enacted
- 67. Between two weeks and six weeks after the budget has been enacted
- 33. More than six weeks, but less than three months, after the budget has been enacted
- 0. Does not release to the public, or is released more than three months after the budget has been enacted

**In-Year Report: When are In-Year Reports made available to the public?**
100. At least every month, and within one month of the period covered
67. At least every quarter, and within three months of the period covered
33. At least semi-annually, and within three months of the period covered
0. Does not release to the public

Mid-Year Review: How long after the mid-point in the fiscal year
(i.e., six months into the fiscal year) is the Mid-Year Review made available to the public?

100. Six weeks or less after the mid-point
67. Nine weeks or less, but more than six weeks, after the mid-point
33. More than nine weeks, but less than three months, after the mid-point
0. Does not release to the public, or is released more than three months after the mid-point

Year-End Report: How long after the end of the budget year is the Year-End Report made available to the public?

100. Six months or less after the end of the budget year
67. Nine months or less, but more than 6 months, after the end of the budget year
33. More than nine months, but within 12 months, after the end of the budget year
0. Does not release to the public, or is released more than 12 months after the end of the budget year

Audit Report: How long after the end of the fiscal year are the final annual expenditures of national departments audited and released (except for secret programs)?

100. Six months or less after the end of the budget year
67. 12 months or less, but more than 6 months, after the end of the budget year
33. More than 12 months, but within 18 months, after the end of the budget year
0. Does not release to the public, or is released more than 18 months after the end of the budget year


Comments: Since the MOSF has to submit budget proposal to the National Assembly by no later than 90 days(rather than three months) before the beginning of the pertinent fiscal year according to Article 33 of the National Finance Act, the Budget Proposal for FY 2014 was submitted to the National Assembly on October 02, 2013. In case of In-Year Report, as seen in the attached files of the seven consecutive Monthly Consolidated Financial Status reports to Table 2b, the MOSF has made public Monthly Consolidated Financial Status on an irregular basis. Thus In-Year Reports are made available to the public in more than three months(i.e., 3.8 months on average). But the Monthly Public Finance report as a different type of In-Year Report can fix the problem and the above answer related to In-Year Report is made under the conditions of the publications of the should-be sixth and seventh Monthly Public Finance reports that the MOSF will surely publish in July and August 2014, repectively(Refer to the Comments of the Tables 1 and 2b.). The MOSF and the BAI seem to fulfill the public’s expectations just by complying with the legal requirements to some extent. But the quality of their budget documents open to the public seem to be questionable. Especially, the MOSF should prepare Mid-Year Review.

PEER REVIEWER

Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: National Finance Act was revised on May 28, 2013 to change the submission date of Executive Budget Proposal to the National Assembly from “by no later than 90 days” to “by no later than 120 days. The revision will be fully effective by 2016(that is, the budget proposal for FY2017), extending the submission date by 10 days each year. The budget proposal for FY2015 was submitted to the National Assembly on September 22, 2014.
### South Korea

#### Is there a website or web portal for government fiscal information?
- **Yes**
  - http://www.mosf.go.kr/policy/policy02.jsp
  - http://www.mosf.go.kr/ib/lib02.jsp
  - https://www.digitalbrain.go.kr/kor/view/index.jsp
  - http://budget.na.go.kr/site
  - http://likms.assembly.go.kr/bill/jsp/FinishBill.jsp
  - https://www.bai.go.kr

#### Is there a law (or laws) guiding public financial management?
- **Yes**
  - National Finance Act
  - National Accounting Act
  - Management of the National Funds Act
  - National Assembly Act
  - National Assembly Budget Office Act
  - Board of Audit and Inspection Act

#### Are there additional laws regulating:
- **Access to information?**
- **Transparency?**
- **Citizens participation?**
- **Yes**
- **No**
  - Official Information Disclosure Act

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**Sources:** The MOSF set up digital budget and account system (DBAS_“dBrain”) for financial officials, which was initiated in January 2007, as an integrated financial information system which is designed to systemically manage whole business processes such as budget formulation, execution, accounting, settlement, and performance evaluation at once(cf. [https://eng.digitalbrain.go.kr/en/view/main/index.jsp](https://eng.digitalbrain.go.kr/en/view/main/index.jsp); See Attached files).

**Comments:** The dBrain is a very useful e-government tool for financial officials but provides the public with restricted budget information.

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.
001. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?

A. Yes, administrative units accounting for all expenditures are presented.

B. Yes, administrative units accounting for at least two-thirds of, but not all, expenditures are presented.

C. Yes, administrative units accounting for less than two-thirds of expenditures are presented.

D. No, expenditures are not presented by administrative unit.

E. Not applicable/other (please comment).

South Korea

A. 

Score: 100

Sources: The National Finance Act requires that the Executive's Budget Proposal should be classified by ministries and agencies: Article 21 (Classification of Revenue and Expenditure Budgets) (1) Revenue and expenditure budgets may be divided into accounts as required. (2) Revenue and expenditure budgets shall be classified by the affairs assigned to each independent government body and central government agency, and then divided into a general account and special accounts. * (1) Budget Proposal for FY 2014 and (2) Appended Document to 2014 Budget Proposal(pp. 23-25) submitted to the National Assembly on October 2, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

Comments: The Executive's Budget Proposal for FY 2014 is composed of the 53 administrative units[cf. Appended Document to 2014 Budget Proposal(pp. 23-25)]

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

002. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by functional classification?

A. Yes, expenditures are presented by functional classification.

B. No, expenditures are not presented by functional classification.

C. Not applicable/other (please comment).

South Korea

A. 

Score: 100

Sources: The National Finance Act requires the budget proposals to be classified by function and object: Article 21 (Classification of
Revenue and Expenditure Budgets) (3) The contents of the revenue budget shall be subdivided by nature into sections and paragraphs in accordance with the division under the provisions of paragraph (2), while the contents of the expenditure budget shall be subdivided by function, object, or the agency accountable into chapters, sections, and paragraphs. * (1) Budget Proposal for FY 2014 and (2) Appended Document to 2014 Budget Proposal(pp. 28-31) submitted to the National Assembly on October 2, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

Comments: All expenditures are classified by function such as (1) general public administration, (2) public order and safety, (3) foreign affairs and national unification, (4) national defense, (5) education, (6) culture and tourism, (7) environment, (8) social welfare, (9) health, (10) agriculture, forestry, and fishery, (11) industry, SMEs, and energy, (12) transportation and logistics, (13) telecommunication, (14) land development, (15) science and technology, and (16) contingencies[cf. Appended Document to 2014 Budget Proposal(pp. 28-31)].

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

003. If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by functional classification, is the functional classification compatible with international standards?

A. Yes, the functional classification is compatible with international standards.

B. No, the functional classification is not compatible with international standards, or expenditures are not presented by functional classification.

C. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, all expenditures are classified by function to meet international standards.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

004. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by economic classification?

A. Yes, expenditures are presented by economic classification.

B. No, expenditures are not presented by economic classification.

C. Not applicable/other (please comment).
South Korea

A.

Score: 100

Sources: The National Finance Act requires the budget proposals to be classified by object and the word 'object' can be interpreted as economic classification: Article 21 (Classification of Revenue and Expenditure Budgets) (3) The contents of the revenue budget shall be subdivided by nature into sections and paragraphs in accordance with the division under the provisions of paragraph (2), while the contents of the expenditure budget shall be subdivided by function, object, or the agency accountable into chapters, sections, and paragraphs. * (1) Budget Proposal for FY 2014 and (2) Appended Document to 2014 Budget Proposal(pp. 26-27) submitted to the National Assembly on October 2, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

Comments: The expenditure budget is subdivided by object(cf. Appended Document to 2014 Budget Proposal(pp. 26-27)): 100 Personnel Expenses 200 Goods & Services 300 Current Transfer 400 Asset Acquisition 500 Repayment of Loans 600 Transfers 700 Contingency & Others

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

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005. If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by economic classification, is the economic classification compatible with international standards?

A. Yes, the economic classification is compatible with international standards.

B. No, the economic classification is not compatible with international standards, or expenditures are not presented by economic classification.

C. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: Refer to the Sources of the previous question.

Comments: The categorization of the economic classification is not completely compatible with the IMF standards especially in regard to social assistance benefits. But the category of social assistant benefits can be seen from expenditures for social welfare and health by functional classification as seen in the Comments of the Question 2.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

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006. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the budget year?
A. Yes, programs accounting for all expenditures are presented.

B. Yes, programs accounting for at least two-thirds of, but not all, expenditures are presented.

C. Yes, programs accounting for less than two-thirds of expenditures are presented.

D. No, expenditures are not presented by program.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: Each ministry and agency must prepare its program based budget proposals mandated by the National Finance Act: Article 34 (Documents Accompanying Budget Bills) Each budget bill that shall be submitted to the National Assembly pursuant to the provisions of Article 33 shall be accompanied by the following documents. 1. The gross and net accounts of revenue and expenditure budgets; 2. An explanatory statement of the revenue and expenditure budgets by program * (1) The Budget Proposal for FY 2014 and (2) the Explaining Document (I) - (V) for 2014 Budget submitted to the NA on October 2, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to the file size)

Comments: The Explaining Documents for 2014 Budget as supplementary budget documents are classified into the five volumes(I to V) by standing committees of the National Assembly, which cannot be attached due to the file size. Especially, as an evidence of the answer, a Citizens version of the Explaining Document (I) for 2014 Budget posted on the Internet on November 21, 2013 is attached here(cf. http://www.mosf.go.kr/policy/policy02.jsp?boardType=general&hdnBulletRunno=76&cbynPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&&actionType=view&runno=4018993&hdnTopicDate=2013-11-21&hdnPage=12).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

007. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

A. Yes, multi-year expenditure estimates are presented by all three expenditure classifications (by administrative, economic, and functional classification).

B. Yes, multi-year expenditure estimates are presented by two of the three expenditure classifications.

C. Yes, multi-year expenditure estimates are presented by only one of the three expenditure classifications.

D. No, multi-year expenditure estimates are not presented by any expenditure classification.

E. Not applicable/other (please comment).

South Korea

C.
Sources: The National Financial Management Plan (NFMP) for 2013-2017 attached to the 2014 budget proposal as one of reference documents was submitted to the National Assembly on October 2, 2013. The NFMP is a five year projected fiscal plan updated every year, in which multi-year estimates of aggregated revenue and expenditure are presented, according to Article 7 of the National Finance Act: Article 7 (Establishment of National Financial Management Plan, etc.) (1) The Government shall establish a financial management plan for the period covering at least five fiscal years following each fiscal year (hereinafter referred to as "national financial management plan") for promoting efficiency and soundness in financial management, and shall submit it to the National Assembly by no later than 90 days before the beginning of a new fiscal year. (2) National financial management plans shall include the following matters: 1. Basic direction and goals of financial management; 2. Long- and medium-term financial forecasts; 3. Plan for allocation of resources for each area and direction of investment; 4. Rate of increase in scale of finances and grounds therefor; 4-2. Rate of increase in mandatory expenditure (referring to legal expenditure and interest expenditure, the obligation of which arises according to Acts, and the scale of expenditure of which is decided according to Acts and subordinate statutes, among Treasury expenditures and the scope thereof shall be prescribed by Presidential Decree) and its details of computation; 4-3. Forecast and ground, for each area, of the rate of increase in discretionary expenditure (referring to expenditure excluding mandatory expenditure from Treasury expenditure) and management plan thereof; 4-4. Rate of increase in Treasury revenue, such as revenue, non-tax revenue or fund revenue, and grounds therefor; 5. Forecasted tax burden ratio and per-capita burden ratio; 6. Forecast and ground for consolidated fiscal balance of revenues and management plan thereof; 7. Deleted; 8. Other matters prescribed by Presidential Decree. (3) A national financial management plan submitted to the National Assembly pursuant to paragraph (1) shall be accompanied by the following documents: 1. An evaluation and analysis report on changes in the national financial management plan compared to that established in the previous year, reasons behind the changes, and management plan, etc.; 2. A medium- and long-term fund financial management plan under Article 73-3; 3. A State obligation management plan under Article 91.


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
D.
Score: 0

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, the Chapter 4 of the National Financial Management Plan for 2013-
2017 (pp. 18-42 of the Citizens version; pp. 55-187 of the actual document) presents the 12 major investment plans classified by function
(e.g. (1) health, social welfare, and employment, (2) education, (3) culture, sports and tourism, (4) environment, (5) R&D, (6) industry, SME,
and energy, (7) SOC, (8) agriculture, forestry, fishery, and food, (9) defense, (10) foreign policy and national unification, (11) public safety
and order, and (12) general public and local administration).

PEER REVIEWER
Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: In addition to the 5 year fiscal allocation plan for 12 major functions, the plan is further divided into sub-functions for each

009. Does the Executive's Budget Proposal or any supporting
budget documentation present the individual sources of tax
revenue (such as income tax or VAT) for the budget year?

A. Yes, individual sources of tax revenue accounting for all tax revenue are presented.
B. Yes, individual sources of tax revenue accounting for at least two-thirds of, but not all, tax revenues are presented.
C. Yes, individual sources of tax revenue accounting for less than two-thirds of all tax revenues are presented.
D. No, individual sources of tax revenue are not presented.
E. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: (1) Budget Proposal for FY 2014 and (2) Appended Document to 2014 Budget Proposal(p 14) submitted to the National Assembly

Comments: 2014 Budget Proposal presents the estimates of tax revenues such as internal tax (income tax, corporate tax, inheritance and
gift tax, VAT, special consumption tax, securities transaction tax, stamp tax), custom duties, transportation, energy, and environment tax,
education tax, comprehensive real estate holding tax(cf. Appended Document to 2014 Budget Proposal(p 14)).

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE
Appended Document to 2014 Budget Proposal(p 14) submitted to the National Assembly on October 2, 2013 shows individual sources of
tax revenue accounting for all tax revenue. Thus the answer is “a”.


010. Does the Executive’s Budget Proposal or any supporting budget documentation present the individual sources of non-tax revenue (such as grants, property income, and sales of government-produced goods and services) for the budget year?

A. Yes, individual sources of non-tax revenue accounting for all non-tax revenue are presented.
B. Yes, individual sources of non-tax revenue accounting for at least two-thirds of, but not all, non-tax revenues are presented.
C. Yes, individual sources of non-tax revenue accounting for less than two-thirds of all non-tax revenues are presented.
D. No, individual sources of non-tax revenue are not presented.
E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: (1) Budget Proposal for FY 2014 and (2) Appended Document to 2014 Budget Proposal(pp. 18-19) submitted to the National Assembly on October 2, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

Comments: 2014 Budget Proposal presents the estimates of non-tax revenues such as property income, current transfer income(fine, expropriated money, penalty), sales of government-produced goods and services, money for replacing revenue and so on[cf. Appended Document to 2014 Budget Proposal(pp. 18-19)].

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE

Appended Document to 2014 Budget Proposal (pp. 18-19) submitted to the National Assembly on October 2, 2013 shows individual sources of non-tax revenue accounting for all non-tax revenue. Hence the answer is “a”.

011. Does the Executive’s Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for a multi-year period (at least two-years beyond the budget year)?

A. Yes, multi-year estimates of revenue are presented by category.
B. No, multi-year estimates of revenue are not presented by category.
C. Not applicable/other (please

South Korea

A.
012. Does the Executive’s Budget Proposal or any supporting budget documentation present estimates for individual sources of revenue presented for a multi-year period (at least two-years beyond the budget year)?

A. Yes, multi-year estimates for individual sources of revenue accounting for all revenue are presented.
B. Yes, multi-year estimates for individual sources of revenue accounting for at least two-thirds of, but not all, revenue are presented.
C. Yes, multi-year estimates for individual sources of revenue accounting for less than two-thirds of revenue are presented.
D. No, multi-year estimates for individual sources of revenue are not presented.
E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: Refer to the Sources of the previous question.


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

013. Does the Executive’s Budget Proposal or any supporting budget documentation present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?
A. Yes, all three estimates related to government borrowing and debt are presented.
B. Yes, two of the three estimates related to government borrowing and debt are presented.
C. Yes, one of the three estimates related to government borrowing and debt are presented.
D. No, none of the three estimates related to government borrowing and debt are presented.
E. Not applicable/other (please comment).

South Korea

B. Score: 100


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

014. Does the Executive's Budget Proposal or any supporting budget documentation present information related to the composition of the total debt outstanding at the end of the budget year? (The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

A. Yes, information beyond the core elements is presented for the composition of the total debt outstanding.
B. Yes, the core information is presented for the composition of the total debt outstanding.
C. Yes, information is presented, but it excludes some core elements.
D. No, information related to composition of total debt outstanding is not presented.
E. Not applicable/other (please comment).

South Korea

B. Score: 67


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE


015. Does the Executive's Budget Proposal or any supporting budget documentation present information on the macroeconomic forecast upon which the budget projections are based? (The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)

A. Yes, information beyond the core elements is presented for the macroeconomic forecast.

B. Yes, the core information is presented for the macroeconomic forecast.

C. Yes, information is presented, but it excludes some core elements.

D. No, information related to the macroeconomic forecast is not presented.

E. Not applicable/other (please comment).

South Korea

C.

Score: 33


Chapter 3 describes extensively mid-term fiscal projections in terms of revenue, expenditure, ratio of debt to GDP, tax burden ratio, etc. The core information elements such as inflation rate, real GDP growth are missing from the EBP documents.

**RESEARCHER'S RESPONSE**

The core information elements such as inflation rate, real GDP growth are missing from the EBP documents.

**Question 016.** Does the Executive's Budget Proposal or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget? (The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.)

- A. Yes, information beyond the core elements is presented to show the impact of different macroeconomic assumptions on the budget.
- B. Yes, the core information is presented to show the impact of different macroeconomic assumptions on the budget.
- C. Yes, information is presented, but it excludes some core elements.
- D. No, information related to different macroeconomic assumptions is not presented.
- E. Not applicable/other (please comment).

**South Korea**

D.

Score: 0

**Sources:** The National Financial Management Plan for 2013-2017 (pp. 19-54) submitted to the National Assembly on October 02, 2013 (cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

**Comments:** As seen in the Comments of the previous question, the National Financial Management Plan for 2013-2017 (pp. 19-54 for the Chapter 3) describes extensively mid-term fiscal projections in terms of revenue, expenditure, ratio of debt to GDP, tax burden ratio, etc. But there is no exact sensitivity analysis.

**PEER REVIEWER**

Opinion: Yes, I agree with the score and have no comments to add.
A. Yes, estimates that show how all new policy proposals affect expenditures are presented, along with a narrative discussion.

B. Yes, estimates that show how all new policy proposals affect expenditures are presented, but a narrative discussion is not included.

C. Yes, information that shows how some but not all new policy proposals affect expenditure is presented.

D. No, information that shows how new policy proposals affect expenditure is not presented.

E. Not applicable/other (please comment).

South Korea

Score: 100


Comments: As an evidence of the answer, the Citizens versions of the Budget Proposal for FY 2014(pp. 61-82) and the National Financial Management Plan for 2013-2017(pp. 23-36) posted on the Internet on September 26, 2013 are attached here(cf. http://www.mosf.go.kr/policy/policy02.jsp?boardType=general&hdnBulletRunno=76&vbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&actionType=view&runno=4018443&hdnTopicDate=2013-09-26&hdnPage=16). The Citizens version of the Budget Proposal for FY 2014(pp. 61-82) presents the major programs of the 13 areas classified by function such as (1) employment, (2) social welfare, (3) education, (4) culture, (5) R&D, (6) industry, (7) SOC, (8) agriculture and forestry, (9) environment, (10) defense, (11) foreign policy and national unification, (12) public safety and order, and (13) general public and local administration, and their resource allocation strategies, in which amounts of expenditure budget between 2014(BY) and 2013(BY-1) for each of the major programs of the 13 areas are identified. Further, the National Financial Management Plan for 2013-2017(pp. 23-36 of the Citizens version; pp. 55-187 of the actual document) presents the major programs of the 12 areas [e.g. (1) health, social welfare, and employment, (2) education, (3) culture, sports and tourism, (4) environment, (5) R&D, (6) industry, SME, and energy, (7) SOC, (8) agriculture, forestry, fishery, and food, (9) defense, (10) foreign policy and national unification, (11) public safety and order, and (12) general public and local administration] classified by function and the amounts of expenditure budget between 2014(BY) and 2013(BY-1) for each of the major programs of the 12 areas.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE
Explaining Document for Major Programs (MOE) for 2014 Budget submitted to the National Assembly on October 02, 2013 (p 242) shows new policy proposal.

018. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect revenues?

A. Yes, estimates that show how all new policy proposals affect revenues are presented, along with a narrative discussion.

B. Yes, estimates that show how all new policy proposals affect revenues are presented, but a narrative discussion is not included.

C. Yes, information that shows how some but not all new policy proposals affect revenues are presented.
D. No, information that shows how new policy proposals affect revenues is not presented.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: Refer to the Sources of the previous question.

Comments: The EBP or any supporting budget documentation does not present how new policy proposals affect revenues.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

019. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

A. Yes, expenditure estimates for BY-1 are presented by all three expenditure classifications (by administrative, economic, and functional classification).

B. Yes, expenditure estimates for BY-1 are presented by two of the three expenditure classifications.

C. Yes, expenditure estimates for BY-1 are presented by only one of the three expenditure classifications.

D. No, expenditure estimates for BY-1 are not presented by any expenditure classification.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: The Explaining Document (I) to (V) for 2014 Budget submitted to the NA on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to the file size)

Comments: The Explaining Documents for 2014 Budget present all of the expenditures classified by administrative unit, function and economic('object') in a comparable form between the budget year and the prior year. As an evidence of the answer, the Citizens version of the Explaining Document (I) for 2014 posted on the Internet on November 21, 2013 is attached here(cf. http://www.mosf.go.kr/policy/policy02.jsp?

boardType=general&hdnBulletRunno=76&cybnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&&actionType=view&runno=4018993&hdnTopicDate=2013-11-21&hdnPage=12).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
020. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

A. Yes, programs accounting for all expenditures are presented for BY-1.
B. Yes, programs accounting for at least two-thirds of, but not all, expenditures are presented for BY-1.
C. Yes, programs accounting for less than two-thirds of expenditures are presented for BY-1.
D. No, expenditures are not presented by program for BY-1.
E. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: The Explaining Document (I) to (V) for 2014 Budget submitted to the NA on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to the file size)

Comments: The Explaining Documents for 2014 Budget present all of revenues and expenditures classified by administrative unit, function and economic('object') in a comparable form between the budget year and the prior year. And each ministry and agency must prepare its programs based on budget proposals according to Article 34 of the National Finance Act.

PEER REVIEWER

Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: Article 10 (7) of the Enforcement Decree of the National Finance Act is prescribed as follows; Article 10 (Contents of Budget Requests) ... (7) The statement on each item of the revenue and expenditure budgets under paragraph (5) 1 shall indicate the amount in the settlement of accounts for the year immediately before the preceding year in parallel, compare the budget amount demanded and the budget amount for the preceding year, and indicate the amount and rate so increased or decreased.

021. In the Executive's Budget Proposal or any supporting budget documentation, have expenditure estimates of the year prior to the budget year (BY-1) been updated from the original enacted levels to reflect actual expenditures?

A. Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.
B. No, expenditure estimates for BY-1 have not been updated from the original enacted levels.
C. Not applicable/other (please comment).

South Korea

B.
Score: 0
022. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure for more than one year prior to the budget year (that is, BY-2 and prior years) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

A. Yes, expenditure estimates for BY-2 and prior years are presented by all three expenditure classifications (by administrative, economic, and functional classification).

B. Yes, expenditure estimates for BY-2 and prior years are presented by two of the three expenditure classifications.

C. Yes, expenditure estimates for BY-2 and prior years are presented by only one of the three expenditure classifications.

D. No, expenditure estimates for BY-2 and prior years are not presented by any expenditure classification.

E. Not applicable/other (please comment).

South Korea

A. 

Score: 100

Sources: The Explaining Documents for Major Programs for 2014(prepared by all of the administrative units) submitted to the National Assembly on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

Comments: The Explaining Document for Major Programs for 2014 prepared by the Ministry of Education(MOE) in charge of the function of education(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to the file size) presents expenditure estimates by sub-function classification such as preschool(pp. 349-1214), elementary and secondary school education (pp. 1-348), higher education, continuing and vocational education(pp. 1215-1690), and education administration(pp. 1691-1823) for 2012(BY-2), 2013(BY-1) and 2014(BY) as well as actual outcomes of 2012 expenditures. The Explaining Document for Major Programs for 2014 prepared by the MOE shows the MOE's budget composition as follows: - Function(budget code 050 for education); - Sub-function(budget codes 051 for preschool, elementary and secondary school edcation to 054 for education administration); - Program(budget codes 1000 for substantialization of school education to 1400 for activation of school education); - Sub-program(budget codes 1031 for capacity strengthening of preschool, elementary and secondary school edcation to 1051 for contribution to the KERIS under the program of substantialization of school education); - Project(budget codes 302 for revision of education curriculum and its follow-up measures to 311 for strengthening evaluation of teachers’ training school uner the sub-program of capacity strengthening of preschool, elementary and secondary school edcation); and -Sub-project(e.g. the Project for revision of education curriculum is composed of the four sub-projects). Since the above document presents expenditure estimates by the sub-function classification for 2012(BY-2), 2013(BY-1) and 2014(BY) as well as actual outcomes of 2012 expenditures, the expenditure estimates by the function of education for 2012(BY-2) and actual outcomes of 2012 expenditures can be fully understood. Also the Document indicates expenditure estimates by economic classification such as personnel expenses, goods and services, transfers, etc.(p.20).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
RESEARCHER’S RESPONSE

All of the administrative units prepare the Explaining Documents for Major Programs and present the expenditures for BY-2.

023. Does the Executive’s Budget Proposal or any supporting budget documentation present expenditures for individual programs for more than one year preceding the budget year (that is, BY-2 and prior years)?

A. Yes, programs accounting for all expenditures are presented for BY-2 and prior years.
B. Yes, programs accounting for at least two-thirds of, but not all, expenditures are presented for BY-2 and prior years.
C. Yes, programs accounting for less than two-thirds of expenditures are presented for BY-2 and prior years.
D. No, expenditures are not presented by program for BY-2 and prior years.
E. Not applicable/other (please comment)

South Korea

A. Score: 100

Sources: Refer to the Source of the previous question.

Comments: Refer to the Comments of the previous question. (The Explaining Documents for Major Programs for 2014 prepared by all of the administrative units present programs accounting for all expenditures for BY-2 and prior years(Refer to the Explaining Documents for Major Programs for 2014 prepared by the MOE.).)

PEER REVIEWER

Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: Performance Plan for 2014 of each Ministry shows settled expenditure for FY2012, enacted expenditure for FY2013, and proposed expenditure for FY2014, for major programs coupled with their performance indicators.

024. In the Executive’s Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

A. Two years prior to the budget year (BY-2).
B. Three years prior to the budget year (BY-3).
C. Before BY-3.
D. No actual data for all expenditures are presented in the budget or supporting budget documentation.
E. Not applicable/other (please comment).

South Korea
A. Score: 100

Sources: (1) Explain Documents for Major Programs (prepared by all of the administrative units; Not attached due to file size), and (2) Supplementary Document of Fund Operation Plan for 2014 (pp. 11-76; See attached file.) submitted to the National Assembly on October 2, 2013 (cf. http://nafs.assembly.go.kr:83/index.htm)

Comments: As seen in the Comments of the Question 22, the Explaining Document for Major Programs for 2014 prepared by the Ministry of Education presents actual outcome of revenues and expenditures of 2012(BY-2). Supplementary Document of Fund Operation Plan for 2014 (pp. 11-76) presents actual data for revenues and expenditures of all of the 64 state funds for 2012(BY-2).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

A. Yes, revenue estimates for BY-1 are presented by category.

B. No, revenue estimates for BY-1 are not presented by category.

C. Not applicable/other (please comment).

South Korea

A. Score: 100


Comments: The Appended Document to 2014 Budget Proposal (p 3) presents aggregate revenue estimates by category such as tax and non-tax in a comparable form between 2014(BY) and 2013(BY-1).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

A. Yes, individual sources of revenue accounting for all revenue are presented for BY-1.

B. Yes, individual sources of revenue accounting for at least two-thirds of, but not all, revenue for BY-1 are presented.

C. Yes, individual sources of revenue accounting for less than two-thirds of all revenues for BY-1 are presented.
D. No, individual sources of revenue are not presented for BY-1.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100


Comments: 2014 Budget Proposal presents the estimates of tax revenues such as internal tax(income tax, corporate tax, inheritance and gift tax, VAT, special consumption tax, securities transaction tax, stamp tax), custom duties, transportation, energy, and environment tax, education tax, comprehensive real estate holding tax in a comparable form between BY and BY-1(cf. Appended Document to 2014 Budget Proposal(p 14)).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

As mentioned in the Comments, individual sources of revenue accounting for all revenue are presented for BY-1.

027. In the Executive's Budget Proposal or any supporting budget documentation, have the original estimates of revenue for the year prior to the budget year (BY-1) been updated to reflect actual revenue collections?

A. Yes, revenue estimates for BY-1 have been updated from the original enacted levels.

B. No, revenue estimates for BY-1 have not been updated from the original enacted levels.

C. Not applicable/other (please comment).

South Korea

B.

Score: 0

Sources: There is no source.

Comments: Revenue estimates for BY-1 have not been updated from the original enacted levels.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
028. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for more than one year prior to the budget year (that is, BY-2 and prior years)?

A. Yes, revenue estimates for BY-2 and prior years are presented by category.
B. No, revenue estimates for BY-2 and prior years are not presented by category.
C. Not applicable/other (please comment).

South Korea

B.
Score: 0

Sources: There is no source.
Comments: The Budget Proposal for FY 2014 or any other supporting budget document does not present revenue estimates for BY-2 and prior years.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

029. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for more than one year prior to the budget year (that is, BY-2 and prior years)?

A. Yes, individual sources of revenue accounting for all revenue are presented for BY-2 and prior years.
B. Yes, individual sources of revenue accounting for at least two-thirds of, but not all, revenue are presented for BY-2 and prior years.
C. Yes, individual sources of revenue accounting for less than two-thirds of all revenues are presented for BY-2 and prior years.
D. No, individual sources of revenue are not presented for BY-2 and prior years.
E. Not applicable/other (please comment).

South Korea

D.
Score: 0

Sources: There is no source.
Comments: Refer to the Comments of the previous question.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

030. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

A. Two years prior to the budget year (BY-2).
B. Three years prior to the budget year (BY-3).
C. Before BY-3.
D. No actual data for all revenues are presented in the budget or supporting budget documentation.
E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: Supplementary Document of Fund Operation Plan for 2014(pp. 11-76) submitted to the National Assembly on October 2, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; See attached file)

Comments: Supplementary Document of Fund Operation Plan for 2014(pp. 11-76) presents actual data for revenues and expenditures of all of the 64 state funds for 2012(BY-2).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

Any document but the Supplementary Document of Fund Operation Plan for 2014 does not present actual data for revenues for 2012(BY-2).

IBP COMMENT

As the Supplementary Document only presents data for revenues and expenditures of the state funds, but does not present information on budgetary revenues, answer choice “d” is selected for cross-country consistency purposes.

031. Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year proceeding the budget year (BY-1)? (The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)
A. Yes, information beyond the core elements is presented for government debt.

B. Yes, the core information is presented for government debt.

C. Yes, information is presented, but it excludes some core elements.

D. No, information related to government debt is not presented.

E. Not applicable/other (please comment).

South Korea

C.

Score: 33


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

032. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

A. Two years prior to the budget year (BY-2).

B. Three years prior to the budget year (BY-3).

C. Before BY-3.

D. No actual data for government debt are presented in the budget or supporting budget documentation.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100


and estimated figures for upcoming 4 years (2014 to 2017) including the budget year.

**PEER REVIEWER**
**Opinion:** Yes, I agree with the score and have no comments to add.

**RESEARCHER'S RESPONSE**

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**033.** Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year? (The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)

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**A.** Yes, information beyond the core elements is presented for all extra-budgetary funds.
**B.** Yes, the core information is presented for all extra-budgetary funds.
**C.** Yes, information is presented, but it excludes some core elements or some extra-budgetary funds.
**D.** No, information related to extra-budgetary funds is not presented.
**E.** Not applicable/other (please comment).

**South Korea**

**A.**

**Score:** 100

**Sources:** Supplementary Document of Fund Operation Plan for FY 2014 submitted to the National Assembly on October 02, 2013 (cf. http://nafs.assembly.go.kr:83/index.htm; See Attached file)

**Comments:** In Korea, there are the three types of accounts for the operation of government's fiscal activities such as general account, the 18 special accounts (as of 2013) and the 64 funds (as of 2013). The general and special accounts are considered as budgets, but funds are considered as extra-budgets. Supplementary Document of Fund Operation Plan for FY 2014 presents information on surplus fund operation plan (p 116) and performance plan for funds (p 121) beyond the core elements.

**PEER REVIEWER**
**Opinion:** Yes, I agree with the score and have no comments to add.

**RESEARCHER'S RESPONSE**
The Summary of Fund Operation Plan for 2014 submitted to the National Assembly on October 02, 2013 shows the statement of purpose for each of the funds, along with income/expenditure data.
034. Does the Executive’s Budget Proposal or any supporting budget documentation present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year?

A. Yes, central government finances are presented on a consolidated basis.

B. No, central government finances are not presented on a consolidated basis.

C. Not applicable/other (please comment).

South Korea

A. Score: 100


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

035. Does the Executive’s Budget Proposal or any supporting budget documentation present estimates of intergovernmental transfers for at least the budget year?

A. Yes, estimates of all intergovernmental transfers are presented, along with a narrative discussion.

B. Yes, estimates of all intergovernmental transfers are presented, but a narrative discussion is not included.

C. Yes, estimates of some but not all intergovernmental transfers are presented.

D. No, estimates of intergovernmental transfers are not presented.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: (1) Appended Document to 2014 Budget(pp 152-205; Not attached due to file size) and (2) Summary of 2014 Budget Proposal(p 5; See Attached file.) submitted to the National Assembly on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm)
Comments: In Korea, intergovernmental transfers from the central government to local governments are executed in the three ways. One of the transfers is to give grants through the “Special Account for the Development of the First and Second Tier Region” that is to support local governments in a specific area with a specific target program. The Appended Document to 2014 Budget (pp 152-205 for "Special Account for the Development of the First and Second Tier Region") and Summary of 2014 Budget Proposal (p 5) present the estimates of all intergovernmental transfers along with a narrative discussion.

Peer Reviewer

Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: A subsection in National Fiscal Management Plan (NFMP) for 2013-2017 (pp. 181-185) shows amounts of intergovernmental transfers through three systems (that is, local transfer tax, subsidy, and the special account mentioned by the researcher) for last five years, and explains future policy directions and measures for coping with difficulties in local finance.

036. Does the Executive's Budget Proposal or any supporting budget documentation present alternative displays of expenditures (such as by gender, by age, by income, or by region) to illustrate the financial impact of policies on different groups of citizens, for at least the budget year?

A. Yes, at least three alternative displays of expenditures are presented to illustrate the financial impact of policies on different groups of citizens.

B. Yes, two alternative displays of expenditures are presented to illustrate the financial impact of policies on different groups of citizens.

C. Yes, one alternative display of expenditures is presented to illustrate the financial impact of policies on different groups of citizens.

D. No, alternative displays of expenditures are not presented to illustrate the financial impact of policies on different groups of citizens.

E. Not applicable/other (please comment).

South Korea

C.  

Score: 33

Sources: (1) Appended Document to 2014 Budget (pp. 29-30 and pp. 152-205; Not attached due to file size) and (2) Fund Operation Plan for 2014 (pp. 361-368, See Attached file.) submitted to the National Assembly on October 02, 2014(cf. http://nafs.assembly.go.kr:83/index.htm)

Comments: The general account expenditures included into the Appended Document to 2014 Budget present the expenditures for social welfare for the lower-income class (pp. 29-30 for "National Basic Living Security Program"). The special account expenditures included into the Appended Document to 2014 Budget present the expenditures for under-developed region (pp. 152-205 for "Special Account for the Development of the First and Second Tier Region"). The Fund Operation Plan for 2014 indicates the expenditures for woman (pp. 361-364 for "Women's Development Fund") and for youth (pp. 365-368 for "Youth Nurture Fund"). Especially, the MOSF has to submit Gender-sensitive Budget, which has been required since 2010 for efficiently distributing the budget that is fair to both genders, along with budget proposal to the National Assembly by no later than 90 days before the beginning of the pertinent fiscal year according to Article 34 of the National Finance Act(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size).

Peer Reviewer

Opinion: Yes, I agree with the score and have no comments to add.

IBP Comment
For cross-country consistency purposes, IBP revised the response from "a" to "c" as only the gender accounting cited by the researcher would qualify as an alternative display of expenditures.

037. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of transfers to public corporations for at least the budget year?

A. Yes, estimates of all transfers to public corporations are presented, along with a narrative discussion.
B. Yes, estimates of all transfers to public corporations are presented, but a narrative discussion is not included.
C. Yes, estimates of some but not all transfers to public corporations are presented.
D. No, estimates of transfers to public corporations are not presented.
E. Not applicable/other (please comment).

South Korea

B.

Score: 67


Comments: The “Transfers to Public Corporations” included into the Appended Document to 2014 Budget Proposal (pp. 502-503) presents the names of the 37 public corporations receiving transfers, amount of investments, total paid-in-capital and government's equity ratio after investments, etc.. But it does not include narrative explanation.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

038. Does the Executive's Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year? (The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)

A. Yes, information beyond the core elements is presented for all quasi-fiscal activities.
B. Yes, the core information is presented for all quasi-fiscal activities.
C. Yes, information is presented, but it excludes some core elements or some quasi-fiscal activities.
D. No, information related to quasi-fiscal activities is not presented.
E. Not applicable/other (please comment).

South Korea
Score: 100

**Sources:** The Fund Operation Plan for 2014 submitted to the National Assembly on October 02, 2013[cf. http://nafs.assembly.go.kr:83/index.htm; See Attached file(pp. 43-47 for Restructuring Fund, pp. 48-51 for Technology Credit Guarantee Fund, pp. 52-55 for Credit Guarantee Fund for Persons Engaged for Agriculture, Forestry and Fishery).]

**Comments:** The quasi-fiscal activities are mainly done by the institutions that operate the state funds such as Restructuring Fund, Credit Guarantee Fund, Credit Guarantee Fund for Persons Engaged for Agriculture, Forestry and Fishery, etc.. The Fund Operation Plan for 2014 describes each fund's operation plan. The operation plans for all of the 64 state funds(as of 2013) are reviewed and approved by the National Assembly in the same way as budget proposal. * Example : The Fund Operation Plan for 2014(pp. 52-55 for Operation Plan for Technology Credit Guarantee Fund) - Objective - Sources and Allocation of the Fund - Estimated Total Asset

**PEER REVIEWER**

Opinion: Yes, I agree with the score and have no comments to add.

**RESEARCHER'S RESPONSE**

The Summary of Fund Operation Plan for 2014 submitted to the National Assembly on October 02, 2013 provides information on the intended beneficiaries of the quasi-fiscal activities and core programs' objectives and expected results of each project.

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039. Does the Executive's Budget Proposal or any supporting budget documentation present information on financial assets held by the government? (The core information must include a listing of the assets, and an estimate of their value.)

A. Yes, information beyond the core elements is presented for all financial assets.
B. Yes, the core information is presented for all financial assets.
C. Yes, information is presented, but it excludes some core elements or some financial assets.
D. No, information related to financial assets is not presented.
E. Not applicable/other (please comment).

**South Korea**

C.

Score: 33

**Sources:** The Appended Document to 2014 Budget Proposal(pp. 480-481 for the National Properties Statement) submitted to the National Assembly on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm; Not attached due to file size)

**Comments:** The National Properties Statement included into the Appended Document to 2014 Budget Proposal (pp. 480-481) presents the list of the state assets such as securities and non-financial assets. But it presents only aggregate amount of securities and so lacks specific information on the composition of securities and other important details.

**PEER REVIEWER**

Opinion: Yes, I agree with the score and have no comments to add.
040. Does the Executive’s Budget Proposal or any supporting budget documentation present information on nonfinancial assets held by the government? (The core information must include a listing of the assets by category.)

A. Yes, information beyond the core elements is presented for all nonfinancial assets.
B. Yes, the core information is presented for all nonfinancial assets.
C. Yes, information is presented, but it excludes some nonfinancial assets.
D. No, information related to nonfinancial assets is not presented.
E. Not applicable/other (please comment).

South Korea

B. Score: 67

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, the National Properties Statement presents aggregate amount of nonfinancial assets classified by category such as land, building, facilities and structure, forest and timber, ships and airplanes, machines and equipment, and intangible assets.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

IBP COMMENT

No comment.

041. Does the Executive’s Budget Proposal or any supporting budget documentation present estimates of expenditure arrears for at least the budget year?

A. Yes, estimates of all expenditure arrears are presented, along with a narrative discussion.
B. Yes, estimates of all expenditure arrears are presented, but a narrative discussion is not included.
C. Yes, estimates of some but not all expenditure arrears are presented.
D. No, estimates of expenditure arrears are not presented.
E. Not applicable/other (please comment).

South Korea

E. Score: 0
042. Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs? (The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

A. Yes, information beyond the core elements is presented for all contingent liabilities.
B. Yes, the core information is presented for all contingent liabilities.
C. Yes, information is presented, but it excludes some core elements or some contingent liabilities.
D. No, information related to contingent liabilities is not presented.
E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: There is no source.

Comments: The budget proposal or any supporting budget document does not present any information on contingent liability in Korea.

PEER REVIEWER

Opinion: No, I do not agree with the score.

Suggested Answer: b.

Comments: Article 9-2 of National Finance Act prescribes the submission of state guarantee obligation plan to the National Assembly as follows. Attached are Citizen's version of state guarantee obligation management plans for 2012-16 and 2014-18. Article 9-2 (Submission of Data related to Finances) The Minister of Strategy and Finance shall submit each year the following documents to the National Assembly by no later than 90 days before the beginning of the pertinent fiscal year: 1. State guarantee obligation management plan under Article 92; 2. Medium and long-term financial management plan under Article 39-2 of the Act on the Management of Public Institutions; 3. Estimation of government disbursement for build-transfer-lease projects under Article 24-2 of the Act on Public-Private Partnerships in Infrastructure.

RESEARCHER'S RESPONSE

The budget proposal or any supporting budget document does not present any information on contingent liability in Korea.
043. Does the Executive's Budget Proposal or any supporting budget documentation present projections that assess the government's future liabilities and the sustainability of its finances over the longer term? (The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

A. Yes, information beyond the core elements is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.

B. Yes, the core information is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.

C. Yes, information is presented, but it excludes some core elements.

D. No, information related to future liabilities and the sustainability of finances over the longer term is not presented.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0


Comments: The Civil Service Pension Fund and the National Pension Fund included into the Fund Operation Plan for 2014 present each fund’s projected statement of financial position, which presents only liabilities incurred but does not present information on future liabilities.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
South Korea

E.
Score: 0

Sources: There is no source.

Comments: There is no donor assistance from other countries or organizations in Korea.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

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A. Yes, information beyond the core elements is presented for all tax expenditures.

B. Yes, the core information is presented for all tax expenditures.

C. Yes, information is presented, but it excludes some core elements or some tax expenditures.

D. No, information related to tax expenditures is not presented.

E. Not applicable/other (please comment).

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South Korea

A.
Score: 100


Comments: The Statement of the Tax Expenditure Budget has been produced as a supplementary document of the budget proposal since 2011. The Statement of the Tax Expenditure Budget for 2014 discloses not only new tax expenditures proposed for the budget year(pp. 7-14) but also all of the tax expenditures contained in existing tax laws(pp. 15-18).

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE
The Statement of the Tax Expenditure Budget for 2014 discloses not only new tax expenditures proposed for the budget year(pp. 7-14) but also all of the tax expenditures contained in existing tax laws(pp. 15-18). The Statement of the Tax Expenditure Budget for 2014 indicates KRW33,169 billion (p. 10 and pp. 27-116) as an estimate of tax revenue foregone due to tax expenditure.
046. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues?

A. Yes, estimates of all earmarked revenues are presented, along with a narrative discussion.

B. Yes, estimates of all earmarked revenues are presented, but a narrative discussion is not included.

C. Yes, estimates of some but not all earmarked revenues are presented.

D. No, estimates of earmarked revenues are not presented.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: (1) Appended Document to 2014 Budget(pp. 9-32 for the General Account, pp. 33-302 for the 18 Special Accounts; Not attached due to file size) and (2) Summary of Fund Operation Plan for 2014(pp. 6-18 for the 64 State Funds; See Attached file.) submitted to the National Assembly on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm)

Comments: In Korea, there are the three types of government accounts such as the general account, special accounts and funds according to Articles 4 and 5 of the National Finance Act. The general account is the main government account under which the government carries out ordinary operating activities. But special accounts and funds are established to carry out specific activities with specific revenues or earmarked revenues. * National Finance Act : Article 4 (Classification of Accounts) (1)The State's accounts are classified as the general account and special accounts. (2)The General account is established for appropriating major revenues, including tax revenues, to the State's general expenditures. (3)A special account shall be established only by an Act when the State plans to operate a specific project, when it plans to hold a specific fund for management, when there is a need to manage an account of certain revenue separately from general accounts to appropriate such revenue to certain expenditure: Provided, That no special account may be established, except as authorized by any of the Acts specified in Table 1 attached hereto. Article 5 (Establishment of Funds) (1) A fund may be established by an authority granted by an Act, only when the State needs to manage a specific fund for a specific purpose, in a flexible manner: Provided, That no fund may be established with financial resources raised by the Government's contribution or the private sector's contribution or charges received pursuant to an Act, unless there is due authorization by any of the Acts specified in Table 2 attached hereto. (2) Any fund established pursuant to paragraph (1) may be operated independently of the revenue and expenditure budgets.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

The special accounts and funds in Korea are established to carry out specific activities with specific revenues or earmarked revenues. The Appended Document to 2014 Budget(pp. 33-302 for the 18 Special Accounts) and the Summary of Fund Operation Plan for 2014(pp. 6-18 for the 64 State Funds) show narrative discussions such as objectives and expected results.

047. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?
A. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, along with a narrative discussion.

B. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, but a narrative discussion is not included.

C. Yes, information that shows how the proposed budget is linked to some but not all of the government's policy goals for the budget year is presented.

D. No, information on the link between the budget and the government's stated policy goals for the budget year is not presented.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: (1) Summary of 2014 Budget Proposal (See Attached file.), (2) Explaining Documents for Major Programs for 2014 (prepared by all of the administrative units; Not attached due to file size), and (3) Summary of Performance Plan for 2014 (See Attached file.) submitted to the National Assembly on October 02, 2013 (cf. http://nafs.assembly.go.kr:83/index.htm)

Comments: The Summary of Budget Proposal for 2014 drawn from each administrative unit's budget proposal describes policy goals as well as quantitative estimates by functional category for the government. Also the Explaining Documents for Major Programs for 2014 prepared by all of the administrative units explain policy or program goals of each ministry and agency. Further, the Summary of the Performance Plan for 2014 indicates policy goals, performance indicators and strategies for achieving targets in a comparative form between BY and BY-1. The above documents present information on the link between the budget and the government's stated goals.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

048. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for a multi-year period (for at least two years beyond the budget year)?

A. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, along with a narrative discussion.

B. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, but a narrative discussion is not included.

C. Yes, information that shows how the proposed budget is linked to some but not all of the government's policy goals for a multi-year period is presented.

D. No, information on the link between the budget and the government's stated policy goals for a multi-year period is not presented.

E. Not applicable/other (please comment).

South Korea
Score: 33

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, the Budget Proposals for FY 2014, the Explaining Documents for Major Programs for 2014, and the Performance Plan for 2014 present information on the link between the budget and the government's stated goals for BY and BY-1. But the National Financial Management Plan for 2013-2017 shows how the proposed budget is linked to some but not all of the government's policy goals for a multi-year period.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

A. Yes, nonfinancial data on inputs to be acquired are provided for each program within all administrative units (or functions).
B. Yes, nonfinancial data on inputs to be acquired are presented for all administrative units (or functions) but not for all (or any) programs.
C. Yes, nonfinancial data on inputs to be acquired are presented for some programs and/or some administrative units (or functions).
D. No, nonfinancial data on inputs to be acquired are not presented.
E. Not applicable/other (please comment).

South Korea

Score: 33

Sources: (1) Explaining Documents for Major Programs for 2014 Budget(prepared by all of the administrative units; Not attached due to file size) and (2) Summary of Performance Plan for 2014(See Attached file.) submitted to the National Assembly on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm)

Comments: There are two documents on expenditure programs. The first is the Explaining Documents for Major Programs that describe expenditure programs in terms of scale, type of finance and implementing organization. * Example : Explaining Document for Major Programs for 2014 for the Ministry of Education(MOE, pp. 19-30) o Name of the Program : Textbook Development and Distribution - responsible ministry(unit): Ministry of Education(Division for Textbook Planning) - scale : 329 kinds of schoolbooks - financing : Ministry’s general budget The second document is the Performance Plan for 2014 that lists information on major programs related to each ministry's stated policy targets in detail. * Example : Performance Plan for 2014 for the Ministry of Employment and Labor(MOEL, pp. 279-295) o Name of the Program : Accomplishment of the 70% Employment Rate - main contents and subprograms - performance target and performance indicator(financial and nonfinancial) - environmental factors and conflicting factors - implementation plan for each subprogram

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE
Input, in general, is related with budget and personnel.

**IBP COMMENT**
As the researcher notes that the information on inputs is limited to personnel, the answer is revised from "a" to "c" for cross-country consistency purposes.

050. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on results (in terms of outputs or outcomes) for at least the budget year?

- **A.** Yes, nonfinancial data on results are provided for each program within all administrative units (or functions).
- **B.** Yes, nonfinancial data on results are presented for all administrative units (or functions) but not for all (or any) programs.
- **C.** Yes, nonfinancial data on results are presented for some programs and/or some administrative units (or functions).
- **D.** No, nonfinancial data on results are not presented.
- **E.** Not applicable/other (please comment).

**South Korea**

**Score:** 100

**Sources:** Summary of Performance Plan for 2014 submitted to the National Assembly on October 02, 2013 (cf. [http://nafs.assembly.go.kr:83/index.htm](http://nafs.assembly.go.kr:83/index.htm); See Attached file.)

**Comments:** The Summary of Performance Plan for 2013 presents nonfinancial data on results. *Example: Summary of Performance Plan for 2014 for the MOEL (p 280) o Name of the Program: Achievement of the 70% Employment Rate during the Park's Presidency (2013-2017) o Target for Employment Rate for 2014: 65.6% (32% for the young, 55% for woman, 63% for the old)*

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

051. Are performance targets assigned to nonfinancial data on results in the Executive’s Budget Proposal or any supporting budget documentation?

- **A.** Yes, performance targets are assigned to all nonfinancial data on results.
- **B.** Yes, performance targets are assigned to most nonfinancial data on results.
- **C.** Yes, performance targets are assigned to some nonfinancial data on results.
- **D.** No, performance targets are not assigned to nonfinancial data on results, or the budget does not present nonfinancial data on results.
- **E.** Not applicable/other (please comment).

**South Korea**
A. Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, along with a narrative discussion.

B. Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, but a narrative discussion is not included.

C. Yes, estimates of some but not all policies that are intended to benefit directly the country's most impoverished populations are presented.

D. No, estimates of policies that are intended to benefit directly the country's most impoverished populations are not presented.

E. Not applicable/other (please comment).

South Korea

C. Score: 33

Sources: (1) Summary of 2014 Budget Proposal[See Attached file(pp. 8-9)] (2) Explaining Document (IV) for 2014 Budget[See Attached file(p 147-148 for the Ministry of Health and Welfare as citizens version of the Document in stead of the Document submitted to the NA due to its file size)], (3) Summary of Performance Plan for 2014[See Attached file(pp. 245-248 for the program of national basic living security of the Ministry of Health and Welfare)] submitted to the National Assembly on October 02, 2013(cf. http://nafs.assembly.go.kr:83/index.htm)

Comments: The policy for low income class is one of the highest agenda to President Park's Administration.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE
The Summary of Performance Plan for 2014 (pp. 245-248) shows the program of national basic living security of the Ministry of Health and Welfare that supports living expenses and medical cost for the lower income people.

IBP COMMENT
For cross-country consistency purposes, IBP determined that answer choice "c" rather than answer choice "a" was appropriate for this
question, as the details cited by the researcher are provided under individual ministries, rather than as separate discussion/presentation focused on policies intended to benefit the most impoverished populations.

053. Does the executive release to the public its timetable for formulating 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 whatever central government agency is in charge of coordinating the budget's formulation)?

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).

South Korea

A. Yes, information beyond the core elements is presented for the macroeconomic forecast.

Section 3. Comprehensiveness of Other Key Budget Documents

054. Does the Pre-Budget Statement present information on the macroeconomic forecast upon which the budget projections are based? (The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)

A. Yes, information beyond the core elements is presented for the macroeconomic forecast.
B. Yes, the core information is presented for the macroeconomic forecast.

C. Yes, information is presented, but it excludes some core elements.

D. No, information related to the macroeconomic forecast is not presented.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: (1) Public Hearings Results for National Financial Management Plan for 2013-2017 and Pre-Budget Statement for 2014, (2) Summary of the Public Hearings Results for NFMP for 2013-2017 and Pre-Budget Statement for 2014 posted on the Internet on June 12, 2013 (cf. http://www.mosf.go.kr/policy/policy02.jsp?boardType=general&hdnBulletRunNo=76&cvbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&actionType=view&runno=4017417&hdnTopicDate=2013-06-12&hdnPage=26; See Attached files.), and (3) Public Hearings Results for National Financial Management Plan for 2014-2018 and Pre-Budget Statement for 2015 posted on the Internet on June 05, 2014 (cf. http://www.mosf.go.kr/bbs/synapView/previewFrame.jsp?outFileURL=/synap/b1a26ee9-a6d0-492f-92e3-114e0801654b.htm&inputFileURL=%2F upload%2Fbbs%2F62%2Fattach%2F20140605175916991.hwp&f_name_user=2014%7E2018%EB%85%84+%EA%B5%AD%EA%B0%80%EC%9E%AC%EC%A0%95%EC%9A%B4%EC%9A%A9%EA%B3%84%ED%9A%8D+%EA%B3%B5%EA%B0%9C%ED%86%A0%EB%A1%A0%ED%9A%8C+%EA%B0%9C%EC%B5%9C+%EA%B2%B0%EA%B3%BC)

Comments: The Public Hearings Results for NFMP for 2013-2017 and Pre-Budget Statement for 2014 indicate the nine fields such as summary, local finance, welfare, education, SOC, employment, industry, agriculture and forestry, and R&D. And the Summary dealing with mid-term directions for fiscal operation is composed of the five chapters as follows and the Chapter 2(pp. 2-13) describes extensive macroeconomic forecasts using major parameters such as GDP growth rate, inflation rate, unemployment rate, and debt for the budget, etc. without information on interest rates. Chapter 1: Issues Chapter 2: Internal and External Economic and Fiscal Outlook Chapter 3: Mid-term Fiscal Policy Conditions Chapter 4: Mid-term Fiscal Policy Directions Reference

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE

IBP COMMENT
For cross-country consistency purposes, IBP revised the response to “d” as the researcher indicated the following: The Summary of the Public Hearings Results for NFMP for 2013-2017 and Pre-Budget Statement for FY 2014 presents the macroeconomic forecast for 2014 but the MOSF did not make public the Summary of the Public Hearings Results for NFMP for 2014-2018 and Pre-Budget Statement for FY 2015.

055. Does the Pre-Budget Statement present information on the government’s expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget? (The core information must include a discussion of expenditure policies and priorities and an estimate of total expenditures.)
A. Yes, information beyond the core elements is presented for the government's expenditure policies and priorities.

B. Yes, the core information is presented for the government's expenditure policies and priorities.

C. Yes, information is presented, but it excludes some core elements.

D. No, information related to the government's expenditure policies and priorities is not presented.

E. Not applicable/other (please comment).

South Korea

C.

Score: 33

Sources: Refer to the Sources of the previous question. Note: The Summary of Public Hearings for the National Financial Management Plan for 2013-2017 and the Pre-Budget Statement for 2014 as a part of the 2014 Pre-Budget Statement was published in June 2013.

Comments: As seen in the Comments of the previous question, the Chapters 3(pp. 14-30) and 4 (pp. 31-54) of the Summary of the Public Hearings Results for the National Financial Management Plan for 2013-2017 and the Pre-Budget Statement for 2014, which was published in June 2013, describe resources allocation strategy dealing with expenditure policies and priorities and an estimate of total expenditures as well as government measures to support sound financial policies such as improvement of tax expenditure system and reduction of public corporations' debt.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

IBP COMMENT

For cross-country consistency purposes, answer choice "c" was selected, as discussion of expenditure policies and priorities is presented but not an estimate of total expenditures. The researcher indicates that the Guidelines for Budget Preparation and Fund Operation Plan for 2015 (pp. 4-10, pp. 31-53) presents the expenditure policies and priorities for FY 2015.

056. Does the Pre-Budget Statement present information on the government's revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget? (The core information must include a discussion of revenue policies and priorities and an estimate of total revenues.)

A. Yes, information beyond the core elements is presented for the government's revenue policies and priorities.

B. Yes, the core information is presented for the government's revenue policies and priorities.

C. Yes, information is presented, but it excludes some core elements.

D. No, information related to the government's revenue policies and priorities is not presented.

E. Not applicable/other (please comment).

South Korea

C.
057. Does Pre-Budget Statement present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

A. Yes, all three estimates related to government borrowing and debt are presented.
B. Yes, two of the three estimates related to government borrowing and debt are presented.
C. Yes, one of the three estimates related to government borrowing and debt are presented.
D. No, none of the three estimates related to government borrowing and debt are presented.
E. Not applicable/other (please comment).

South Korea

D.

Score: 0


PEER REVIEWER

Opinion: No, I do not agree with the score.

Suggested Answer: a.

RESEARCHER'S RESPONSE

The National Financial Management Plan for 2013-2017 is a part of EBP but the Summary of the Public Hearings Results for National Financial Management Plan for 2013-2017 along with the Pre-Budget Statement for 2014 is a part of PBS.

IBP COMMENT

IBP revised the response to "d" as the researcher indicated that the Summary of the Public Hearings Results for NFMP for 2013-2017 and Pre-Budget Statement for FY 2014 presents an estimate of the total debt burden for 2014 but the MOSF did not make public the Summary of the Public Hearings Results for NFMP for 2014-2018 and Pre-Budget Statement for FY 2015.

058. Does the Pre-Budget Statement present estimates of total expenditures for a multi-year period (at least two-years beyond the budget year)?

A. Yes, multi-year expenditure estimates are presented.
B. No, multi-year expenditure estimates are not presented.
C. Not applicable/other (please comment).

South Korea

B.

Score: 0

Sources: Refer to the Sources of the previous question.


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

IBP COMMENT

For cross-country consistency purposes, IBP revised the response to "b" as the researcher indicated that the Summary of the Public Hearings Results for NFMP for 2013-2017 and Pre-Budget Statement for FY 2014 presents the expenditure estimates for a multi-year period but the MOSF did not make public the Summary of the Public Hearings Results for NFMP for 2014-2018 and Pre-Budget Statement for FY 2015.

059. Does the Enacted Budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

A. Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).
B. Yes, the Enacted Budget presents expenditure estimates by two of the three expenditure classifications.
C. Yes, the Enacted Budget presents expenditure estimates by only one of the three expenditure classifications.
D. No, the Enacted Budget does not present expenditure estimates by any expenditure classification.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: (1) Enacted Budget for FY 2014 opened by the National Assembly on January 01, 2014(cf. http://likms.assembly.go.kr/bill/jsp/FinishBill.jsp; Posting date cannot be confirmed. See Attached file.) (2) Citizens version of Enacted Budget for FY 2014(pp. 2-10) posted on the Internet on January 02, 2014(cf. http://www.mosf.go.kr/policy/policy02.jsp?boardType=general&hdnBulletRunno=76&cvbnPath=&sub_category=127&hdnFlag=1&cat=&hdnDiv=&&actionType=view&runno=4019455&hdnTopicDate=2014-01-02&hdnPage=10; See Attached file.)

Comments: The Enacted Budget for FY 2014(pp. 1-9, pp. 169-170 for a case of the MOSF) and the Citizens version of the Enacted Budget for FY 2014 (pp. 2-10) present expenditure estimates by administrative, economic('object'), and functional classification.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

060. Does the Enacted Budget present expenditure estimates for individual programs?

A. Yes, the Enacted Budget presents estimates for programs accounting for all expenditures.

B. Yes, the Enacted Budget presents estimates for programs accounting for at least two-thirds of, but not all, expenditures.

C. Yes, the Enacted Budget presents estimates for programs accounting for less than two-thirds of expenditures.

D. No, the Enacted Budget does not present expenditure estimates by program.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: Refer to the Sources of the previous question.

Comments: The Enacted Budget for FY 2014(pp. 187-188 for a case of the Ministry of Education) presents estimates for programs accounting for all expenditures of all of the administrative units.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

061. Does the Enacted Budget present revenue estimates by category (such as tax and non-tax)?
**A.** Yes, the Enacted Budget presents revenue estimates by category.

**B.** No, the Enacted Budget does not present revenue estimates by category.

**C.** Not applicable/other (please comment).

**South Korea**

**A.**

**Score:** 100

**Sources:** Refer to the Sources of the Question 59.

**Comments:** The Enacted Budget for FY 2014 (pp. 33-34 for a case of the MOSF) and Citizens version of Enacted Budget for FY 2014 (p 1) present revenue estimates by category such as tax and non-tax.

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

**062. Does the Enacted Budget present individual sources of revenue?**

**A.** Yes, the Enacted Budget presents individual sources of revenue accounting for all revenue.

**B.** Yes, the Enacted Budget presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.

**C.** Yes, the Enacted Budget presents individual sources of revenue accounting for less than two-thirds of all revenues.

**D.** No, the Enacted Budget does not present individual sources of revenue.

**E.** Not applicable/other (please comment).

**South Korea**

**A.**

**Score:** 100

**Sources:** Refer to the Sources of the Question 59.

**Comments:** The Enacted Budget for FY 2014 (pp. 33-34 for a case of the MOSF) presents individual sources of revenue accounting for all revenues.

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.
063. Does the Enacted Budget present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

A. Yes, all three estimates related to government borrowing and debt are presented.

B. Yes, two of the three estimates related to government borrowing and debt are presented.

C. Yes, one of the three estimates related to government borrowing and debt are presented.

D. No, none of the three estimates related to government borrowing and debt are presented.

E. Not applicable/other (please comment).

South Korea

C.

Score: 33


PEER REVIEWER

Opinion: No, I do not agree with the score.

Suggested Answer: a.


RESEARCHER’S RESPONSE

The Enacted Budget includes an estimate for the deficit for the budget year and estimates of interest payments for the budget year and explicitly refers the reader to the NFMP for more detailed information.

064. What information is provided in the Citizens Budget? (The core information must include expenditure and revenue totals, the main policy initiatives in the budget, the macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens.)

A. The Citizens Budget provides information beyond the core elements.

B. The Citizens Budget provides the core information.
C. The Citizens Budget provides information, but it excludes some core elements.

D. The Citizens Budget is not published.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100


Comments: The Summary of Budget for FY 2014 is composed of the three topics such as (1) Background, (2) 2014 State Finances, and (3) 2014 Budget and Fund Operation Plan. And the Topic 2 includes the three chapters as follows: Chapter 1: "Summary" indicating Expenditure and revenue totals, Consolidated government balance, and State's debt Chapter 2: "Fiscal operation plan" presenting Resources allocation plan, The five key subjects, and Resources allocation for the major areas Chapter 3: "Investment plan for the 12 major areas"

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

The CB includes information on the macroeconomic forecast for the budget year and contact information for follow-up by citizens and presents the President's Address on the Budget Proposal for 2015 at the National Assembly and the Description of the Budget Proposal for 2015 made by Finance Minister and so on.

065. How is the Citizens Budget disseminated to the public?

A. A Citizens Budget is disseminated widely through a combination of at least three different appropriate tools and media (such as the Internet, billboards, radio programs, newspapers, etc.).

B. A Citizens Budget is published by using at least two, but less than three, means of dissemination, but no other dissemination efforts are undertaken by the executive.

C. A Citizens Budget is disseminated only by using one means of dissemination.

D. A Citizens Budget is not published.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: Refer to the Sources of the previous question.

Comments: The Summary of Budget for FY 2014 as a Citizens Budget (1) was posted on the Internet on February 24, 2014, and (2) has

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

<table>
<thead>
<tr>
<th>066. Has the executive established mechanisms to identify the public’s requirements for budget information prior to publishing the Citizens’ Budget?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes, the executive has established mechanisms to identify the public’s requirements for budget information in the Citizen’s Budget, and these mechanisms are accessible and widely used by the public.</td>
</tr>
<tr>
<td>B. Yes, the executive has established mechanisms to identify the public’s requirements for budget information in the Citizen’s Budget; while these mechanisms are accessible they are not widely used by the public.</td>
</tr>
<tr>
<td>C. Yes, the executive has established mechanisms to identify the public’s requirements for budget information in the Citizen’s Budget, but these mechanisms are not accessible.</td>
</tr>
<tr>
<td>D. No, the executive has not established any mechanisms to identify the public’s requirements for budget information in the Citizen’s Budget.</td>
</tr>
<tr>
<td>E. Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

South Korea

A.

Score: 100


Comments: The MOSF establishes a web-based online service system accessible and widely used by the public in Korea and posts budget information on the Internet. The public using the online services can make request for budget information disclosure (cf. http://www.mosf.go.kr/open/open01.jsp) and civil appeal (cf. http://www.mosf.go.kr/service/service01.jsp). For getting budget information, the public can access to social network services provided by the MOSF (cf. https://www.facebook.com/mosfkorea, https://twitter.com/mosfkorea, http://mosfnet.blog.me).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE


| 067. Are “citizens” versions of budget documents published throughout the budget process? |
| 067. Are “citizens” versions of budget documents published throughout the budget process? |
A. A citizens version of budget documents is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit).

B. A citizens version of budget documents is published for at least two of the four stages of the budget process.

C. A citizens version of budget documents is published for at least one stage of the budget process.

D. No citizens version of budget documents is published.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the Tables 2a and 2b in Section 1.

Comments: As seen in the Comments of the Tables 2a and 2b in Section 1, the MOSF and the BAI posted on the Internet citizens version of budget documentation along with their press releases(See Attached files to Tables 2a and 2b in Section 1.) as follows: (1) Guidelines for Budget Preparation and Fund Operation Plan for 2015 on April 15, 2014; (2) Budget Proposal for FY 2014, National Financial Management Plan for 2013-2017, the 60 major programs closely related with the national life, and the 45 peculiar programs on September 26, 2013; (3) Performance Plan for 2014 on October 01, 2014; (4) Explaining Documents (I - V) for 2014 Budget on November 21, 2013; (5) Enacted Budget for FY 2014 on January 02, 2014; (6) In-Year Report on April 18, 2014; (7) Year-End Report on May 31, 2013; and (8) Audit Report on May 31, 2013.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

B. Score: 67

**Comments:** The Monthly Consolidated Financial Status provides only statistics of the consolidated revenues and expenditures of general and special accounts and funds for the state as a whole by the Treasury Bureau of the MOSF. That is, the monthly report provides aggregate executed amounts of revenues and expenditures. But the MOSF has issued the Monthly Public Finance as In-Year Report since February 2014. The Monthly Public Finance for April 2014 (3rd publication) presents actual expenditures by administrative and economic (‘object’) classification (pp. 7, 14). Further, all of the administrative units have to report monthly reports for their revenues and expenditures by items to the Treasury Bureau of the MOSF and to the BAI for verification of receipts and payments as a part of voucher audit process.

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

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**069. Do the In-Year Reports present actual expenditures for individual programs?**

A. Yes, the In-Year Reports present actual expenditures for programs accounting for all expenditures.

B. Yes, the In-Year Reports present actual expenditures for programs accounting for at least two-thirds of, but not all, expenditures.

C. Yes, the In-Year Reports present actual expenditures for programs accounting for less than two-thirds of expenditures.

D. No, the In-Year Reports do not present actual expenditures by program.

E. Not applicable/other (please comment).

**South Korea**

B.  

**Score:** 67

**Sources:** Refer to the Sources of the previous question.

**Comments:** As seen in the Comments of the previous question, the Monthly Consolidated Financial Status provides aggregate executed amounts of revenues and expenditures. And the Monthly Public Finance for April 2014 (pp. 48-68) presents actual expenditures for the 524 major programs (the expenditure for each of which is more than 50 billion KW).

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

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**070. Do the In-Year Reports compare actual year-to-date expenditures with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?**

A. Yes, comparisons are made for expenditures presented in the In-Year Reports.

B. No, comparisons are not made for expenditures presented in the In-Year Reports.
C. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: Refer to the Sources of the Question 68.

Comments: As seen in the Comments of the Question 68, the Monthly Consolidated Financial Status provides aggregate executed amounts of revenues and expenditures. And the Monthly Public Finance for April 2014 (pp. 6-7) compares actual year-to-date expenditures with the original estimates for that period and the same period in the previous year.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

071. Do In-Year Reports present actual revenue by category (such as tax and non-tax)?

A. Yes, In-Year Reports present actual revenue by category.
B. No, In-Year Reports do not present actual revenue by category.
C. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: Refer to the Sources of the Question 68.

Comments: As seen in the Comments of the Question 68, the Monthly Consolidated Financial Status provides aggregate executed amounts of revenues and expenditures. And the Monthly Public Finance for April 2014 (pp. 2-5) presents actual revenues by category such as tax, non-tax, and fund.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

072. Do In-Year Reports present the individual sources of revenue for actual revenues collected?

A. Yes, In-Year Reports present individual sources of actual revenue accounting for all revenue.
B. Yes, In-Year Reports present individual sources of actual revenue accounting for at least two-thirds of, but not all, revenue.
C. Yes, In-Year Reports present individual sources of actual revenue accounting for less than two-thirds of all revenue.
D. No, In-Year Reports do not present individual sources of actual revenue.

E. Not applicable/other (please comment).

**South Korea**

**A.**

**Score:** 100

**Sources:** Refer to the Sources of the Question 68.

**Comments:** As seen in the Comments of the Question 68, the Monthly Consolidated Financial Status provides aggregate executed amounts of revenues and expenditures. And the Monthly Public Finance for April 2014 (p 3) presents actual collections of individual sources of revenue such as income taxes, corporation tax, VAT, etc..

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

**RESEARCHER'S RESPONSE**

The “other revenue” category is less than 3 percent of total revenues.

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073. Do the In-Year Reports compare actual year-to-date revenues with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

A. Yes, comparisons are made for revenues presented in the In-Year Reports.

B. No, comparisons are not made for revenues presented in the In-Year Reports.

C. Not applicable/other (please comment).

**South Korea**

**A.**

**Score:** 100

**Sources:** Refer to the Sources of the Question 68.

**Comments:** As seen in the Comments of the Question 68, the Monthly Consolidated Financial Status provides aggregate executed amounts of revenues and expenditures. And the Monthly Public Finance for April 2014 (pp. 2-5) compares actual year-to-date revenues with the original estimate for that period and the same period in the previous year.

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.
074. Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

A. Yes, all three estimates related to government borrowing and debt are presented.
B. Yes, two of the three estimates related to government borrowing and debt are presented.
C. Yes, one of the three estimates related to government borrowing and debt are presented.
D. No, none of the three estimates related to government borrowing and debt are not presented.
E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the Question 68.

Comments: As seen in the Comments of the Question 68, the Monthly Consolidated Financial Status provides aggregate executed amounts of revenues and expenditures. And the Monthly Public Finance for April 2014 (pp. 11-12, 15) presents the amount of net new borrowing so far during the year and the central government’s total debt burden at that point in the year.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE
Interest payments are shown within the economic classification.

IBP COMMENT
As interest rates are also presented, IBP would accept answer choice "a" for this question.

075. Do In-Year Reports present information related to the composition of the total actual debt outstanding? (The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

A. Yes, information beyond the core elements is presented for the composition of the total actual debt outstanding.
B. Yes, the core information is presented for the composition of the total actual debt outstanding.
C. Yes, information is presented, but it excludes some core elements.
D. No, information related to composition of total actual debt outstanding is not presented.
E. Not applicable/other (please comment).
076. Does the Mid-Year Review of the budget include an updated macroeconomic forecast for the budget year underway?

A. Yes, the estimates for the macroeconomic forecast have been updated, and an explanation of all of the differences between the original and updated forecasts is presented.

B. Yes, the estimates for macroeconomic forecast have been updated, and an explanation of some of the differences between the original and updated forecasts is presented.

C. Yes, the estimates for macroeconomic forecast have been updated, but an explanation of the differences between the original and updated forecast is not presented.

D. No, the estimates for macroeconomic forecast have not been updated.

E. Not applicable/other (please comment).

077. Does the Mid-Year Review of the budget include updated expenditure estimates for the budget year underway?

A. Yes, expenditure estimates have been updated, and an explanation of all of the differences between the original and updated expenditure estimates is presented.
B. Yes, expenditure estimates have been updated, and an explanation of some of the differences between the original and updated expenditure estimates is presented.

C. Yes, expenditure estimates have been updated, but an explanation of the differences between the original and updated expenditure estimates is not presented.

D. No, expenditure estimates have not been updated.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: There is no source.

Comments: There is no Mid-Year Review of the budget in Korea.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

078. Does the Mid-Year Review of the budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

A. Yes, the Mid-Year Review presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

B. Yes, the Mid-Year Review presents expenditure estimates by two of the three expenditure classifications.

C. Yes, the Mid-Year Review presents expenditure estimates by only one of the three expenditure classifications.

D. No, the Mid-Year Review does not present expenditure estimates by any expenditure classification.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: There is no source.

Comments: There is no Mid-Year Review of the budget in Korea.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.
079. Does the Mid-Year Review of the budget present expenditure estimates for individual programs?

A. Yes, the Mid-Year Review presents estimates for programs accounting for all expenditures.

B. Yes, the Mid-Year Review presents estimates for programs accounting for at least two-thirds of, but not all, expenditures.

C. Yes, the Mid-Year Review presents estimates for programs accounting for less than two-thirds of expenditures.

D. No, the Mid-Year Review does not present expenditure estimates by program.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: There is no source.

Comments: There is no Mid-Year Review of the budget in Korea.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

080. Does the Mid-Year Review of the budget include updated revenue estimates for the budget year underway?

A. Yes, revenue estimates have been updated, and an explanation of all of the differences between the original and updated revenue estimates is presented.

B. Yes, revenue estimates have been updated, and an explanation of some of the differences between the original and updated revenue estimates is presented.

C. Yes, revenue estimates have been updated, but an explanation of the differences between the original and updated revenue estimates is not presented.

D. No, revenue estimates have not been updated.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: There is no source.

Comments: There is no Mid-Year Review of the budget in Korea.
081. Does the Mid-Year Review of the budget present revenue estimates by category (such as tax and non-tax)?

A. Yes, the Mid-Year Review presents revenue estimates by category.
B. No, the Mid-Year Review does not present revenue estimates by category.
C. Not applicable/other (please comment).

South Korea

B.
Score: 0

Sources: There is no source.
Comments: There is no Mid-Year Review of the budget in Korea.

082. Does the Mid-Year Review of the budget present individual sources of revenue?

A. Yes, the Mid-Year Review presents individual sources of revenue accounting for all revenue.
B. Yes, the Mid-Year Review presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.
C. Yes, the Mid-Year Review presents individual sources of revenue accounting for less than two-thirds of all revenues.
D. No, the Mid-Year Review does not present individual sources of revenue.
E. Not applicable/other (please comment).

South Korea

D.
Score: 0

Sources: There is no source.
Comments: There is no Mid-Year Review of the budget in Korea.
083. Does the Mid-Year Review of the budget include updated estimates of government borrowing and debt, including its composition, for the budget year underway?

A. Yes, estimates of government borrowing and debt have been updated, and information on all of the differences between the original and updated estimates is presented.

B. Yes, estimates of government borrowing and debt have been updated, and information on some of the differences between the original and updated estimates is presented.

C. Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.

D. No, estimates of government borrowing and debt have not been updated.

E. Not applicable/other (please comment).

South Korea

D. Score: 0

Sources: There is no source.

Comments: There is no Mid-Year Review of the budget in Korea.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

084. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

A. Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, along with a narrative discussion.

B. Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, but a narrative discussion is not included.

C. Yes, estimates of the differences between the enacted levels and the actual outcome for some but not all expenditures are presented.

D. No, estimates of the differences between the enacted levels and the actual outcome for expenditures are not presented.

E. Not applicable/other (please comment).

South Korea

A. Score: 100


PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE

The narrative discussion explains the reason why actual expenditures were different from budgeted expenditures.

085. Does the Year-End Report present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

A. Yes, the Year-End Report presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).
B. Yes, the Year-End Report presents expenditure estimates by two of the three expenditure classifications.
C. Yes, the Year-End Report presents expenditure estimates by only one of the three expenditure classifications.
D. No, the Year-End Report does not present expenditure estimates by any expenditure classification.
E. Not applicable/other (please comment).

South Korea

A

Score: 100

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, the “Settlement of Revenues and Expenditures included into the Settlement Report of State Accounts for 2012 presents expenditure estimates by administrative (pp. 184-584), economic ‘object’, pp. 834-
Further, the "Settlement of Revenues and Expenditures included into the Settlement Report of State Accounts for 2013 presents expenditure estimates by administrative(p. 214-759), economic('object', pp. 1008-1112), and functional(pp. 1008-1112) classification.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

086. Does the Year-End Report present expenditure estimates for individual programs?

A. Yes, the Year-End Report presents estimates for programs accounting for all expenditures.
B. Yes, the Year-End Report presents estimates for programs accounting for at least two-thirds of, but not all, expenditures.
C. Yes, the Year-End Report presents estimates for programs accounting for less than two-thirds of expenditures.
D. No, the Year-End Report does not present expenditure estimates by program.
E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the Question 84.

Comments: As seen in the Comments of the Question 84, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2012 presents estimates for programs accounting for all expenditures classified by the 16 major areas including reserve fund(pp. 834-936). Further, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2013 presents estimates for programs accounting for all expenditures classified by the 16 major areas including reserve fund(pp. 1008-1112).

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE
The Settlement Report of State Accounts for 2013 presents estimates for programs accounting for all expenditures. But, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2013 presents estimates for programs accounting for all expenditures classified by the 16 major areas.

087. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?
A. Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion.

B. Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, but a narrative discussion is not included.

C. Yes, estimates of the differences between the enacted levels and the actual outcome for some but not all revenues are presented.

D. No, estimates of the differences between the enacted levels and the actual outcome for revenues are not presented.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the Question 84.

Comments: As seen in the Comments of the Question 84, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2012 presents estimates of the differences between the enacted levels and the actual outcome for all revenues along with a narrative discussion(pp. 29-33). Further, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2013 presents estimates of the differences between the enacted levels and the actual outcome for all revenues along with a narrative discussion(pp. 30-34).

Peer Reviewer

Opinion: Yes, I agree with the score and have no comments to add.

Researcher’s Response

The narrative discussion explains the reason why actual expenditures were different from budgeted revenues.

088. Does the Year-End Report present revenue estimates by category (such as tax and non-tax)?

A. Yes, the Year-End Report presents revenue estimates by category.

B. No, the Year-End Report does not present revenue estimates by category.

C. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the Question 84.

Comments: As seen in the Comments of the Question 84, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2012 presents revenue estimates by category such as tax and non-tax(pp. 29-33). Further, the "Settlement of Revenues and Expenditures" included into the Settlement Report of State Accounts for 2013 presents revenue estimates by category such as tax and non-tax(pp. 30-34).
089. Does the Year-End Report present individual sources of revenue?

A. Yes, the Year-End Report presents individual sources of revenue accounting for all revenue.
B. Yes, the Year-End Report presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.
C. Yes, the Year-End Report presents individual sources of revenue accounting for less than two-thirds of all revenues.
D. No, the Year-End Report does not present individual sources of revenue.
E. Not applicable/other (please comment).

South Korea

A. 

Score: 100

Sources: Refer to the Sources of the Question 84.

Comments: As seen in the Comments of the Question 84, the “Settlement of Revenues and Expenditures” included into the Settlement Report of State Accounts for 2012 presents individual sources of revenue accounting for all revenues (pp. 30-31). Further, the “Settlement of Revenues and Expenditures” included into the Settlement Report of State Accounts for 2013 presents individual sources of revenue accounting for all revenues (pp. 31-33).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE

The amount accounting for other revenue represents 3 percent or less of revenue.

090. Does the Year-End Report present the differences between the original estimates of government borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year?

A. Yes, estimates of the differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.
B. Yes, estimates of the differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented, but a narrative discussion is not included.
C. Yes, estimates of the differences between some but not all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented.
D. No, estimates of the differences between the original estimates of government borrowing and debt for the fiscal year and the actual
outcome for that year is not presented.

E. Not applicable/other (please comment).

South Korea

**C.**

**Score:** 33

**Sources:** Refer to the Sources of the Question 84.

**Comments:** As seen in the Comments of the Question 84, the "Summary(Topic I, pp. 1-62)" included into the Settlement Report of State Accounts for 2012 presents estimates of the differences between the original estimates of the central government's total debt burden and the actual outcome at the end of the budget year along with a narrative discussion(pp.21-23). Further, the "Summary(Topic I, pp. 1-62)" included into the Settlement Report of State Accounts for 2013 presents estimates of the differences between the original estimates of the central government's total debt burden and the actual outcome at the end of the budget year along with a narrative discussion(pp.22-24).

**PEER REVIEWER**

Opinion: Yes, I agree with the score and have no comments to add.

**RESEARCHER'S RESPONSE**

No comment.

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091. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

A. Yes, estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

B. Yes, estimates of the differences between all the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, but a narrative discussion is not included.

C. Yes, estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented.

D. No, estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year is not presented.

E. Not applicable/other (please comment).

South Korea

**D.**

**Score:** 0

**Sources:** Refer to the Sources of the Question 84.

**Comments:** As seen in the Comments of the Question 84, the "Summary(Topic I, pp. 1-62)" included into the Settlement Report of State Accounts for 2012 presents differences between the original estimates and actual outcomes for expenditure, revenue and debt in an aggregate amounts along with financial indicators such as surplus(or deficit) per GDP, tax burden ratio and debt amounts per GDP in a
comparison between projection and actual outcomes. But the Settlement Report of State Accounts for 2012 does not present estimates of the differences between the original macroeconomic assumptions (e.g., GDP growth rate, inflation rate) and the actual outcome for that year. Further, the "Summary (Topic I, pp. 1-62)" included into the Settlement Report of State Accounts for 2013 presents differences between the original estimates and actual outcomes for expenditure, revenue and debt in an aggregate amounts along with financial indicators such as surplus (or deficit) per GDP, tax burden ratio and debt amounts per GDP in a comparison between projection and actual outcomes. But the Settlement Report of State Accounts for 2013 does not present estimates of the differences between the original macroeconomic assumptions (e.g., GDP growth rate, inflation rate) and the actual outcome for that year.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

092. Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?

A. Yes, estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, along with a narrative discussion.

B. Yes, estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, but a narrative discussion is not included.

C. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented.

D. No, estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome are not presented.

E. Not applicable/other (please comment).

South Korea

C.

Score: 33


information. Chapter 1 Summary(pp. 1-68) 1. Overview 2. Analysis of Settlement of Revenue and Expenditure 3. Analysis of Financial Statements Chapter 2 Revenue & Expenditure Report(pp. 69-336) 1. Revenue and expenditure for general account and special accounts 2. Revenue and expenditure for fund accounts Chapter 3 Financial Statements(pp. 337-403) And the Performance Report for 2013 as Appended Document to Settlement Report is composed of the three chapters as follows: Chapter 1 : Performance Objectives Management System for 2013 Chapter 2 : Performance Report for 2013 Chapter 3 : State and Analysis of Performance Achievement by Subject Attachment The "Performance Report for 2013(Chapter 2, pp. 18-24)" included into the Performance Plan for 2013 presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome along with a narrative discussion.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE
The Performance Report provides an information on staff required to support general programs.

IBP COMMENT
As information is provided on staff, but not on other inputs, IBP would accept answer choice "c" for this question for cross-country consistency purposes.

093. Does the Year-End Report present the differences between the original estimates of nonfinancial data on results and the actual outcome?

A. Yes, estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome are presented, along with a narrative discussion.

B. Yes, estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome are presented, but a narrative discussion is not included.

C. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented.

D. No, estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome are not presented.

E. Not applicable/other (please comment).

South Korea
A.

Score: 100

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, the "State and Analysis of Performance Achievement by Subject(Chapter 3, pp. 25-490)" included into the Performance Report for 2012 presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome along with a narrative discussion. Further, the "State and Analysis of Performance Achievement by Subject(Chapter 3, pp. 25-555)" included into the Performance Report for 2013 presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome along with a narrative discussion.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.
094. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

A. Yes, estimates of the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, along with a narrative discussion.

B. Yes, estimates of the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, but a narrative discussion is not included.

C. Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented.

D. No, estimates of the differences between the enacted level for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are not presented.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100


Comments: The Settlement Report of State Accounts for 2012 describes in a separate chapter the sixteen functional areas including social welfare(pp. 878-887) and health(pp. 888-893), in which an explanation of expenditure outlays on low income class and elderly people is presented. Further, the Settlement Report of State Accounts for 2013 describes in a separate chapter the sixteen functional areas including social welfare(pp. 1054-1063) and health(pp. 1064-1069), in which an explanation of expenditure outlays on low income class and elderly people is presented.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

'pp. 1054 – 1063' on the Document itself can be found at 'pp. 1062 - 1072' on the PDF screen.

095. Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

A. Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, along with a narrative discussion.
A. Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, but a narrative discussion is not included.

C. Yes, estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented.

D. No, estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome is not presented.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the previous question.

Comments: The Settlement Report of State Accounts for 2012 presents extensive information on actual outcomes for the 65 state funds including both a narrative discussion(pp. 50-52) and quantitative estimates(pp. 585-787). Further, the Settlement Report of State Accounts for 2013 presents extensive information on actual outcomes for the 65 state funds including both a narrative discussion(pp. 51-53) and quantitative estimates(pp. 760-961).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

Refer to the Researcher's Response in the Question 94.

096. Is a financial statement included as part of the Year-End Report or released as a separate report?

A. Yes, a financial statement is part of the Year-End Report or is released as a separate report.

B. No, a financial statement is neither part of the Year-End Report nor released as a separate report.

C. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Refer to the Sources of the Question 94.

Comments: The "Financial Statements" is included into the Settlement Report of State Accounts for 2012 as the Chapter III(pp. 937-1276). Further, the "Financial Statements" is included into the Settlement Report of State Accounts for 2013 as the Chapter III(pp. 1113-1464).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
097. What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

A. The SAI has conducted all three types of audits (compliance, financial, or performance) and made them available to the public.

B. The SAI has conducted two of the three types of audits, and made them available to the public.

C. The SAI has conducted one of the three types of audits, and made them available to the public.

D. The SAI has not conducted any of the three types of audits, or has not made them available to the public.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: The BAI as a supreme audit institution in Korea carries out its audit and inspection functions according to Article 20 of the Board of Audit and Inspection Act. Article 20 (Functions) The Board of Audit and Inspection shall audit the settlement of accounts of revenues and expenditures of the State and constantly audit and supervise any other accounts as prescribed by this Act and other Acts in order to ensure their correctness, and inspect the functions of administrative agencies and public officials in order to improve and promote the operation of public administration. * The Audit Report for FY 2012 submitted to the National Assembly on May 31, 2013(cf. http://bai.go.kr; See Attached file.) ** The Audit Report (I) and (II) for FY 2013 submitted to the National Assembly on May 30, 2014(cf. http://bai.go.kr; See Attached files.)

Comments: The Audit Report for FY 2012 indicates that the BAI carried out 51 financial(or compliance) audits and 94 performance(or special) audits in 2012(cf. pp. 216-218). Also the BAI makes public its audit results in its press releases and posts them on the Internet. Further, the Audit Report (I) for FY 2013 indicates that the BAI carried out 65 financial(or compliance) audits and 97 performance(or special) audits in 2013(cf. pp. 146-148).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

098. What percentage of expenditures within the mandate of the Supreme Audit Institution (SAI) has been audited?

A. All expenditures within the SAI's mandate have been audited.

B. Expenditures representing at least two-thirds of, but not all, expenditures within the SAI's mandate have been audited.

C. Expenditures representing less than two-thirds of expenditures within the SAI's mandate have been audited.

D. No expenditures have been audited.

E. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: Refer to the Sources of the previous question.

Comments: The Audit Report for FY 2012 presents audit results of settlement of general account (pp. 30-61) and the 18 special accounts (pp. 62-81). Further, the Audit Report (I) for FY 2013 presents audit results of settlement of general account (pp. 43-82) and the 18 special accounts (pp. 83-98). All the accounts are under scrutiny of attestation audit. The BAI checks all the accounts submitted by each ministry or agency. And if there are clerical mistakes or discrepancies between transaction records of each account and bank reports, the BAI has to find out the reason by reviewing other relevant documents. Then the BAI notifies the result to the MOSF to take necessary actions, which are to be described in the audit report.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

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099. What percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited?

A. All extra-budgetary funds within the SAI's mandate have been audited.
B. Extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited.
C. Extra-budgetary funds accounting for less than two-thirds of expenditures associated with extra-budgetary funds within the SAI's mandate have been audited.
D. No extra-budgetary funds have been audited.
E. Not applicable/other (please comment).

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South Korea

A. Score: 100

Sources: Refer to the Sources of the Question 97.

Comments: The Audit Report for FY 2012 presents audit results of settlement of the 65 state funds (pp. 82-97). Further, the Audit Report (I) for FY 2013 presents audit results of settlement of the 65 state funds (pp. 83-98).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

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100. Does the annual Audit Report(s) prepared by the Supreme Audit Institution (SAI) include an executive summary?

A. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.
B. No, the annual Audit Report(s) does not include an executive summary.
The executive makes a public a written report on what steps it has taken to address most of audit recommendations.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
102. Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

A. Yes, the SAI or legislature reports publicly on what steps the executive has taken to address all audit recommendations.
B. Yes, the SAI or legislature reports publicly on most audit recommendations.
C. Yes, the SAI or legislature reports publicly on some audit recommendations.
D. No, neither the SAI nor legislature reports on steps the executive has taken to address audit recommendations.
E. Not applicable/other (please comment).

South Korea

B. Score: 67

Sources: Refer to the Sources of the Question 97.

Comments: As seen in the Comments of the previous question, the Audit Report for FY 2012 presents audit results including audit recommendations(pp. 221-1046). Further, the Audit Report (I) for FY 2013 presents audit results including audit recommendations(pp. 191-650). The BAI reports publicly on most audit recommendations in its press releases and with posting them on the Internet. And the BAI reports regularly them to the Legislation and Judiciary Committee of the National Assembly(cf. http://bai.go.kr/).

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

See at the Internet (http://www.nts.go.kr/civil/civil_03_09.asp?Search_Key=4&con_search=%B0%A8%BB%E7%BF%F8+%B0%A8%BB%E7%B0%E1%B0%FA+%BA%B8%B0%ED).

Section 4. Strength of Oversight Institutions

103. Does the legislature have internal capacity to conduct budget analyses or use independent research capacity for such analyses?

A. Yes, there is a specialized budget research office/unit attached to the legislature, and it has sufficient staffing, resources, and analytical capacity to carry out its tasks.
B. Yes, there is a specialized budget research office, but its staffing and other resources, including adequate funding, are insufficient to
carry out its tasks.

C. Yes, there are independent researchers outside the legislature that can perform budget analyses and the legislature takes advantage of this capacity, but there is no specialized office attached to the legislature.

D. No, the legislature has neither internal capacity nor access to independent research capacity for budget analyses.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: National Assembly Budget Office Act (cf. http://korea.nabo.go.kr; See Attached file.)

Comments: The National Assembly Budget Office (NABO) was established in 2003 pursuant to Article 22-2 of the National Assembly Act and the National Assembly Budget Office Act, as a fiscal institution to support the activities of the legislative body. It aims to enhance the National Assembly’s efficiency by keeping the government in check and monitoring its operation of national finances.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

104. Does the legislature debate budget policy prior to the tabling of the Executive’s Budget Proposal?

A. Yes, the legislature both debates budget policy prior to the tabling of the Executive’s Budget Proposal and approves recommendations for the budget, and the executive is obliged to reflect the legislature’s recommendations in the budget.

B. Yes, the legislature both debates budget policy prior to the tabling of the Executive’s Budget Proposal and approves recommendations for the budget, but the executive is not obliged to reflect the legislature’s recommendations in the budget.

C. Yes, the legislature debates budget policy prior to the tabling of the Executive’s Budget Proposal, but the legislature does not approve recommendations for the budget.

D. No, neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive’s Budget Proposal.

E. Not applicable/other (please comment).

South Korea

B.

Score: 67

Sources: (1) Public Discussion on 2014 Budget Proposal by the National Assembly Budget Office (NABO) held on November 08, 2013 (cf. http://www.nabo.go.kr/Sub/02NoticeParticipation/01_Board.jsp?func=view&funcSUB=list#tPageSUB=0&pageSizeSUB=4&key_typeSUB=&keySUB=&search_start_dateSUB=&search_end_dateSUB=&arg_id=0&bid=47&rbid=0&ridx=0&bidSUB=0&cid1=0&cid2=0&cid3=0&cid4=0&cid5=0&cid6=0&cid7=0&arg_cid1=0&arg_cid2=0&arg_class_id=0&tPage=4&pageSize=10&pagePerBlock=5&nowBlock=0&key_type=&key=&search_start_date=&search_end_date=&class_id=0&sortBy=0&ascOrDesc=0&bidx=4936&idx=4936&name=국회예산정책처; See Attached file.) (2) Public Hearing on 2014 Budget Proposal(pp. 4-54) by the Special Committee on Budget and Accounts of the National Assembly held on November 26, 2013(cf. http://likms.assembly.go.kr/record/content/con_index2.jsp?
Comments: The MOSF should report the overall budget policy described in the National Financial Management Plan to the Committee on Finance and to the Special Committee on Budget and Account in the National Assembly according to Article 7 of the National Finance Act. *The National Finance Act : Article 7 (Establishment of National Fiscal Management Plan, etc.) (8) Before submitting the National Fiscal Management Plan to the National Assembly, the Minister of Strategy and Finance shall report to the competent Standing Committee of the National Assembly the direction of establishment, such as the size of fiscal operations, fiscal balance of revenues, and allocation of resources. And the Special Committee on Budget and Account of the National Assembly holds a public hearing on budget proposals including pre-budget policy prior to the official tabling of budget proposals(See Attached file.).

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

105. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

A. Yes, the executive holds 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 consultations with only a limited number of legislators.
D. No, the executive does not consult with members of the legislature as part of the budget preparation process.
E. Not applicable/other (please comment).

South Korea

A. Yes, the executive holds consultations with a wide range of legislators.

Score: 100


Comments: The executive holds consultations with a wide range of legislators along with the Special Committee on Budget and Accounts of the National Assembly, as seen in the attached files.

PEER REVIEWER
Opinion: No, I do not agree with the score.

Suggested Answer: c.

Comments: The executive holds formal consultation with key legislators only from the ruling party as part of its process of determining budget priorities. Preliminary Review Reports for Budget Proposal by staff members of legislative committees are officially submitted as a part of legislative budget review.

RESEARCHER’S RESPONSE
The executive holds consultations with legislators from both the ruling party and the opposing party.
106. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

A. The legislature receives the Executive's Budget Proposal at least three months before the start of the budget year.

B. The legislature receives the Executive's Budget Proposal at least six weeks, but less than three months, before the start of the budget year.

C. The legislature receives the Executive's Budget Proposal less than six weeks before the start of the budget year.

D. The legislature does not receive the Executive's Budget Proposal before the start of the budget year.

E. Not applicable/other (please comment).

South Korea

B. Score: 67

Sources: The National Finance Act: Article 33 (Submission of budget Bills to National Assembly) The Government shall submit budget Bills, as approved by the President pursuant to the provisions of Article 32, to the National Assembly by no later than 90 days before the beginning of the pertinent fiscal year.


PEER REVIEWER

Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: National Finance Law was revised on May 28, 2013 to extend the deadline to submit the Budget Proposal to National Assembly from 'no later than 90 days before the start of the budget year' to 'no later than 120 days'.

107. When does the legislature approve the Executive's Budget Proposal?

A. The legislature approves the budget at least one month in advance of the start of the budget year.

B. The legislature approves the budget less than one month in advance of the start of the budget year, but at least by the start of the budget year.

C. The legislature approves the budget less than one month after the start of the budget year.

D. The legislature approves the budget more than one month after the start of the budget year, or does not approve the budget.

E. Not applicable/other (please comment).

South Korea

C. Score: 33

Comments: The budget year in Korea starts on the first of January.

PEER REVIEWER
Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.
Comments: The Article 54 of the Constitution prescribes that the National Assembly shall decide upon the budget bill within thirty days before the beginning of the fiscal year. But the budget bill has been customarily approved on the last day of the year.

108. Does the legislature have the authority in law to amend the Executive's Budget Proposal?

A. Yes, the legislature has unlimited authority in law to amend the Executive's Budget Proposal.
B. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.
C. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, but its authority is very limited.
D. No, the legislature does not have any authority in law to amend the Executive's Budget Proposal.
E. Not applicable/other (please comment).

South Korea

C.

Score: 33

Sources: Article 57 of the Constitution of the Republic of Korea: The National Assembly cannot increase the amounts of each item in the Executive's expenditure budget bill nor create new expenditure items without consent from the Executive.

Comments: The legislature has authority to amend the budget proposals presented by the Executive only when the Executive agrees.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

109. Does the executive seek input from the legislature prior to shifting funds between administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

A. The executive is required by law or regulation to obtain approval or input from the legislature prior to shifting funds between administrative units, and it does so in practice.
B. The executive obtains approval or input from the legislature prior to shifting funds between administrative units, but is not required to do so by law or regulation.
C. The executive is required by law or regulation to obtain approval or input from the legislature prior to shifting funds between administrative units, but in practice the executive shifts funds without seeking prior approval or input from the legislature.
D. The executive shifts funds between administrative units without seeking prior approval or input from the legislature, and there is no law or regulation requiring it to obtain such prior approval or input from the legislature.

E. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: The National Finance Act : Article 47 (Transferred Use and Transfer of Budget) (1) No head of any central government agency shall transfer the budget already appropriated for an institution, or in a chapter, section, or paragraph to another institution, chapter, section, or paragraph for use: Provided, that such transferred use may be permitted with the approval of the Minister of Strategy and Finance or within the extent authorized by the Minister of Strategy and Finance, if it was approved in advance as part of the budget by a resolution of the National Assembly as required for budget execution. (4) The head of each central government agency shall, when he/she has made use of or made a transfer of the budget under paragraph (1) or (2), submit the details of such use or transfer to the competent standing committees and the Special Committee on Budget and Accounts of the National Assembly by no later than the end of the following month after a month to which a date on which a quarter expires belongs, in each quarter.

Comments: The National Finance Act requires an approval from the National Assembly when the Executive tries to shift funds between administrative units.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

110. Does the executive seek input from the legislature prior to shifting funds within administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

A. The executive is required by law or regulation to obtain approval or input from the legislature prior to shifting funds within administrative units, and it does so in practice.

B. The executive obtains approval or input from the legislature prior to shifting funds within administrative units, but is not required to do so by law or regulation.

C. The executive is required by law or regulation to obtain approval or input from the legislature prior to shifting funds within administrative units, but in practice the executive shifts funds without seeking prior approval or input from the legislature.

D. The executive shifts funds within administrative units without seeking prior approval or input from the legislature, and there is no law or regulation requiring it to obtain such prior approval or input from the legislature.

E. Not applicable/other (please comment).

South Korea

A.
Score: 100

Sources: The National Finance Act Article 46 (Re-appropriation of Budget) (1) The head of each central government agency may, within the intended purpose of the budget, transfer an amount among any subparagraph or item with the approval of the Minister of Strategy and
Finance, as prescribed by Presidential Decree, for efficient utilization of financial resources. In such cases, comprehensive consideration shall be given to whether there is any overlap between programs, whether such funds are urgently required to be used as funds for countermeasures against disasters and calamities, whether the expenses are to be appropriated for operation of the agency, etc. (2) The head of each central governmental agency may, at his/her discretion, notwithstanding the provisions of paragraph (1), transfer an amount among any subparagraph or item within the extent authorized by the Minister of Strategy and Finance each fiscal year. Article 47 (Transferred Use and Transfer of Budget) (1) No head of any central government agency shall shift the budget already appropriated for an institution, or in a chapter, section, or paragraph to another institution, chapter, section, or paragraph for use: Provided, that such shifted use may be permitted with the approval of the Minister of Strategy and Finance or within the extent authorized by the Minister of Strategy and Finance, if it was approved in advance as part of the budget by a resolution of the National Assembly as required for budget execution. (4) The head of each central government agency shall, when he/she has made use of or made a shift of the budget under paragraph (1) or (2), submit the details of such use or shift to the competent standing committees and the Special Committee on Budget and Accounts of the National Assembly by no later than the end of the following month after a month to which a date on which a quarter expires belongs, in each quarter.

Comments: Articles 46 and 47 of the National Finance Act allow two kinds of budget delegation within administrative units, one from the National Assembly and the other from the MOSF. The delegation from the National Assembly is allowed for larger, upper level categories of the budget line (i.e., Chapter- Section-Paragraph). And the delegation from the MOSF allows for smaller, lower level categories of the budget line such as Subparagraph item.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE
The Chapter heading relate to the administrative unit (ministry) and the section, paragraph, and sub-paragraph pertain to line items within ministries.

111. Does the executive seek input from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

A. The executive is required by law or regulation to obtain approval or input from the legislature prior to spending excess revenues, and it does so in practice.

B. The executive obtains approval or input from the legislature prior to spending excess revenue, but is not required to do so by law or regulation.

C. The executive is required by law or regulation to obtain approval or input from the legislature prior to spending excess revenue, but in practice the executive spends these funds without seeking prior approval or input from the legislature.

D. The executive spends excess revenues without seeking prior approval or input from the legislature, and there is no law or regulation requiring it to obtain such prior approval or input from the legislature.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: The Constitution of the Republic of Korea : Article 56 When it is necessary to amend the budget, the Executive may formulate a
The National Finance Act: Article 17 (Principle of Comprehensiveness of Budget) (1) The budget revenue shall include all receipts during a fiscal year, while the budget expenditure shall include all spending. (2) Except as provided for in Article 53, all revenues and expenditure shall be included in the budget.

The Management of the National Funds Act: Article 7 (Prohibition, etc. against Direct Use of Revenues) The head of a central government agency shall transfer revenues under his/her jurisdiction to the National Treasury and shall not use it directly, except where other Acts prescribe specific provisions otherwise.

Comments: In Korea, the budget is divided into revenue budget and expenditure budget, and the two budgets are independent each other. The National Finance Act requires all incomes to be included in the revenue budget and the Management of the National Funds Act requires all the revenues earned to be instantly deposited to the treasury account and prohibits to be used directly for resources for expenditure items without permission. Therefore if the Executive wants to spend extra revenues collected, it has to make supplementary revised expenditure budget proposals and to seek legislative approval.

PEER REVIEWER

Opinion: Yes, I agree with the score but wish to add a comment, clarification, or suggest another reference.

Comments: Article 90 of the National Finance Act prescribes appropriation of surplus in tax accounts in detail. Article 90 ( Appropriation of Surplus in Tax Accounts, etc.) (1) The State bonds may be repaid preferentially by using excess tax revenue anticipated in the year concerned within the extent of the State bonds already issued in the year concerned with the purpose of making up for losses in the revenue of general account budget, In such cases, it may be treated as an exception to the revenue and expenditure. < Newly Inserted by Act No. 9278, Dec. 31, 2008> (2) The balance of the surplus in the settlement of the revenue and expenditure budgets for each fiscal year after deducting the amount deductible pursuant to other Acts and the amount carried over pursuant to the provisions of Article 48 (hereinafter referred to as "surplus in tax accounts") may be expended for the settlement of subsidies under Article 5 (2) of the Local Subsidy Act and the settlement of the subsidies under Article 9 (3) of the Local Education Subsidy Act. <Amended by Act No. 9278, Dec. 31, 2008> (3) At least 30/100 of the surplus in tax accounts exclusive of the amount expended pursuant to the provisions of paragraph (2) shall be contributed first, among other things, to the fund for redemption of public capital under the Public Capital Redemption Fund Act. <Amended by Act No. 9278, Dec. 31, 2008> (4) At least 30/100 of the surplus in tax accounts exclusive of the amounts spent or contributed pursuant to the provisions of paragraphs (2) and (3) shall be spent for repayments of the following obligations: <Amended by Act No. 8135, Dec. 30, 2006; Act No. 9278, Dec. 31, 2008> 1. Principal and interest of State bonds or borrowed loan funds; 2. State compensation decided pursuant to the State Compensation Act; 3. Principal and interest of the borrowed loan funds (including deposits received) in the loan account of the public capital management fund under the Public Capital Management Fund Act: Provided, That the foregoing shall apply only to loan funds (including deposits received) borrowed on or before December 31, 2006; 4. Other obligations that the Government owes pursuant to other Acts. (5) The surplus in tax accounts exclusive of the amounts spent or contributed pursuant to the provisions of paragraphs (2) through (4) may be used in the formulation of a supplementary revised budget Bill. <Amended by Act No. 9278, Dec. 31, 2008> (6) Spending or contribution of the surplus in tax accounts pursuant to the provisions of paragraphs (2) through (4) may be done until the end of the year immediately after the current year during which the surplus in tax accounts accrues, irrespective of the expenditure budget of the accounts, subject to deliberation by the State Council and approval of the President. <Amended by Act No. 9278, Dec. 31, 2008> (7) Spending or contribution of the surplus in tax accounts pursuant to the provisions of paragraphs (2) through (5) may be initiated upon obtaining the approval of the President for the national statement of accounts pursuant to Article 13 (3) of the National Accounting Act, notwithstanding any express provisions to the contrary in any other Act. <Amended by Act No. 9278, Dec. 31, 2008>

RESEARCHER'S RESPONSE

The National Finance Act is available at the Internet (http://elaw.klri.re.kr/kor_service/lawTotalSearch.do).

112. When was the most recent supplemental budget approved?

A. The most recent supplemental budget was approved before the funds were expended.
B. The most recent supplemental budget was approved after the funds were expended, or the executive implemented the supplemental budget without ever receiving approval from the legislature (please specify).
C. Not applicable/other (please comment).
South Korea

A.

Score: 100

Sources: The National Finance Act : Article 89 (Formulation of Supplementary Revised Budget Bills) (1) The Government may formulate any supplementary revised budget Bill, if one of the following events occurs, thereby making it necessary to revise the budget already finalized:
1. A war or large-scale natural disaster breaks out; 2. A significant change in the domestic or overseas situation, such as an economic recession, mass unemployment, change in inter-Korean relations or economic cooperation, occurs or is likely to occur; 3. The expenditure the State is obligated to pay pursuant Acts and subordinate to statutes is incurred or increased. (2) The Government shall not allocate or execute the supplementary revised budget in advance before the budget Bill is finally adopted by a resolution of the National Assembly.

Comments: The supplementary budgets are permitted only for such cases as natural disasters or unexpected economic changes. As described in the National Finance Act, the Executive cannot expend the funds before receiving approval from the National Assembly. The NA approved the most recent supplementary budget on May 07, 2013(cf. http://nafs.assembly.go.kr:83/index.htm)

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

113. Does the executive seek input from the legislature prior to spending contingency funds or other funds for which no specific purpose was identified in the Enacted Budget, and is it legally required to do so?

A. The executive is required by law or regulation to obtain approval or input from the legislature prior to spending contingency funds, and it does so in practice.

B. The executive obtains approval or input from the legislature prior to spending contingency funds, but is not required to do so by law or regulation.

C. The executive is required by law or regulation to obtain approval or input from the legislature prior to spending contingency funds, but in practice the executive spends these funds without seeking prior approval or input from the legislature.

D. The executive spends contingency funds without seeking prior approval or input from the legislature, and there is no law or regulation requiring it to obtain such prior approval or input from the legislature.

E. Not applicable/other (please comment).

South Korea

D.

Score: 0

Sources: The National Finance Act Article 22 (Reserve Fund) (1) The Government may appropriate the amount equivalent to or less than 1 percent of the total budget of the general accounts to the reserve fund so that it can be spent for expenditure not reflected in the budget or expenditure exceeding the budget: Provided, That the reserve funds designated in advance for use in accordance with the budgetary general provisions may be reflected in the revenue and expenditure budgets, notwithstanding the provisions of the main sentence above. (2) Notwithstanding the proviso to paragraph (1), the purpose of spending reserve funds may not be designated for appropriation to personnel expenditure for raising remuneration for public officials. Article 52 (Preparation of Reserve Funds Spending Statement and Submission thereof to National Assembly) (1) The head of each central government agency shall prepare a statement on the amount spent out of the reserve funds, and shall submit it to the Minister of Strategy and Finance by no later than the end of February of the following year.
The Minister of Strategy and Finance shall prepare a comprehensive statement on the amount spent out of the reserve fund according to the statements submitted in accordance with the provisions of paragraph (1), and submit it to the State Council for deliberation and then to the President for approval. (3) The Minister of Strategy and Finance shall submit to the Board of Audit and Inspection the comprehensive statement approved by the President pursuant to the provisions of paragraph (2). (4) The Government shall submit to the National Assembly for approval, a comprehensive statement on the amount spent out of the reserve funds by no later than May 31 of the following year.

Comments: The Contingency Funds should be reserved in the General Account budget proposal within maximum amounts of 1 % of the General Account Expenditure Budget amounts. After spending these funds, the Executive must prepare the statement for the use of the funds to be approved by the National Assembly as a part of the Year-End Report.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

114. Does a committee of the legislature hold public hearings to review and scrutinize Audit Reports?

A. Yes, a committee holds public hearings to review and scrutinize a wide range of Audit Reports.
B. Yes, a committee holds public hearings to review and scrutinize the main Audit Reports.
C. Yes, a committee holds public hearings to review and scrutinize a small number of Audit Reports.
D. No, a committee does not hold public hearings to review and scrutinize Audit Reports.
E. Not applicable/other (please comment).

South Korea

D.
Score: 0

Sources: Home page of the BAI for "Information" category > "BAI Activities Materials" subcategory > "Report to the National Assembly" sub-subcategory (cf. http://www.bai.go.kr)

Comments: The Legislation and Judiciary Committee of the National Assembly in Korea assumes the specific responsibility for reviewing the BAI's audit reports. The BAI reports its important audit findings whenever the Committee is being held.

PEER REVIEWER
Opinion: No, I do not agree with the score.

Suggested Answer: a.

Comments: The national statement of accounts audited by the Board of Audit and Inspection shall be submitted to the National Assembly (Article 61 of the National Finance Act). And public hearing shall be held by the Special Committee on Budget and Accounts of the National Assembly (Article 84-3 of National Assembly Secretariat) <National Finance Act> Article 61 (Submission of National Statement of Accounts to National Assembly) The Government shall submit the national statement of accounts audited by the Board of Audit and Inspection pursuant to Article 60 to the National Assembly by May 31 of the following year. <Amended by Act No. 9278, Dec. 31, 2008 <National Assembly Secretariat> Article 84-3 (Public Hearings on Budget Bills, Fund Operation Plans and Settlement of Accounts) The Special Committee on Budget and Accounts shall hold a public hearing on a budget bill, a fund operation plan and settlement of accounts: Provided, That in cases of a supplementary budget bill, a modified fund operation plan, or the settlement of accounts, it may be omitted by a resolution of the Committee. <Amended by Act No. 10652, May 19, 2011> [This Article Newly Inserted by Act No. 7614, Jul. 28, 2005]
RESEARCHER'S RESPONSE
Yes, thanks!

IBP COMMENT
According to the researcher, the public hearings described by the peer reviewer do not take place in practice.

115. Does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

A. The SAI has full discretion to decide which audits it wishes to undertake.

B. The SAI has significant discretion, but faces some limitations.

C. The SAI has some discretion, but faces considerable limitations.

D. The SAI has no discretion to decide which audits it wishes to undertake.

E. Not applicable/other (please comment).

South Korea

A.

Score: 100

Sources: The Constitution of the Republic of Korea : Article 97 The Board of Audit and Inspection shall be established under the direct jurisdiction of the President to inspect and examine the settlement of the revenues and expenditures of the State, the accounts of the State and other organizations specified by Act and the job performances of the executive agencies and public officials. The Board of Audit and Inspection Act : Article 2(Status) (1) The BAI shall be established under the President, but shall retain an independent status in regard to its duties. (2) The BAI's independence in the appointment and dismissal of its officials, its organization, and the formulation of its budget must be respected to the greatest extent.

Comments: According to Article 97 of the Constitution, the BAI examines the final accounts of revenues and expenditures of the State, audits the accounts of the State and such organizations as prescribed by the laws, and inspects the works performed by government agencies and the duties of their employees. The BAI is a constitutional agency whose functions, status and organization are clearly written in Articles 97 to 100 of the Constitution. Further, the BAI is established under the President, but retains an independent status and other necessary matters according to Article 2 of the Board of Audit and Inspection Act.

PEER REVIEWER
Opinion: Yes, I agree with the score and have no comments to add.

116. Has the Supreme Audit Institution (SAI) established a monitoring system to provide on-going, independent evaluations of its audit processes (a quality assurance system)?

A. Yes, the SAI has established a quality assurance system, and both a sample of completed audits are reviewed annually and the findings of these reviews are made available to the public.

B. Yes, the SAI has established a quality assurance system, but either a sample of completed audits are not reviewed annually or the findings of these reviews are not made available to the public.
C. Yes, the SAI has established a quality assurance system, but neither a sample of completed audits are reviewed annually nor are the findings of these reviews made available to the public.

D. No, the SAI has not established a quality assurance system.

E. Not applicable/other (please comment).

South Korea

C. Score: 33

Sources: * The Board of Audit and Inspection Act Article 4(Chairman) (4) In order to respond to the requests for consultation of the Chairman, there may be established an advisory body in the BAI. (5) The composition and operation of the advisory body under the provisions of Paragraph 4 shall be determined by the regulations of the BAI. Article 19-4(Duties and Organization) (1) In order to conduct efficiency analysis and performance evaluation of the policies, programs and management of the agencies subject to audit and inspection of the BAI and to research and develop related audit systems and methods, etc., the Evaluation Research Institute shall be established under the BAI(cf. http://www.bai-eri.go.kr/).

Comments: The Chairman of the BAI consults the Advisory Council on BAI Policy” dealing with the BAI's overall activities including audit results according to Article 4 (4) of the Board of Audit and Inspection Act. According to Article 19-4 of the Board of Audit and Inspection Act, the Audit and Inspection Research Institute was established in 2005 as a research arm of the BAI and has contributed to enhancing the BAI's overall quality. Further, the BAI has established the Legal Services and Quality Management Office as a quality assurance system, but neither a sample of completed audits are reviewed annually nor are the findings of these reviews made available to the public.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

A. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

A. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.

B. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.

C. Not applicable/other (please comment).

South Korea

B. Score: 0

Sources: The Board of Audit and Inspection Act Article 3(Composition) The BAI shall be composed of seven Commissioners, including the Chairman of the BAI(hereinafter referred to as “the Chairman”). Article 4(Chairman) (1) The Chairman shall be appointed by the President with the consent of the National Assembly. Article 8(Guarantee of Status) (1) A Commissioner shall not be dismissed against his will unless he falls under one of the following: 1. When an impeachment is declared or a punishment heavier than imprisonment is sentenced; or 2. When a Commissioner is unable to perform his duties due to mental or physical weakness for a long period.
Comments: The commissioners of the BAI including the Chair, the head of the BAI, retain independent status guaranteed by the law in which a commissioner shall not be dismissed against his or her will unless he or she is sentenced heavier than imprisonment verdict after a criminal proceeding. But, in real situation, it is President of the State who may have the final authority to dismiss the head of the BAI.

PEER REVIEWER

Opinion: No, I do not agree with the score.

Suggested Answer: a.

Comments: Even though the chief of BAI has generally resigned if he/she was asked/persuaded/coerced to do so by the President, the position is legally protected by the law BOARD OF AUDIT AND INSPECTION ACT Article 8 (Guarantee of Status) (1) No Commissioner shall be dismissed against his/her will unless he/she falls under any of the following subparagraphs: 1. Where a decision of impeachment has been made against him/her or he/she has been sentenced to imprisonment without prison labor or heavier punishment; 2. Where he/she is unable to perform his/her duties due to long-term mental or physical weakness. (2) A Commissioner shall retire from office ipso facto in cases under paragraph (1) 1, and in cases under subparagraph 2 of the same paragraph, the President shall, upon the recommendation of the Chairperson, order a Commissioner to retire from office, via a decision by the Council of Commissioners. [This Article Wholly Amended by Act No. 9399, Jan. 30, 2009]

RESEARCHER'S RESPONSE

Researcher retains answer choice “b”.

IBP COMMENT

IBP agrees with the researcher’s selection of answer choice “b”.

118. Who determines the budget of the Supreme Audit Institution (SAI)?

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, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate.

E. Not applicable/other (please comment).

South Korea

B.

Score: 67

Sources: The National Finance Act : Article 41 (Budget of Board of Audit and Inspection) The Government shall, when it intends to reduce the expenditure budget demanded by the Board of Audit and Inspection, seek an opinion of the Chairperson of the Board of Audit and Inspection during a meeting of the State Council.

Comments: The MOSF has the responsibility to draw up the budget proposals of the government including budget of the BAI. The BAI, along with other agencies, submits its budget draft to the MOSF, and the MOSF reviews and negotiates ceiling amounts with the BAI. In this case the government has to get an agreement from the head of the BAI when it tries to reduce the amounts of the budget requested by the BAI.
Section 5. Public Engagement in the Budget Process

119. Does the executive make available to the public clear (accessible, nontechnical) definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?

A. Yes, clear definitions of all key budget terms are provided.
B. Yes, definitions are provided for all key budget terms, but they are not always clear.
C. Yes, definitions are provided for some but not all key budget terms.
D. No, definitions are not provided.
E. Not applicable/other (please comment).

South Korea

A. Score: 100


Comments: The MOSF runs a homepage in which economic glossary for current topics including fiscal terms are explained. And the MOSF also operates a special on-line system for recording budget and accounting transactions for each central agency, where fiscal and economic glossaries are displayed and interpreted.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER’S RESPONSE

The definitions are provided to be accessible to a non-expert and non-technical.

120. Is the executive formally required to engage with the public during the formulation and execution phases of the budget process?

A. A law, a regulation, or a formal procedural obligation requires the executive to engage with the public during both the formulation and execution phases of the budget process.
B. A law, a regulation, or a formal procedural obligation requires the executive to engage with the public during either the formulation or the execution phase of the budget process but not both.
C. There is no formal requirement for the executive to engage with the public during either the formulation or the execution phase of the budget process, but informal procedures exist to enable the public to engage with the executive during the formulation or execution phase of the budget process or during both phases.

D. There is no formal requirement and the executive does not engage with the public during the budget process.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: The National Finance Act : Article 10 (Gathering of Opinions about Financial Management) (1) The Minister of Strategy and Finance shall operate an Advisory Council on Fiscal Policy (hereinafter referred to as the “Advisory Council”) comprised of public officials from each central government agency and local government as well as civilian experts, etc. to gather their opinions about financial management. (2) The Minister of Strategy and Finance shall, whenever preparing a national financial management plan, formulating a budget Bill for each fiscal year, or preparing a draft fund management plan, conduct in advance the process of gathering opinions from the Advisory Council. (3) Necessary matters concerning organization, functions, management, etc. of the Advisory Council shall be prescribed by Presidential Decree. * Home page of the MOSF : (1) filing for proposition on public policy issues(cf. http://www.mosf.go.kr/service/service05.jsp#epeopleFrameFocus) and (2) filing for wastefulness of the budget execution(cf. http://www.mosf.go.kr/service/service07.jsp#epeopleFrameFocus)

Comments: There is an official requirement for the MOSF to engage with the public during the budget formulation process by organizing an Advisory Council on Fiscal Policy, which is composed of public officials from central and local governments and civil experts. Civil experts within 30 members are mainly from academia, professionals and civic groups. There is also a standing proposition system in the MOSF. Anyone may file a suggestion to the MOSF on any policy issues including budget matters at any time. The MOSF has a duty to respond to this suggestion. This proposition system applies for matters regarding not only on budget formulation but also on budget execution.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

121. When the executive engages with the public during the budget formulation process, does it articulate what it hopes to achieve from the engagement and provide other information far enough in advance so that the public can participate in an informed manner?

A. The executive provides sufficient information (including what it hopes to achieve from its engagement with the public) in advance of the engagement.

B. The executive provides information to the public, but it is either insufficient or is not provided in advance of the engagement.

C. The executive provides information to the public, but it is neither sufficient nor provided in advance of the engagement.

D. The executive does not provide information, or does not engage with the public during the budget process.

E. Not applicable/other (please comment).

South Korea
**Score:** 100


**Comments:** The public engagement system adopted by the Korean Government is an open suggestion system on any public policies, not limited to budget formulation and budget execution. Anyone may suggest his or her ideas to the ministry or the agency concerned on any policy or budget issues whenever he or she thinks that the suggestion is beneficial to the government.

One example of public engagement in budget formation process are Public Hearing on the National Financial Management Plan for 2013-2017 held on June 12, 2013 by the MOSF. The MOSF, through its press release in advance(See Attached file.), clearly expressed the purpose of the public hearing: "Through encouraging policy beneficiaries to participate in the debate, their opinions will be reflected in formulating budget proposals, especially in the welfare, education, employment, SOC and industry areas. The participant can submit his or her opinion through the Internet. This forum will be aired through KTV which is a state policy specific television station." Especially, the MOSF conducted a questionnaire survey of 2015 financial management policy, into which 1,200 persons were participated, in March 2014 and made public its results on April 10, 2014(See Attached file.).

**PEER REVIEWER**

**Opinion:** Yes, I agree with the score and have no comments to add.

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122. When the executive engages with the public during the budget execution process, does it articulate what it hopes to achieve from the engagement and provide other information far enough in advance so that the public can participate in an informed manner?

**A.** The executive provides sufficient information (including what it hopes to achieve from its engagement with the public) in advance of the engagement.

**B.** The executive provides information to the public, but it is either insufficient or is not provided in advance of the engagement.

**C.** The executive provides information to the public, but it is neither sufficient nor provided in advance of the engagement.

**D.** The executive does not provide information, or does not engage with the public during the budget process.

**E.** Not applicable/other (please comment).

**South Korea**

**A.**

**Score:** 100

**Sources:** Home page of the MOSF for filing for wastefulness of the budget execution(cf. http://www.mosf.go.kr/service/service07.jsp#epeopleFrameFocus)
**Comments:** As seen in the Comments of the Question 120, there is a reward system to a person who files a report to the MOSF on illegal, wasteful use or misappropriation of the budget by government employees.

**RESEARCHER’S RESPONSE**

The executive advertises the availability of this mechanism in the newspaper or press release to report wastefulness, to ensure that the public takes advantage of it.

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123. Has the executive established mechanisms to identify the public’s perspective on budget priorities?

A. Yes, the executive has established mechanisms to identify the public’s perspective on budget priorities, and these mechanisms are accessible and widely used by the public.

B. Yes, the executive has established mechanisms to identify the public’s perspective on budget priorities; while these mechanisms are accessible they are not widely used by the public.

C. Yes, the executive has established mechanisms to identify the public’s perspective on budget priorities, but these mechanisms are not accessible.

D. No, the executive has not established any mechanisms to identify the public’s perspective on budget priorities.

E. Not applicable/other (please comment).

**South Korea**

B. Score: 67

**Sources:** The National Finance Act: Article 10 (Gathering of Opinions about Financial Management) (1) The Minister of Strategy and Finance shall operate an Advisory Council on Fiscal Policy (hereinafter referred to as the “Advisory Council”) comprised of public officials from each central government agency and local government as well as civilian experts, etc. to gather their opinions about financial management. (2) The Minister of Strategy and Finance shall, whenever preparing a national financial management plan, formulating a budget Bill for each fiscal year, or preparing a draft fund management plan, conduct in advance the process of gathering opinions from the Advisory Council. (3) Necessary matters concerning organization, functions, management, etc. of the Advisory Council shall be prescribed by Presidential Decree.

**Comments:** There are several mechanisms for soliciting public input. The methods frequently used by the Executive are surveys and public hearings. But as the executive is unable to engage with all members of the public, each ministry or agency has an input function by establishing an advisory committee whose members are selected from academia, media, professionals and civic groups. The selection of those advisory committee members are carefully designed to represent diverse groups, based on some criteria such as gender, demographic segmentation and career backgrounds of the candidates. But in practice, this system is not widely publicized to a majority of citizens. Especially, as seen in the Comments of the Question 121, the MOSF held a public hearing on the National Financial Management Plan for 2013-2017 on June 12, 2013 and surveyed 1,200 persons on 2015 financial management policy in March 2014.

**PEER REVIEWER**

Opinion: Yes, I agree with the score and have no comments to add.
124. Has the executive established mechanisms to identify the public’s perspective on budget execution?

A. Yes, the executive has established mechanisms to identify the public’s perspective on budget execution, and these mechanisms are accessible and widely used by the public.

B. Yes, the executive has established mechanisms to identify the public’s perspective on budget execution; while these mechanisms are accessible they are not widely used by the public.

C. Yes, the executive has established mechanisms to identify the public’s perspective on budget execution, but these mechanisms are not accessible.

D. No, the executive has not established any mechanisms to identify the public’s perspective on budget execution.

E. Not applicable/other (please comment).

South Korea

B.

Score: 67

Sources: Refer to the Sources of the Question 122.

Comments: Refer to the Comments of the Question 122.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

125. Does the executive provide formal, detailed feedback to the public on how its inputs have been used to develop budget plans and improve budget execution?

A. Yes, the executive issues reports on the inputs it received from the public and provides detailed feedback on how these inputs have been used.

B. Yes, the executive issues reports on the inputs it received from the public, but provides only limited feedback on how these inputs have been used.

C. Yes, the executive issues reports on the inputs it received from the public, but provides no feedback on how these inputs have been used.

D. No, the executive does not issue reports on the inputs it received from the public or provide feedback on how these inputs have been used.

E. Not applicable/other (please comment).

South Korea

B.

Score: 67
Comments: The Korean government runs an online citizen participation plaza, so called e-people, where anybody can file for proposition of public policy or for wastefulness of budget execution. The Anti-Corruption & Civil Rights Commission (ACRS), one of the government agencies dealing with anti-corruption activities, is in charge of processing those filings and providing rewards to the informants who report a waste of budget use by public officials. The results of those inputs are not only notified to the petitioners but also reported in the ACRC's annual report. The remuneration package up to US$2 million to those who has filed a wasteful use of the budget by government officials can be an important feedback to the petitioner. The executive issues reports about amounts saved from those filings.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

The executive also report on the inputs it receives from the public hearings and the advisory councils.

126. 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?

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, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and some constituencies.

C. Yes, public hearings are held on the macroeconomic and fiscal framework 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).

South Korea

A.

Score: 100

Sources: Article 84-3 of the National Assembly Act prescribes that the Special Committee on Budget and Accounts (SCBA) in the National Assembly should hold public hearings on the Executive’s budget proposals. * Public Hearing on 2014 Budget Proposal by the Special Committee on Budget and Accounts of the National Assembly held on November 26, 2013 (cf. http://likms.assembly.go.kr/record/content/con_index2.jsp?DAE_NUM=18&DIV=4&COMM_NAME=예산결산특별위원회&COMM_; See Attached file to the Question 104.)

Comments: The National Assembly established its own television station which broadcasts important hearings of the National Assembly to the public. Because budget issues draw much attention to the public, the National Assembly television station broadcasts many of these issues. The public hearing on 2014 budget proposal, which was held on November 26, 2013 in the Special Committee on Budget and Accounts of the National Assembly, was aired lively by the National Assembly Television.
RESEARCHER'S RESPONSE

Members of the public do testify during the hearings.

127. Do legislative committees hold public hearings on the individual budgets of central government administrative units (i.e., ministries, departments, and agencies) in which testimony from the executive branch is heard?

A. Yes, public hearings in which testimony from the executive branch is heard are held on the budgets of a wide range of administrative units.

B. Yes, public hearings in which testimony from the executive branch is heard are held on the budgets of the main administrative units.

C. Yes, public hearings in which testimony from the executive branch is heard are held on the budgets of a small number of administrative units.

D. No, public hearings in which testimony from the executive branch is heard are not held on the budgets of administrative units.

E. Not applicable/other (please comment).

South Korea

A. Score: 100

Sources: Review of 2014 Budget Proposal by each of the 16 Committees of the National Assembly(cf. http://likms.assembly.go.kr/bill/jsp/BillDetailBudget.jsp?bill_id=PRC_N1L3O1I0V0Y2O1B1Y0V3S0F6N0Y3U1)

Comments: As seen in the Sources and Comments of the previous question, the Special Committee on Budget and Accounts of the National Assembly holds a plenary session for debating policy issues regarding the Executive's budget proposals in which testimony from each executive branch is heard. After that, each of the 16 Committees in the National Assembly starts its review of the Executive's budget proposals attended by officials from each ministry and agency. Those discussions are not totally open to the public. But in our country, several civic groups and press members voluntarily participate in a session as an observer to oversight whether those discussions at the committee are proceeded in a fair way. And sometimes the civic groups send a witness to give their opinions about critical issues to the committee. And those discussions are reported through minutes to the public. In addition, important committee sessions are broadcasted through the National Assembly Television. In general, the plenary session is broadcasted and open to some of the public. During the plenary session, the budgets of a wide range of administrative units are discussed.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
A. Yes, public hearings in which testimony from the public is heard are held on the budgets of a wide range of administrative units.

B. Yes, public hearings in which testimony from the public is heard are held on the budgets of some administrative units.

C. Yes, public hearings in which testimony from the public is heard are held on the budgets of a small number of administrative units.

D. No, public hearings in which testimony from the public is heard are not held on the budgets of administrative units.

E. Not applicable/other (please comment).

South Korea

B. Score: 67

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, each committee of the National Assembly holds public hearing on its discretion, but it is not a regular basis. Sometimes a member or a group of member of the National Assembly hold public hearings or seminars on a particular issues that require budget resources. If the committee holds such hearings or seminars, the minutes are automatically made and released to the public and testimony from the public is heard.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

129. Do the legislative committees that hold public hearings on the budget release reports to the public on these hearings?

A. Yes, the committees release reports, which include all written and spoken testimony presented at the hearings.

B. Yes, the committees release reports, which include most testimony presented at the hearings.

C. Yes, the committees release reports, but they include only some testimony presented at the hearings.

D. No, the committees do not release reports, or do not hold public hearings.

E. Not applicable/other (please comment).

South Korea

A. Score: 100


Comments: All the minutes of parliamentary session should be distributed to the members of the National Assembly and open to the public according to Article 118 of the National Assembly Act.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.
130. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can assist in formulating its audit program (by identifying the agencies, programs, or projects that should be audited)?

A. Yes, the SAI maintains formal mechanisms through which the public can assist in formulating its audit program, and these mechanisms are accessible and widely used by the public.

B. Yes, the SAI maintains formal mechanisms through which the public can assist in formulating its audit program; while these mechanisms are accessible, they are not widely used by the public.

C. Yes, the SAI maintains formal mechanisms through which the public can assist in formulating its audit program, but these mechanisms are not accessible.

D. No, the SAI does not have formal mechanisms through which the public can assist in formulating its audit program.

E. Not applicable/other (please comment).

South Korea

A. Score: 100


Comments: The BAI has two functions in connection with maintaining channels of communication with the public. The one is to deal with civil petitions, the other is to receive information through hot-line on fraud and irregularities against government organizations or public officials[cf. Annual Report of the BAI for 2013(pp. 657-677)]. Further the BAI introduced a system to execute an audit requested by the general public or civic groups. If the public or civic groups are trying to request an audit, they should file a written request signed by more than 300 people to the BAI. Then the BAI, through the deliberation process, decides whether this request to be accepted or rejected and audit is implemented if the request is accepted[cf. Annual Report of the BAI for 2013(pp. 678-680)]. According to the Annual Report of the BAI for 2013, the number of requests from the public were 239 cases and 41 cases of them were accepted and audited.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

131. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can participate in audit investigations (as respondents, witnesses, etc.)?

A. Yes, the SAI maintains formal mechanisms through which the public can participate in audit investigations, and these mechanisms are accessible and widely used by the public.

B. Yes, the SAI maintains formal mechanisms through which the public can participate in audit investigations; while these mechanisms are accessible, they are not widely used by the public.

C. Yes, the SAI maintains formal mechanisms through which the public can participate in audit investigations, but these mechanisms are not accessible.
D. No, the SAI does not have formal mechanisms through which the public can participate in audit investigations.

E. Not applicable/other (please comment).

South Korea

**B.**

Score: 67

Sources: Refer to the Sources of the previous question.

Comments: As seen in the Comments of the previous question, the people who file a request for audit have to submit sufficient evidences to make their claims to be adopted as an audit program. Those evidences can be reviewed by the auditors whether they are true, and if they are proved to be true, they can be adopted as an audit topic and official evidences for the audit. This mechanism, that is submission of evidence, can be an indirect participation. An indirect participation through submitting evidence leads to a direct participation such as respondents and/or witnesses.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

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132. Does the Supreme Audit Institution (SAI) maintain any communication with the public regarding its Audit Reports beyond simply making these reports publicly available?

A. Yes, in addition to publishing Audit Reports, the SAI maintains other mechanisms of communication to make the public aware of audit findings (such as maintaining an office that regularly conducts outreach activities to publicize previously released audit findings).

B. No, the SAI does not maintain any formal mechanisms of communication with the public beyond publishing Audit Reports.

C. Not applicable/other (please comment).

South Korea

**A.**

Score: 100

Sources: English Home page of the BAI for BAI’s Organization Chart Section(cf.http://english.bai.go.kr/

Comments: The BAI, in addition to publishing Audit Reports, maintains a public information office that regularly conducts outreach activities such as news conference and periodical publication(quarterly audit magazine) to publicize previously released audit findings.

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

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133. Does the Supreme Audit Institution (SAI) provide formal, detailed feedback to the public on how their inputs have been used to determine its audit program or in Audit Reports?
A. Yes, the SAI issues reports on the inputs it received from the public and provides detailed feedback on how these inputs have been used.

B. Yes, the SAI issues reports on the inputs it received from the public but provides only limited feedback on how these inputs have been used.

C. Yes, the SAI issues reports on the inputs it received from the public but provides no feedback on how these inputs have been used.

D. No, the SAI does not issue reports on the inputs it received from the public through public consultations.

E. Not applicable/other (please comment).

South Korea

A

Score: 100


Comments: As seen in the Comments of the Question 130, when the BAI executes the audit requested by the public, it notifies the petitioner the results of the audit. Also the BAI issues extensive, detailed reports on the inputs, which it received from the public, in its annual report (pp. 665-680)

PEER REVIEWER

Opinion: Yes, I agree with the score and have no comments to add.

RESEARCHER'S RESPONSE

The Annual Report (pp 665-680) introduces the contents of audit requests and those results confirmed by BAI's audit activities.