A Pilot Assessment of Sector Budget Transparency in the Open Budget Survey 2019
Today’s presentation

• Rationale for a module on sector budget transparency
• Methodology and approach
• Key findings
• Implications during COVID
Inspired by the ongoing work of civil society, who advocates for better government services by tracking and monitoring public funding, IBP collaborated with civil society to develop a pilot assessment of budget transparency in health and education as part of the Open Budget Survey 2019.
Sector Module Pilot Countries

Countries included in the pilot program:

- Dominican Republic
- Nicaragua
- Peru
- Chile
- Brazil
- Paraguay
- Argentina
- Guinea
- Portugal
- France
- Germany
- Russia

Countries shaded in blue indicate education focus, while countries shaded in orange indicate health focus.

International Budget Partnership

4
Ten topics assessed in the Sector Module

- Budget allocation
- Budget execution
- Alignment with international practices
- Changes in spending over time
- Revenue sources for the sector
- Programs and activities
- Details on how and where money is being spent
- Transfers to other entities
- Objectives and results of spending
- Subnational information
Findings

Sector budget transparency is linked to **overall** budget transparency

Trend Line
Equation: Sector Score = 0.77 * OBS + 11
R-squared: 0.7
P-value: < 0.0001
## Findings

Less information at the detailed, disaggregated level

<table>
<thead>
<tr>
<th>Topic</th>
<th>Yes</th>
<th>Partial</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector budget allocation</td>
<td>79%</td>
<td>19%</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Sector budget execution</td>
<td>74%</td>
<td>8%</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Alignment with international practices</td>
<td>73%</td>
<td>27%</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Changes in sector spending over time</td>
<td>54%</td>
<td>46%</td>
<td>46%</td>
<td>46%</td>
</tr>
<tr>
<td>Revenue sources for the sector</td>
<td>46%</td>
<td>13%</td>
<td>31%</td>
<td>10%</td>
</tr>
<tr>
<td>Funding for specific programs and activities</td>
<td>51%</td>
<td>12%</td>
<td>37%</td>
<td>37%</td>
</tr>
<tr>
<td>Details on how and where sector funding is...</td>
<td>33%</td>
<td>64%</td>
<td>64%</td>
<td>64%</td>
</tr>
<tr>
<td>Sector funding transferred to other entities</td>
<td>38%</td>
<td>18%</td>
<td>33%</td>
<td>11%</td>
</tr>
<tr>
<td>Objectives and results of sector spending</td>
<td>31%</td>
<td>24%</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>Subnational budget information</td>
<td>11%</td>
<td>21%</td>
<td>68%</td>
<td>68%</td>
</tr>
</tbody>
</table>
Findings

<table>
<thead>
<tr>
<th>Type of budget information</th>
<th>Share of assessed countries reporting information in the:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Executive's Budget Proposal</td>
</tr>
<tr>
<td>Intergovernmental transfers</td>
<td>93%</td>
</tr>
<tr>
<td>Extra-budgetary funds</td>
<td>78%</td>
</tr>
<tr>
<td>Public corporations</td>
<td>90%</td>
</tr>
</tbody>
</table>

More information on budget allocations than on execution
Findings

...but few countries link policies to the budget or provide performance information.

Most countries have program budget structures....

International Budget Partnership
Findings

Some good examples of countries sharing subnational information (e.g. Peru)
Sector budget transparency in the time of COVID

✓ Government budget documents are an **opportunity** for government to communicate to the public how they are using public resources to improve people’s lives

✓ Governments that recognize the need to increase transparency and clearly explain budget decisions and can build **public trust** and increase the **legitimacy** of government actions – these are especially important during a crisis
Recommendations

- **Governments** can expand collaboration with civil society in monitoring the COVID emergency response by identifying and providing the specific, detailed information that civil society needs to engage on sector budgets.

- **Civil society** can expand the use of the information that is available, and build coalitions that jointly advocate for what additional information governments should provide.

- **International organizations** can expand support to governments and civil society groups for transparency reforms and facilitate spaces and opportunities for collaboration.
Q&A

What questions do you have?

For more information:

https://www.internationalbudget.org/open-budget-survey/sector-transparency-pilot