Strengthening Accountability through Fiscal Openness: A Toolkit for Parliamentarians in the Americas and the Caribbean
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Introduction

Money is a useful lens through which to understand public decision-making and its results. Opening the processes by which public funds are raised, allocated and spent is an important part of strengthening the accountability of public institutions. Strengthening public accountability is an integral aspect of an open parliament. It involves ensuring the public’s freedom to hold authorities to account and public servants’ obligation to justify and accept responsibility for their decisions. On the one hand, the accountability of the executive to the legislative branch allows parliaments to examine governments’ actions and amend public policy and reassign public resources to obtain better results. On the other hand, the accountability of parliaments towards their citizens allows society to stay informed and examine parliaments’ actions to ensure they are effectively representing public interest.

Public finances involve a variety of actors including parliamentarians who have a responsibility as representatives of citizens to provide informed consent for the raising and spending of public funds and to hold the government accountable in its spending. This is fundamental to a functioning democracy.

Parliament play a crucial role throughout the various phases of the financial cycle. Its engagement ex-ante, during the planning, amendment and approval stages of the financial cycle generally focuses on the content and direction of budgetary and fiscal policy, allowing parliamentarians to inform the formulation process. Its engagement ex-post, during and after budgetary and fiscal policy implementation, generally focuses on the quality of implementation to guard against corruption, mismanagement and waste.

Parliament exists within a fiscal ecosystem that also includes the executive branch, a nonpartisan public administration, and other key actors, such as civil society, media, the private sector and the public at large. The ecosystem is composed of an intertwined set of political incentives, public and private information and a web of rules and processes based on a constitution, legislation, convention and political expediency. The effectiveness of the fiscal scrutiny role of parliamentarians has dependencies on other actors within this fiscal ecosystem as well as on the robustness of information, processes and the understanding of political and bureaucratic incentives. The asymmetry of information between the executive and the legislative branches of government can provide a significant obstacle to the legislature’s ability to perform oversight.

Global Initiative for Fiscal Transparency

High-Level Principle Eight\(^1\)

The authority to raise taxes and incur expenditure on behalf of the public should be vested in the legislature. No government revenue should be raised, or expenditure incurred or committed to, without the approval of the legislature through the budget or other legislation. The legislature should be provided with the authority, resources and information required to effectively hold the executive to account for the use of public resources.

Objective

This publication provides an overview of good practices to promote transparency, accountability and participation throughout the financial cycle. It is tailored to parliamentarians, parliamentary staff and relevant stakeholders in the Americas and the Caribbean. It covers the parliamentary financial cycle, including the budgetary process and major fiscal policy or spending bills, such as infrastructure projects or tax reform, and long-term planning. It concisely summarizes and synthesizes the most recent international standards and resources on parliamentary fiscal scrutiny and can also serve as inspiration to develop Open Parliament Action Plan\(^2\) commitments.
Open Parliament Action Plans

An Open Parliament Action Plan is a mechanism through which a parliament commits to advancing openness and strengthening representation and oversight, in collaboration with civil society. A co-creation process allows the parliament and civil society to identify priorities to implement, monitor and evaluate progress towards these commitments. It can be created as a chapter of the executive’s Open Government Action Plan, following Open Government Partnership policies. Consult the Executive Summary of the Guide for Developing Open Parliament Action Plans for additional information.

Structure

The publication begins with an overview of the fiscal ecosystem, identifying and defining the roles of the principal actors involved, followed by an overview of the parliamentary financial cycle and its four main phases. A general note on public participation throughout the entire cycle follows, prior to a more in-depth look at good practices parliaments can employ to improve openness in each phase of the budget and fiscal policy cycle. Each phase of the cycle provides (1) an overview of parliament’s role; (2) executive reporting requirements; (3) guiding questions for parliamentarians in the fulfilment of their functions; (4) opportunities for public participation led by parliament or parliamentarians, and; (5) relevant good practices from parliaments in this hemisphere and around the world, some of which were extracted from the results of the Open Budget Survey.

Legal Framework

The authority of different branches of government and public institutions throughout the financial cycle may be clearly defined in the country’s constitutions or laws, or they may be based on convention. According to the IMF Fiscal Transparency Handbook 2018, fiscal legislation intended to frame authority should contain:

- formal rules for organizing the budgetary process and the respective roles and responsibilities of the executive branch and the legislature;
- timing of budget submission, adoption and publication;
- key documents that the executive should submit to the legislature in its annual budget proposal; and
- powers of the legislature to modify the budget proposed by the executive.
Fiscal ecosystem

Legend
Dashed arrows: relationships of accountability
Straight arrows: information flow

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## Description of Fiscal Ecosystem

<table>
<thead>
<tr>
<th>Actor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Branch of Government &amp; Public Service</strong></td>
<td>Entities of the central, state, regional, provincial, municipal or local government; all extra budgetary entities, including social security funds, at each level of government; and all nonmarket non-profit institutions that are controlled and financed mainly by government units. They are generally accountable for the formulation of the budget, lead its implementation and report on the results of its implementation.</td>
</tr>
<tr>
<td><strong>Political Party Research Staff</strong></td>
<td>Political parties may have research staff at their disposal to develop its policy positions, and if in opposition, to hold the government to account. This political staff can also contribute to the formulation of the budget through expert analysis. When in opposition, political staff may focus on scrutiny of budget proposals, budgetary oversight and alternative policy proposals.</td>
</tr>
<tr>
<td><strong>Parliamentary Committees</strong></td>
<td>Parliamentary committees are small groups of parliamentarians appointed to undertake specific tasks and can examine selected matters in greater depth than is possible in plenary sittings. While responsibilities in these committees vary, they can contribute to the formulation of the budget and the oversight of government expenditures.</td>
</tr>
<tr>
<td><strong>Library of Parliament</strong></td>
<td>Libraries of parliament are offices that generally provide customized research, analysis and information needed for parliamentarians and parliamentary bodies to fulfill their functions. They can provide information to support the scrutiny of budget proposals and their oversight, as well as support participative practices. Beyond their research functions, they manage document archives and ensure public access to parliamentary information.</td>
</tr>
<tr>
<td><strong>Other Parliamentary Offices/Departments</strong></td>
<td>Parliamentarians may benefit from other offices and resources associated to their branch of government. Officers of parliament that report directly to the legislature and specialized sources of technical expertise and information can be helpful as parliamentarians discharge their obligations.</td>
</tr>
<tr>
<td><strong>Supreme Audit Institution</strong></td>
<td>The Supreme Audit Institution (SAI) is the highest national authority responsible for auditing the management of public funds. A SAI can perform compliance, financial or performance audits. It should be organizationally, administratively and financially independent of the executive branch of the government. Its audit reports are provided to parliament to support its oversight function, ex-post (i.e. after public monies have been allocated and spent).</td>
</tr>
<tr>
<td>Actor</td>
<td>Description</td>
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<tr>
<td>Anti-Corruption Agency</td>
<td>Anti-corruption agencies (ACAs) are publicly-funded, independent government entities dedicated to fighting corrupt practices among public office-holders and preventing opportunities for corruption. To fulfill their mandates, ACAs may have a law enforcement or prevention, policy and coordination function, or some combination thereof. The offices regularly work alongside law enforcement agencies and SAI's, making their work relevant to the accountability and scrutiny efforts of parliamentarians, especially in ex-post contexts.</td>
</tr>
<tr>
<td>Independent Fiscal Institution</td>
<td>Independent fiscal institutions (IFI), also called Parliamentary Budget Offices or Congressional Budget Officers, are public bodies that aim to promote sustainable public finances through various functions, including monitoring compliance with fiscal rules, production or endorsement of macroeconomic forecasts for the budget, and/or advising the government and parliament on fiscal policy matters. It should be organizationally, administratively and financially independent of the executive branch of the government. It can provide non-partisan information and analysis to support the parliament’s scrutiny of budget proposals and its oversight, ex-ante (i.e. before the vote on appropriations takes place to support parliamentarians in their oversight function).</td>
</tr>
<tr>
<td>Media</td>
<td>The media consists of the main means of mass communication, including broadcasting, publishing and the internet. It allows for ongoing checks and assessments by the population of government spending and assists in bringing public concerns into the open by providing a platform for discussion.</td>
</tr>
<tr>
<td>Civil Society</td>
<td>Civil society includes citizens, civil society organizations, private sector actors and the public at large, including migrants and refugees.</td>
</tr>
<tr>
<td>Public</td>
<td>The public can contribute to government financial oversight and budgeting through participative processes and monitoring of its implementation.</td>
</tr>
<tr>
<td>Civil Society Organizations</td>
<td>Civil Society Organizations (CSOs) include all non-market and non-State organizations outside of the family in which people organize themselves to pursue shared interests in the public domain. Some CSOs encourage government financial accountability and transparency through participative processes in budgeting and oversight of spending decisions.</td>
</tr>
<tr>
<td>Private Sector</td>
<td>The private sector is the part of the economy that is managed by individuals and companies for profit and is not State controlled. It can contribute to the formulation of the budget through consultative processes and play an important role in the oversight of its implementation.</td>
</tr>
</tbody>
</table>
Parliamentary Financial Cycle

The diagram below presents a typical financial cycle in a simplified format to highlight major moments of fiscal activity for a legislature.

There are four main components to a financial cycle. Across legislatures, these main tenants are constant although the roles and responsibilities of parliamentarians may change based on their system of government, e.g. parliamentary, congressional. In between these main phases, there are activities supplementing and supporting them. For instance, there are supplementary appropriations and other legislation that may be tabled between the four phases. Committee activities and reports may be in progress and released throughout a typical financial cycle. These various activities are important and may influence how a parliamentarian analyzes and votes on the matters before them.

1. Pre-budget planning

The executive undertakes planning to develop proposals on upcoming national spending and revenue decisions as well as their outcomes, with either the approval, rejection, amendment or input of the legislative branch (depending on their form of government). Underpinning its plans are assumptions and forecasts of the country’s economic and fiscal state which inform direct spending and revenue proposals. These plans are usually constrained by existing fiscal rules, such as a cap on deficit or debt, frequently related to commitments for macroeconomic stabilization and long-term sustainability. The executive may undertake public consultations as it prepares its spending and revenue proposals for the upcoming fiscal year. Parliamentarians may undertake their own activities by consulting with the public, developing proposals, and analyzing economic and fiscal assumptions. To this end, they may seek information and analytic support from their independent fiscal institution, library of parliament, political staff and external experts.

2. Budget, appropriations and fiscal policy proposals

When the planning stage is complete, the executive presents its spending plans and related spending bills. This will include an annual budget proposal which is produced every fiscal year (usually, before the start of a new fiscal year) and defines proposed spending and revenue raising plans. A typical budget proposal contains fiscal policy objectives, medium-term budget and fiscal frameworks, new plans (e.g. one-time infrastructure investment, reconstruction efforts for a region impacted by natural disaster) as well as planned appropriations for existing spending (e.g. public servant salaries, pensions, service of the debt) and expected outputs and outcome (performance objectives). Once tabled in the parliament, legislators will scrutinize and debate, and amend or propose alternatives to these proposals, depending on the system of government. Legislators may look to their independent fiscal institution, library of parliament, external experts, civil society, political staff, legislative committees and the public for input and support during this phase.

3. Budgetary and fiscal policy enactment and implementation

Once the legislature has scrutinized, amended (depending on the system of government), and approved (or rejected) the revenue raising and spending proposals, the executive will implement the decisions sanctioned by the legislature. Throughout this phase, parliament will monitor the executive’s progress in the implementation of these measures and will scrutinize its results, holding it accountable. Parliamentarians may look to legislative committees, the media, civil society, political staff and the public for input and support throughout these monitoring and oversight efforts.
4. Audit and reporting

At the end of a fiscal year, an accounting of the government’s financial activities is presented to the legislature in the form of the public accounts report. This report that contains the final accounting of the government’s revenue and spending activities is generally accompanied by an audit from the Supreme Audit Institution (SAI) for assurance. At this point in the financial cycle, the legislature should have a full picture of the previous fiscal year, both from a financial and performance (outcomes) perspective, to scrutinize the government’s financial management from planning, to the allocation of resources to declared priorities, to the evaluation of the results these decisions generated. A legislature’s Public Accounts Committee will play a critical role in this phase and may also look to the Anti-Corruption Agency (if it exists), the media, experts, political staff and the public as supplementary resources to the information provided by the executive and the SAI.

Parliamentary Transparency throughout the Financial Cycle

Transparency and access to information, a fundamental human right that must be guaranteed by law, is a foundational pillar of an open and transparent parliament. Public information belongs to citizens and the public at large who need it in order to be empowered and to fully participate in democratic processes. In this sense, it creates legitimacy and confidence in our democratic institutions, and it is essential in the fight against corruption.

Parliaments therefore have a responsibility to publish information about the financial cycle and the roles it plays within this process, in accordance with the principle of active transparency. It is recommended that this information include:

- Explanation of the budget approval processes and the sources of financing, including constitutional authorities and responsibilities, the role of the executive branch, and the role of the parliament and its committees in the review, modification (according to the political system), approval and control of the budget.

- List of parliamentary committees, with links to their websites (if applicable), a description of their mandate and tasks (indicating their role, if any, in the budget process), a description of the activities carried out by the committee since the beginning of its mandate and list of its chair, members, and any other relevant roles in the committee.

- Public access to parliamentary committee meetings and activities, in person and through live streaming on television, radio, or the internet.

- Opportunities for public participation throughout the financial cycle, communicated with reasonable advance notice.

- Presentation of budget proposal, supporting documents and reporting documents submitted by the executive branch to the parliament (listed in the section on Executive Reporting Requirements under each phase of the financial cycle).

Timeframe:

When referring to short-term, medium-term and long-term in relation to budgeting and fiscal policy, these timelines are generally implied:

- Short-term: 1-2 years
- Medium-term: 3-5 years
- Long-term: Over 5 years

Active Transparency:

Refers to the publication of useful, timely and relevant information on web pages of all branches of the State, to communicate its work and render accounts in a permanent manner without any requests from the public. It may derive from the obligations established in transparency legislation or regulations or a commitment to voluntary transparency by public institutions.
Public participation in fiscal policy refers to the variety of ways in which the public – including individuals, civil society organizations, community groups, business organizations, academics and other non-state actors – interact directly with public authorities on fiscal policy design and implementation. Throughout the financial cycle, participation may be invited by an official entity, such as a ministry of finance, line ministry or agency, a legislature, or a Supreme Audit Institution; it can also be initiated by a non-state actor. In either case, it is intended to stand in sharp contrast to back-room lobbying that risks subverting the public interest to private interests. It goes beyond indirect participation, in which decision makers in elected or other public offices take decisions on behalf of citizens without their direct input at the time. To ensure public participation throughout the financial cycle, it is important to consider integrating relevant requirements in legal frameworks.

This publication focuses primarily on public participation opportunities initiated by parliament and parliamentarians at each phase of the financial cycle. In this context, it is also important to distinguish between expert and broad-based participation and consider a combination of both options throughout the cycle. Expert-based participation refers to creating opportunities for individuals with relevant expertise to contribute to the budgetary or fiscal policy cycles, for example through parliamentary committee consultations or fiscal councils, whereas broad-based participation opportunities are open to all members of the public, for example through participatory budgeting initiatives or open calls to engage in debates throughout the cycle.

### GIFT Complementarity Principle

The Complementarity principle (see principle 9 in the following graphic), documented by several experiences around the world, notes that direct public engagement does not undermine the role of existing decision making and accountability structures, including the legislature in representative democracies. On the contrary, direct public participation is designed to add to, complement and strengthen existing governance arrangements - and increase trust in government - not to set up parallel processes. Calling for public submissions during consideration of money bills is a long-standing and widespread practice that illustrates well the complementarity between direct public participation and legislative oversight.

- Status of the parliamentary debate on the budget proposal, including the debates held, the presentations carried out by the authorities and specialists on this subject, the transcripts of these discussions, as well as the requested consultations, reports and analysis by the parliamentary budget office (if any), and votes taken in relation to the budget. This should also include reports by parliamentary committees, transcripts of public consultations or hearings, and contributions submitted by the public, as applicable.

- Documents on budgets from previous years, in an open format for reuse by the public based on their information needs.

- Database of documents relevant to the discussion and debate of the national budget of the current and previous years, with a search function.

- Register of declarations of assets and interests of each parliamentarian, detailing their assets, additional income, interests and in-kind benefits, in accordance with a code of ethics addressing conflicts of interest, as part of an integrity regime.

- Register of lobbying, detailing interactions between parliamentarians and interest groups, as part of a lobbying transparency regime.
The following principles can guide responsible actors in the development of strategies to enhance public participation throughout budget and fiscal policy cycles.

**Principles of Public Participation in Fiscal Policies**

1. **Accessibility**
   Facilitate public participation in general by disseminating complete fiscal information and all other relevant data, in formats and using mechanisms that are easy for all to access, understand, and to use, re-use and transform, namely in open data formats.

2. **Openness**
   Provide full information on and be responsive with respect to the purpose of each engagement, its scope, constraints, intended outcomes, process and timelines, as well as the expected and actual results of public participation.

3. **Inclusiveness**
   Pro-actively use multiple mechanisms to reach out to engage citizens and non-state actors, including traditionally excluded and vulnerable groups and individuals, and voices that are seldom heard, without discrimination on any basis including nationality, race, ethnicity, religion, gender, sexual orientation, disability, age or caste; and consider public inputs on an objective basis irrespective of their source.

4. **Respect for Self-Expression**
   Allow and support individuals and communities, including those directly affected, to articulate their interests in their own ways, and to choose means of engagement that they prefer, while recognizing that there may be groups that have standing to speak on behalf of others.

5. **Timeliness**
   Allow sufficient time in the budget and policy cycles for the public to provide inputs in each phase; engage early while a range of options is still open; and, where desirable, allow for more than one round of engagement.

6. **Depth**
   Support each public engagement by providing all relevant information, highlighting and informing key policy objectives, options, choices and trade-offs, identifying potential social, economic, and environmental impacts, and incorporating a diversity of perspectives; provide timely and specific feedback on public inputs and how they have been incorporated or not in official policy or advice.

7. **Proportionality**
   Use a mix of engagement mechanisms proportionate to the scale and impact of the issue or policy concerned.

8. **Sustainability**
   All state and non-state entities conduct on-going and regular engagement to increase knowledge sharing and mutual trust over time; institutionalize public participation where appropriate and effective, ensuring that feedback provided leads to review of fiscal policy decisions; and regularly review and evaluate experience to improve future engagement.

9. **Complementarity**
   Ensure mechanisms for public participation and citizen engagement complement and increase the effectiveness of existing governance and accountability systems.

10. **Reciprocity**
    All state and non-state entities taking part in public engagement activities should be open about their mission, the interests they seek to advance, and who they represent; should commit to and observe all agreed rules for engagement; and should cooperate to achieve the objectives of the engagement.

[www.fiscaltransparency.net](http://www.fiscaltransparency.net)
1. Pre-budgetary and fiscal policy planning

Role of Parliaments and Parliamentarians

Before it adopts the annual budget presented by the executive, the legislature will usually devote a given period for pre-budget review, debates and discussions around the middle of the year preceding the new budget year. The role of parliamentarians at this stage will depend largely on the style and type of legislature. Congressional models tend to have legislatures with more power and resources to propose, amend and approve/reject executive budget proposals. By contrast, legislatures in parliamentary models tend to have less budgetary powers and fewer resources. Their role tends to include the approval or rejection of budget legislation, and in some instances, the legislature may propose amendments to the executive’s budget and fiscal policy proposals.

Across many legislatures, there are three important roles that have been established in the pre-budgetary and fiscal policy planning phase: consultations, review and debates. At such times, the executive will often present its updated annual and medium-term budget strategy and policy priorities. These measures not only provide information for parliamentarians as to the executive’s budget orientations, fiscal policy plans and proposals for the upcoming years, but also clarify the executive’s multiyear fiscal targets and/or spending ceilings.10

Consultations are often undertaken by both the executive and legislative branches (see the Participation section for additional information). Parliamentary committees focused on budgeting or finance tend to undertake public consultations with citizens, civil society organizations, academia, the private sector, etc. The committee’s report is presented to the legislature and can serve as informative analysis with which parliamentarians may discharge their obligations in the pre-budgetary and fiscal policy planning phase.

Review tends to encompass analysis of the state of the country’s economic and fiscal affairs. Sources for the review may include the analysis and updates from the ministry of finance/treasury department, external analysis by experts or corporate entities, as well as analysis by the country’s independent fiscal institution. While legislators are not all experts in economic and fiscal analysis, they should be expected to consider the reliability of the government’s planning assumptions.

Debates are an opportunity for legislators to publicly question the government’s proposals and demonstrate support or opposition. When well-informed, legislative debate can be a useful tool to raise concerns, opposition and alternative approaches to government’s proposals. Debates in relevant committees, such as finance, are often influential forums through which to raise matters of concern on budgetary affairs.

Guidance questions for parliamentarians

- What is the current economic and fiscal forecasts of the country (from government and private sector analysis)?
- Have legislative committees studied this issue? If yes, what are their findings? Can they be used to analyze proposals?
- How has the government fulfilled commitments from the previous budget?
- Are there public issues which should be addressed but are not being addressed by the government?
- What are your constituents’ preoccupations? Are they connected to the budget/fiscal plan?
- Are you a member of a budgetary committee in parliament? Are you consulting with your peers?
Committee roles in budget analysis may be focused on the finance/budget committee or may be dispersed among sectoral committees. The first approach can facilitate coordination and consistency from a fiscal perspective, although the second allows for more diverse interests to be represented with a focus on individual programs. In most cases, however, the extent to which the input and recommendations from legislative committees influence the final budget document is not always clear. Legislative influence in budgeting will depend on a variety of factors, including constitutional divisions of power, consultation methods, culture of political engagement and exchange between the executive and legislative branches, etc.

Executive Reporting Requirements

The following document should be produced by the executive at this stage, as recommended by the 2017 OECD Budget Transparency Toolkit. This document can be a helpful resource for parliamentarians as they fulfill their role at this stage of the financial cycle. The table below includes a brief description of the timeframe and content of the referenced documentation. For additional information, consult the aforementioned publication.

<table>
<thead>
<tr>
<th>Document Description</th>
<th>Timeframe and Content</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-Budget Statement</strong></td>
<td><strong>Timeframe:</strong> Published at least one month before the executive’s budget proposal is tabled.</td>
</tr>
<tr>
<td>Sets out the budget strategy by introducing the government’s high-level budget plans for the forthcoming fiscal year, sets expectations for the budget and paves the way for an informed scrutiny of the actual budget.</td>
<td><strong>Content:</strong> Government’s broad fiscal policy intentions, macroeconomic assumptions and forecast level of revenue, expenditure, fiscal balance and public debt.</td>
</tr>
</tbody>
</table>

**Case in Practice: Brazil - Pre-Budget Debate in Congress**

The Brazilian national budgeting process includes the presentation of two bills which must be approved by the Congress prior to the annual Executive Budget Proposal. These are the government’s four-year Multiannual Plan which defines longer term priorities and is tabled at the start of the government’s term, and a Budget Guidelines Law (Pre-Budget Statement) which establishes the year’s priorities and serves as guidance for the budget proposal and is tabled annually. The Joint Committee on Planning, Public Budgets and Oversight, which joins Members of the Chamber of Deputies and Senators, debate both proposals, and hold a public hearing with the participation of the Minister of Planning, Budget and Administration. Following this debate, the proposals and any recommended amendments are submitted to plenary for approval. Throughout this process, parliamentarians from both chambers receive technical support from their chamber’s respective offices on budget and fiscal oversight.
Role of Other Institutions or Actors

<table>
<thead>
<tr>
<th>Actor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political Party Research Staff</td>
<td>Produce research and analysis focused on the party’s platform, principal issue areas and political talking points in advance of the presentation and tabling of the budget and fiscal plan.</td>
</tr>
<tr>
<td>Administration and Library of Parliament</td>
<td>Produce contextual research on the state of the country's economy and finances, as well as central policy issues. Publish accessible research that may be helpful to parliamentarians as they prepare to analyze the budgetary and fiscal plans.</td>
</tr>
<tr>
<td>Supreme Audit Institution</td>
<td>Produce audits each fiscal year; the previous fiscal year audit may provide insight into issues to monitor or consider as the budget and fiscal plans are presented.</td>
</tr>
<tr>
<td>Independent Fiscal Institution</td>
<td>Produce reports and assessments of macroeconomic and fiscal forecasts, as well as compliance with fiscal rules to provide parliamentarians with context for their consideration of budgetary and fiscal plans.</td>
</tr>
<tr>
<td>Media</td>
<td>Report on existing fiscal and economic analysis in an accessible fashion or raise issues of public concern that can inform parliamentarians’ analysis.</td>
</tr>
<tr>
<td>Public, Civil Society Organizations and Private Sector</td>
<td>Share perspectives with parliamentarians on the state of the economy and considerations for the next fiscal year (i.e. researchers, academia, think-tanks, pressure groups, business owners, corporations, lobbyists).</td>
</tr>
</tbody>
</table>

**Case in Practice: Mexico - Centre for Public Finance Studies of the Chamber of Deputies**

The Centre for Public Finance Studies of the Mexican Chamber of Deputies is an independent and depoliticized body with technical experts who support its members in issues related to the economy and public finance, through analysis, monitoring and evaluation. The Centre is responsible for collecting, organizing and analyzing all the financial information received from different government departments and presenting it to the members of the Chamber of Deputies before they study the Executive Budget Proposal. They also study and provide opinions on all proposals or reforms to fiscal laws and any laws that would require additional public funding.
Public Participation Opportunities

At this stage of the financial cycle, public participation opportunities can help shed light on the accuracy of the government’s fiscal forecasts, highlight lessons learned or considerations that can be applied to the next budget, identify public issues that could be addressed by the budget but do not appear in the government’s pre-budget statement, inform the executive’s budget proposal and increase parliamentarians’ understanding of current public policy issues to inform their future monitoring and oversight of executive spending and revenue decisions. Where possible, these participation opportunities can be designed while considering the executive’s pre-budget statement.

The following are examples of mechanisms that can be applied by parliamentarians to invite public participation:

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Description</th>
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<tbody>
<tr>
<td>Pre-budget consultations and public hearings</td>
<td>Parliamentary committees can supplement the government’s pre-budget and tax consultations by performing their own consultations through a multi-partisan lens. Such consultations can focus on specific segments of the population (e.g. women, minority groups, business, etc.), regions (e.g. provinces/states, municipalities), or issues (e.g. skills and innovation, health care, infrastructure, etc.).</td>
</tr>
<tr>
<td>Pre-budget committee debates</td>
<td>Parliamentary committees can invite experts (including representatives of the Independent Fiscal Institution) to present at committees holding debates on budgetary issues prior to the executive’s proposal being tabled in parliament.</td>
</tr>
<tr>
<td>Participatory budgeting tools</td>
<td>Parliamentary committees can use online participatory budgeting tools, like Citizen Budget by IFSD, to educate the public about the budgetary process and receive their input, particularly around issues to prioritize, during the formulation of the budget.</td>
</tr>
<tr>
<td>Online consultation tools or interactive platforms</td>
<td>Parliamentary committees can use online surveys or platforms to gather input from the public on various issues relevant to the budget. Public submissions can be posted onto the platform allowing for others to comment and for parliamentarians to participate in the conversation. A summary of discussions can be provided to the relevant parliamentary committee.</td>
</tr>
<tr>
<td>Social media</td>
<td>Parliamentarians can use social media and surveys through these platforms to connect with their constituents to identify priority public policy issues relevant to the budget process that matter most to them.</td>
</tr>
<tr>
<td>Town hall meetings</td>
<td>Parliamentarians can hold town hall meetings in their constituency to dialogue with the public to identify priority public policy issues relevant to the budget process that matter most to them.</td>
</tr>
</tbody>
</table>
Case in Practice: Canada - Pre-Budget Consultations by the Finance Committee

The Standing Committee on Finance of the House of Commons of Canada leads pre-budget consultations starting approximately nine months prior to the executive’s tabling of the budget proposal in parliament. The committee identifies consultation themes, announces upcoming public hearings and calls for written submissions. It holds public hearings in Ottawa and across the country four months after this announcement, where the public provide their thoughts on issues they believe should be addressed in the next budget. The consultation process ends with the presentation of recommendations to the Minister of Finance for consideration in the development of the national budget.

Case in Practice: Jamaica - Participatory Budgeting of Constituency Development Funds

A Jamaican member of parliament with the support of the Caribbean Open Institute, created a mobile application and a website called “Tell your MP,” to give his constituents a greater say in determining how constituency development funds will be spent. This pilot project allowed the public to suggest ideas for spending priorities, vote on which ideas should become projects, and to monitor the implementation of the selected projects.

Note: Constituency development funds are funding arrangements that channel money from central government directly to electoral constituencies for local infrastructure projects. The use of such funds has been considered potentially risky by the international governance community given that these practices generally have few accountability mechanisms and may give constituents a false understanding that the role of their parliamentarian is to directly fund public projects. By utilizing a participatory budgeting approach to allocate these resources, parliaments would be promoting a more transparent and accountable process, thereby contributing to a more equitable and effective distribution of constituency development funds.

Case in Practice: Dominican Republic - Legislative Forums by the Chamber of Deputies

The Chamber of Deputies of the Dominican Republic holds legislative forums across the country’s circumscriptions where the public can interact with their parliamentary representatives and discuss main issues of their region with them and identify legislative solutions. These consultations inform further legislative actions in terms of legislation on specific issues as well as budget discussions across the financial cycle.
Reflection on Process

The following questions, extracted from the Open Budget Survey, among other resources, can guide reflections to improve current parliamentary processes.

**Strengthening scrutiny and accountability:**

- Is there an Independent Fiscal Institution (Parliamentary Budget Office) that conducts budget analyses for the budget formulation process?
- Does the Independent Fiscal Institution publish macroeconomic and/or fiscal forecasts?
- Does the Independent Fiscal Institution publish its own costings of new policy proposals, to assess their impact on the budget?
- Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the executive’s budget proposal?
- Does the executive publish a pre-budget statement?

**Strengthening parliamentary transparency:**

- Does the parliament ensure all activities it holds to consult, review or debate relevant issues prior to the executive’s presentation of the budget proposal are accessible to the public, in person or through live streaming?
- Does parliament make all documents and information used in these activities available to the public in a timely fashion?
- Does the parliament publish information regarding the results of its activities to consult, review or debate relevant issues, such as transcripts or reports?
- Are these documents and information, as well as the results of any parliamentary activities at this stage written in accessible, simple language?

**Strengthening public participation:**

- Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?
- Are these participation opportunities incorporated into the agenda or timetable for parliamentary or committee business?
- Does the parliament undertake any concrete steps to include vulnerable and under-represented parts of the population in any public participation opportunities?
- Do these public participation opportunities cover the following issues: macroeconomic issues; revenue forecasts, policies and administration; social spending policies; deficit and debt levels; public investment projects; and public services?
- Does the parliament provide comprehensive timely information on the public participation process so that the public can participate in an informed manner?
- Does the parliament provide the public with feedback on how their input has been used? (i.e. written transcript of interventions, reports from public hearings or committee meetings)
Open Budget Survey

The Open Budget Survey\textsuperscript{19} is the world’s only independent, comparative assessment of the three pillars of public budget accountability: transparency, oversight and public participation. In terms of public participation, its analysis focuses on the use of mechanisms for participation (especially of marginalized groups) in the formulation of the annual budget, mechanisms for the public to monitor the implementation of the budget, information sharing prior to the public’s participation, public hearings at various stages of the budget and explanations of how public input has been integrated, among other indicators. The International Budget Partnership (IBP)\textsuperscript{20} works with researchers in countries around the world to conduct the Survey, and engages government officials and independent experts to review the responses before publication. The Open Budget Survey 2019, which covers 117 countries, will be published in April 2020. Learn more about your country’s results and connect with IBP and researchers here: https://www.internationalbudget.org/open-budget-survey/
2. Budget, appropriations and fiscal policy proposals

Role of Parliaments and Parliamentarians

Once the funds are appropriated, the executive branch will be held publicly accountable for their management of public money in parliament throughout the full financial cycle. Legislators vote in favour or against these spending, revenue raising (i.e. taxation) and cutting measures that inform the budget and appropriations or amend them (depending on the legislature’s abilities). It is through this process that the legislature asserts its fundamental role as the guardian of the public purse.

The budget presents new funding or reductions to spending, therefore changes to the status quo, along with the full appropriation accounts required to operate government activities for the fiscal year. However, there are some jurisdictions that separate their budget and appropriations bills, therefore blurring transparency on appropriations and spending.

The role of legislators at this stage is critical and can be contentious as they hold the government accountable for their spending proposals. It is for this reason that the act of appropriation must be undertaken by parliamentarians on an informed basis in order to ensure effective accountability. The legislature must be given a reasonable period of time in which to adequately scrutinize and debate the budget proposal.21

Information gathered through public participation opportunities administered by parliament can be used to inform parliamentarians’ questions / statements during question period or plenary debates. The results and reporting of parliamentary committees, especially those dedicated to the analysis of appropriations, can be crucial sources of information for these deliberations.

Guidance questions for parliamentarians

- How do the government’s budget proposals compare to the previous year’s total spending?
- Do the proposals respond to the country’s needs and the government’s promises?
- How do the spending proposals align to the needs and concerns of your constituency?
- What are your party’s considerations of the spending proposals?
- How does the government’s spending proposals reflect policy priorities and considerations shared by the parliament prior to its tabling?
- Are the government’s spending proposals reasonable based on the current state of the economy?
- Are the government’s spending proposals sustainable based on economic and fiscal projections?
- Does the government’s budget proposal consider the issues raised during scrutiny of the previous budget?
- How do the government’s spending proposals align with the Sustainable Development Goals and the national development priorities?
- How do the government’s spending proposals contribute to promoting gender equality? Consider gender-based analysis practices listed in the following section.

Typically, presidential and semi-presidential systems are more influential at this stage since they are vested with more extensive budget-making authorities (e.g. amendment powers on the budget, the ability to propose revisionary budgets and more time to scrutinize the budget). Meanwhile, in a parliamentary system, budget amendments are used much more sparingly in order to avoid a vote of no confidence in the government. These differences, in large part, reflect the different institutions and political incentives inherent in presidential and parliamentary systems. There are budget-influencing legislatures, and legislatures with
little or no budget role. The former have an intermediary effect in that they can make some budgetary amendments to the executive proposal, but cannot formulate their own budgets, while the latter cannot reject or amend executive proposals in a meaningful way, as budget matters are considered matters of confidence which if defeated, can cause a government to fall.

### Gender Responsive Budgeting

Budgets and budgeting processes are not gender-neutral, and without appropriate analysis, they can be gender-blind, unintentionally reinforcing inequities between and among groups of women and men.

A gender responsive budget recognizes the different needs, interests, and realities of women and men in society, as well as overlapping social factors, and the underlying inequities that arise from these and provides resources to address them. It also recognizes the contributions, remunerated or not, that men and women differentially contribute in the production of goods and services, as well as in work, and takes them into account in mobilizing and distributing resources.

One of the benefits of analyzing the budget from a gender perspective is that it can help to reveal how government revenue and expenditures support the achievement of international commitments made in priority areas such as women’s rights and sustainable development, and what adjustments are necessary to reach these goals and obligations.

Additional resources:

- **Gender-based Analysis Plus (GBA+), Canada**
  
  Analytical process used to assess how diverse groups of women, men and non-binary people may experience policies, programs and initiatives.

- **Intersectionality, ParlAmericas**
  
  Tool which recognizes that the experience of systemic inequalities is shaped by overlapping social factors such as gender, race, and class.

Differences aside, legislatures are subject to many new challenges in asserting their influence throughout the financial management cycle. The growth of government, the technical expansion of the bureaucracy, and the interconnectivity of conflicts and issues abroad, all reinforce executive responsibilities over most of the budget process. As Schick notes, from the 20th century onwards, legislatures have largely foregone their responsibilities to the executive, mostly because they lacked the information and expertise to manage the growing sophistication and complexity of modern budgets. This is especially true compared to the detailed knowledge of executive bureaucracies and political staff. Parliamentarians across jurisdictions consider fiscal scrutiny difficult and may not have the adequate capacity and resources to fulfill the role. Most parliamentarians cite a lack of time and information as limits, with many spending less time on the appropriations and the public accounts than on the budget.

One recent mechanism of support for legislatures in undertaking this important scrutiny is the emergence of independent fiscal institutions specializing in budgetary review. As a result, many advanced democracies now solicit expertise from Independent Fiscal Institutions (also called Parliamentary Budget Offices or Congressional Budget Offices), which help parliamentarians to objectively assess executive proposals, estimates and economic assumptions. These offices may also conduct medium- and long-term fiscal forecasts, cost political party platforms and track individual proposals against overarching targets and policies.
Executive Reporting Requirements

The following documents should be produced by the executive at this stage, as recommended by the 2017 OECD Budget Transparency Toolkit and the 2018 IMF Fiscal Transparency Handbook. These documents can be helpful resources for parliamentarians as they fulfill their role at this stage of the financial cycle. The table below includes a brief description of the timeframe and content of the referenced documentation. For additional information, consult the aforementioned publications.

<table>
<thead>
<tr>
<th>Document Description</th>
<th>Timeframe and Content</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Budget Proposal (Draft Budget)</strong></td>
<td>Specifies the government’s plans for the forthcoming year and is submitted by the government to parliament for approval.</td>
</tr>
<tr>
<td><strong>Timeframe</strong>: Submitted to parliament in good time to allow for proper review by parliament (3 months is a useful benchmark).</td>
<td></td>
</tr>
<tr>
<td><strong>Content</strong>: Government’s fiscal strategy, medium-term fiscal framework, medium-term budget framework, national and sectoral policy priorities, performance information, annual budget estimates, draft budget legislation and supplementary statements (debt management strategy, fiscal risk statement, long-term fiscal projections, estimates of the impact of a new policy measure on public finances, statement of tax expenditures, and financial operations of social security funds and other extra budgetary entities).</td>
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</tr>
<tr>
<td><strong>Supplementary Budget Proposal</strong></td>
<td>Contains proposed amendments to the main annual budget, to authorize significant additions or changed allocations that were not foreseen at the time of the original budget and appropriations; unexpected macroeconomic developments and new emergency policy priorities should be the main reasons for supplementary budgets. This is less common for presidential and semi-presidential systems.</td>
</tr>
<tr>
<td><strong>Timeframe</strong>: Submitted to parliament after the approval of the original budget, but prior to the expenditures being incurred.</td>
<td></td>
</tr>
<tr>
<td><strong>Content</strong>: All proposed amendments at the same time, while following a similar format to the annual budget, with an explanation for supplementary budget measures and the effect (if any) on fiscal policy objectives.</td>
<td></td>
</tr>
<tr>
<td><strong>Citizens’ Guide to the Budget Proposal</strong></td>
<td>Simplified summary of the budget proposal designed to reach and be understood by as large a segment of the population as possible to facilitate discussion.</td>
</tr>
<tr>
<td><strong>More information</strong>: Citizens Budget, International Budget Partnership26</td>
<td></td>
</tr>
<tr>
<td><strong>Timeframe</strong>: Released at the same time as the publicly available budget proposal.</td>
<td></td>
</tr>
<tr>
<td><strong>Content</strong>: Core elements include expenditure and revenue totals, main policy initiatives in the budget, macroeconomic forecast upon which the budget is based and contact information for follow-up by the public.</td>
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</table>
### Role of Other Institutions or Actors

<table>
<thead>
<tr>
<th>Actor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Branch of Government and Public Service</td>
<td>Prepare the appropriations for consideration by parliament (Treasury or relevant department). Publish appropriations documentation in an easily accessible format with the required information to assess the reasonableness and sustainability of the government’s proposed spending plans.</td>
</tr>
<tr>
<td>Political Party Research Staff</td>
<td>Prepare policy-specific lines of inquiry and analysis for their members’ consideration and for government questioning on its spending plans.</td>
</tr>
<tr>
<td>Supreme Audit Institution</td>
<td>Produce audits each fiscal year; the previous fiscal year audit may provide insight into issues to consider when analyzing the government’s proposed spending plans.</td>
</tr>
<tr>
<td>Independent Fiscal Institution</td>
<td>Produce economic and fiscal analysis to contextualize the government’s appropriations proposals. Provide parliamentarians with a framework for understanding the sustainability and reasonableness of the plans in the current economic and fiscal contexts (and those that are forecasted).</td>
</tr>
<tr>
<td>Media</td>
<td>Report on budget proposal in an accessible fashion or raise issues of public concern that can inform parliamentarians’ analysis.</td>
</tr>
<tr>
<td>Public, Civil Society Organizations and Private Sector</td>
<td>Share perspectives with parliamentarians on the budget proposal and its potential economic and social impacts (i.e. researchers, academia, think-tanks, pressure groups, business owners, corporations, lobbyists).</td>
</tr>
</tbody>
</table>

**Case in Practice: Dominican Republic - Citizens Budget Guide**

The Government of the Dominican Republic in collaboration with UNDP released a document in a comic-book format to inform the public about its 2015 Budget Proposal and its approval process. The format is easy to understand and appeals to younger generations. It also refers to a web portal dedicated to the yearly budget implementation and provides the contact information of the person in charge of the governmental office for access to information.
Case in Practice: Mexico - Explanation of the National Budget for Citizens

The Mexican Government has adopted the practice of releasing an Explanation of the National Budget for Citizens since 2010. It describes the budget process, from planning to oversight, and explains where funds for the current budget are allocated using easy to understand graphics that also include a comparison to the previous year’s budget.

Case in Practice: United States of America - Analysis and Research by the Congressional Budget Office

The Congressional Budget Office conducts objective and nonpartisan analysis and research and produces several products with the aim of supporting parliamentarians, committees and staff throughout the budget process. Its work includes baseline budget and economic projections, cost estimates for all legislation approved or considered by the Congress, long-term budget projections, monthly budget reviews, interactive tools with data and simulation models, among others as requested and prioritized by the Congress. All analysis and research are produced for advisory purposes and available on its website.

Case in Practice: Canada – Analysis and Research by the Parliamentary Budget Officer

The Office of the Parliamentary Budget Officer provides independent analysis on the state of the nation’s finances, the government’s estimates and trends in the Canadian economy; and upon request, estimates the cost of any proposal under Parliament’s jurisdiction. The office has also created research tools for parliamentarians and the public to estimate the potential impacts on federal budgetary revenues that would arise from adjusting various federal tax rates, credits, and brackets, and to provide analysis in relation to political party platforms during elections.

Case in Practice: Barbados – Public Deliberation of the Estimates for the Appropriation Bills

Estimates set out the details of the operating and capital spending requirements of Ministries for the fiscal year and constitute the Government’s formal request to Parliament for approval of the amounts required in support of budgetary spending sought through Appropriation Bills. Once the Estimates have been approved by Cabinet and are laid in the House of Assembly, the Standing Finance Committee of the whole house holds a series of meetings. When the specific head of each relevant ministry is called, the Minister, along with their team consisting of the Permanent Secretary, the technical officers and the heads of the departments under the ministry, go into the “well” of parliament where they are subjected to questions from the other ministers and back benchers (i.e. all parliamentarians) to explain the components of the Estimates that are relevant to their portfolio. These meetings are open to the public and livestreamed on YouTube and the Barbados Parliamentary TV.
Public Participation Opportunities

At this stage of the financial cycle, public participation opportunities can contribute to further scrutinizing the executive’s budget proposal to understand its potential economic and social impacts. The themes addressed in these participative spaces can cover the following issues, among others: macroeconomic issues; revenue forecasts, policies, and administration; social spending policies; deficit and debt levels; public investment projects; and public services. The information received by parliamentarians through these public participation opportunities along with those in the previous phase of the financial cycle (pre-budget planning) can help inform their analysis of the executive’s budget proposal and frame their questions to the executive.

The following are examples of mechanisms that can be applied by parliamentarians to invite public participation:

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public hearings and consultations</td>
<td>Parliamentary committees can undertake public consultations or hearings on the executive’s budget proposal. For example, the budget or finance committee could hold more general consultations while sectoral committees could focus on the issues in the budget proposal that fall within their mandate.</td>
</tr>
<tr>
<td>Committee meetings</td>
<td>Parliamentary committees can invite experts (including representatives of the Independent Fiscal Institution) to present at committees holding debates on the executive’s budget proposal or specific issues within the proposal.</td>
</tr>
<tr>
<td>Online consultation tools or interactive platforms</td>
<td>Parliamentary committees can use online surveys or platforms to gather input from the public on the executive’s budget proposal, specific issues within it or other legislation that has financial implications. Public submissions can be posted onto the platform allowing for others to comment and for parliamentarians to participate in the conversation. A summary of discussions can be provided to the relevant parliamentary committee.</td>
</tr>
<tr>
<td>Social media</td>
<td>Parliamentarians can use social media and surveys through these platforms to connect with their constituents to inform them about the executive’s budget proposal and solicit their thoughts. Short videos explaining specific aspects of the proposal and how they relate to the constituency can be a helpful tool.</td>
</tr>
<tr>
<td>Town hall meetings</td>
<td>Parliamentarians can hold town hall meetings in their constituency to inform them about the executive’s budget proposal and dialogue with them to understand how it will impact them.</td>
</tr>
</tbody>
</table>
Case in Practice: Peru - Online Submissions on the Executive Budget Proposal

Civil society is invited to submit input, comments and opinions regarding the Executive Budget Proposal through the Congress’ website. The input received is systematized and made available to the members of the Budget and General Accounts Committee of the Congress of Peru which considers it part of its review of the Executive Budget Proposal.

Case in Practice: Guatemala - Public Hearings on the Executive Budget Proposal

The Committee on Public Finance and Currency of the Congress holds public hearings to discuss the Executive Budget Proposal with the public, civil society organizations, and ministries or public entities. A call for participants in the hearings is publicized and interested parties present a request. A schedule of interventions is then organized where a specific time is granted for participants to present their observations and comments, ask questions and obtain information. Participants must also deliver a written document to the committee which is reviewed and considered in the development of its report.

Case in Practice: United States of America – House of Representative Committee Submissions and Report Accompanying Bills

The Ways and Means Committee of the United States House of Representatives collects “Submissions for the Record” from organizations and individuals, which are then considered by the committee in their deliberations and published to its website. It also publishes the transcript of witness testimonies and their interaction with members of congress that takes place at committee hearings. In addition, the rules of the House of Representatives require each parliamentary committee to prepare a written report to accompany legislation that is forwarded to the full chamber for consideration. This report usually includes a summary of the main issues or concepts promoted by multiple groups and how these are addressed in the legislation.

Case in Practice: Argentina - Open Laws Portal of the Chamber of Deputies

The Chamber of Deputies of Argentina has established an Open Laws Portal allowing legislators to co-create legislation, which may have financial implications, with the public. Members of the Chamber of Deputies publish draft legislative proposals on the portal and solicit public feedback, comments, opinions or general positions regarding the proposal. They then analyze the contributions and incorporate the feedback received to generate an updated proposal. Through this process, portal users become collaborators in the development of legislative proposals.
Reflection on Process

The following questions, extracted from the Open Budget Survey, among other resources, can guide reflections to improve current parliamentary processes.

**Strengthening scrutiny and accountability:**

- Does the legislature receive the executive’s budget proposal with sufficient time to effectively review and debate it prior to the start of the budget year?
- When does the legislature approve the executive’s budget proposal?
- Does the legislature have the authority in law to amend the executive’s budget proposal and does it use it?
- Does a specialized budget or finance committee in the legislature have the mandate to examine the executive’s budget proposal?
- Do legislative committees responsible for particular sectors (e.g., health, education, defense, etc.) examine spending in the executive’s budget proposal related to the sector for which they are responsible?
- Is international development aid included within the executive’s budget proposal (for recipient countries)?
- Do international development aid policies require or facilitate the inclusion of such aid in recipient country budgets (for donor countries)?

**Strengthening transparency:**

- Does the parliament ensure that all activities it holds to scrutinize and debate the executive’s budget proposal are accessible to the public, in person or through live streaming?
- Does parliament make all documents and information used in these activities available to the public in a timely fashion?
- Does the parliament publish information regarding the results of its activities to scrutinize and debate the budget proposal such as transcripts or reports?
- Are these documents and information, as well as the results of any parliamentary activities at this stage written in accessible, simple language?

**Strengthening public participation:**

- Does the parliament offer any opportunities for public participation to inform parliamentary review and debates on the executive’s budget proposal?
- Does the parliament undertake any concrete steps to include vulnerable and under-represented parts of the population in any public participation opportunities?
- Does the parliament provide comprehensive prior information on the public participation process so that the public can participate in an informed manner?
- Does the parliament provide the public with feedback on how their input has been used? (i.e., written transcript of interventions, reports from public hearings or committee meetings)
3. Budgetary and fiscal policy enactment and implementation

Role of Parliaments and Parliamentarians

Legislatures are designed to provide oversight on government action. The scope and range of the activities will vary based on the type of legislature.

In this phase, parliamentarians survey, monitor and hold the government accountable through publicly available information. Department or issue-focused parliamentary committees may pay particular attention to the progress of the government’s fulfillments of its commitments, summon witnesses and produce reports on their findings for parliamentary and public consideration. Committee research and reports can be useful to parliamentarians in their deliberations and examination of government action.

Parliamentarians who are members of committees or who hold shadow cabinet positions will be well-informed or focused on specific issues. Individual parliamentarians are not expected to be experts in all spending areas. They may depend on research and analysis from their offices, committees, political parties, civil society and other organizations. Ideally, publicly available information should suffice for parliamentarians to follow the money, although this is not always the case.

As parliamentarians consider the allocation and expenditure of resources, a three-part frame by fiscal expert Alan Schick can be particularly helpful (see table below). First, when evaluating how a government spends money, one can begin by considering the overall reasonability of the government’s fiscal and economic assumptions underpinning its plans (aggregate fiscal discipline). Is spending sustainable over the medium- and long-terms? Are assumptions reasonable? What does analysis from other reliable sources suggest about the overall fiscal and economic health of the country? Second, how the government aligns its spending to its declared priorities should be reviewed (allocative efficiency). Is the government spending (or cutting spending) based on its declared priorities? Following the money is a useful way to determine if the government is following-through on its stated commitments. Third, the outputs of government spending should be considered (operational efficiency). Are desired results being delivered? Is the public getting value for money for government spending?

Legislators do not have to be economists or financial experts to unpack and evaluate government spending. Reframing matters of legislative fiscal scrutiny through the reasonability of spending based on broad economic and fiscal trends, the alignment of resources to political priorities and the cost-benefit analysis of the spending's outputs, can reduce the perceived burden of spending and revenue analysis.

Guidance questions for parliamentarians

- Are the government’s actions fiscally and economically sustainable and responsible?
- Does the government’s spending align to its declared priorities (even if you disagree with those priorities)?
- Is the spending delivering results?
- Does the spending provide good value for money?
- What are the issues I’m choosing to monitor?
- What committees or other mechanisms in parliament can support this oversight?
Aggregate Fiscal Discipline

Clear spending limits are in place before spending decisions are made. Budget totals are tied to decisions, not to spending demands. Spending is sustainable over the medium-term and ongoing.

Allocative Efficiency

Spending is linked to priorities and to effective public programs, with sufficient flexibility to favour higher priorities and more effective programs.

Operational Efficiency

Outputs (goods and services) should be achieved at a reasonable and competitive cost.

The GOPAC/WBI Financial Oversight Handbook for Parliamentarians\textsuperscript{39} is helpful in reframing Schick’s proposed analysis through macro and micro levels. At the macro level (i.e., aggregate fiscal discipline), the scrutiny may focus on the extent to which the finance ministry estimates of income and expenditure are being achieved; how the budget is affecting economic growth, inflation and employment targets; and whether the finance ministry is discharging its financial responsibilities effectively. At the micro level (i.e., allocative and operational efficiency), the scrutiny may focus on how government ministries are handing the funds allocated to them by the budget; how efficient each ministry is in the management of programs; and whether targets are being met in the delivery of services. For this reason, it is important for the executive to open granular and comprehensive spending data to enable parliament to effectively perform monitoring of budget spending.\textsuperscript{40}

To undertake this scrutiny, parliamentarians have a variety of resources at their disposal to hold the government to account for its spending, policy choices and results. Legislatures may consider several sources and tools to inform their fiscal scrutiny roles, including:

- Executive branch reporting, e.g. budget implementation plans and reports on progress, departmental plans and results reports;
- Open data on spending and performance indicators;
- Fiscal and economic reporting, e.g. from the ministry of finance, multilateral reporting from the IMF and World Bank;
- Officers and offices of parliament and offices serving parliament, e.g. Independent Fiscal Institutions, Supreme Audit Institutions;
- Parliamentary committees, e.g. department-focused, fiscal, economic, etc.
- Media reports on challenges in services or results of government (in)action;
- Civil society groups, e.g. issue-focused organizations, think-tanks, etc.

While legislatures are mandated to provide oversight on government action, the scope and range of the activities and interventions will vary based on the type of legislature. When a legislature is strong, like some legislatures with a congressional model, legislators tend to have resources and tools at their disposal for in-depth scrutiny more comparable to the executive branch. In contrast, in parliamentary systems, legislators may be dependent on data released by the executive, analysis undertaken by parliamentary bodies, their own ability to understand and scrutinize public financial documents and their access to external expertise to support the discharge of this portion of their mandate.
**Executive Reporting Requirements**

The following documents should be produced by the executive at this stage, as recommended by the 2017 OECD Budget Transparency Toolkit and the 2018 IMF Fiscal Transparency Handbook. These documents can be helpful resources for parliamentarians as they fulfill their role at this stage of the financial cycle. The table below includes a brief description of the timeframe and content of the referenced documentation. For additional information, consult the aforementioned publications.

<table>
<thead>
<tr>
<th>Document Description</th>
<th>Timeframe and Content</th>
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<tbody>
<tr>
<td><strong>Approved Budget</strong></td>
<td><strong>Timeframe:</strong> Published as soon as it is approved by the legislature and have legal effect before the start of the budget year. <strong>Content:</strong> Same level of detail as the executive’s budget proposal (draft budget) to help in identifying all significant deviations.</td>
</tr>
<tr>
<td><strong>Approved Supplementary Budget</strong></td>
<td><strong>Timeframe:</strong> Authorized by parliament prior to the expenditures being incurred. <strong>Content:</strong> All proposed amendments at the same time, an explanation for supplementary budget measures and the effect (if any) on fiscal policy objectives.</td>
</tr>
<tr>
<td><strong>Pre-Implementation Budget Profiles or Cash-Flow Forecasts</strong></td>
<td><strong>Timeframe:</strong> Published close to, or ideally before, the start of the budget year. <strong>Content:</strong> Projected budget expenditures and revenues to allow for early identification of budgetary overruns / underspends and other risks.</td>
</tr>
<tr>
<td><strong>In-Year Budget Implementation Reports</strong></td>
<td><strong>Timeframe:</strong> Published quarterly or ideally monthly, shortly after the end of each period. <strong>Content:</strong> Actual vs. budgeted expenditures to date and commentary to assist in interpretation, especially in the case of any significant divergences from the corresponding budget profiles.</td>
</tr>
<tr>
<td><strong>Mid-Year Implementation Report</strong></td>
<td><strong>Timeframe:</strong> Published within 6 weeks of mid-year. <strong>Content:</strong> Updated forecast of the budget outcomes for the budget year, report on the expected budget impact of any revisions to economic assumptions and policy decisions.</td>
</tr>
<tr>
<td>Document Description</td>
<td>Timeframe and Content</td>
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<tr>
<td><strong>Year-End Reporting</strong></td>
<td><strong>Timeframe:</strong> Published within 6 months of the end of the fiscal year. <strong>Content:</strong> Financial statements on an accrual basis, report in a format corresponding to the approved budget.</td>
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<tr>
<td>Report on budget implementation</td>
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<td>during the year and illustrate</td>
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<td>the situation of the government’s</td>
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<td>accounts at the end of the fiscal</td>
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<tr>
<td>year (financial statements).</td>
<td></td>
</tr>
<tr>
<td><strong>Long-Term Report</strong></td>
<td><strong>Timeframe:</strong> Produced at least every 3 to 5 years. <strong>Content:</strong> Projections of the evolution of public finances over the long-term, particularly considering demographic changes, the continued availability of natural resources endowments and the issue of inter-generational equity, as well as suggestion of near-term (2-5 years) and longer-term policy messages.</td>
</tr>
<tr>
<td>Assess the long-term sustainability of public finances and government policies.</td>
<td></td>
</tr>
<tr>
<td><strong>Reporting on Fiscal Risk</strong></td>
<td><strong>Timeframe:</strong> Produced with the economic and fiscal documentation each year. <strong>Content:</strong> Government strategies to manage and mitigate various types of risk, indicative quantification or measure of fiscal risks.</td>
</tr>
<tr>
<td>Assess the range and scale of</td>
<td></td>
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<tr>
<td>factors that have the potential</td>
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<tr>
<td>to blow the public finances off</td>
<td></td>
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<tr>
<td>course.</td>
<td></td>
</tr>
<tr>
<td><strong>Citizens’ Guide to the Budget</strong></td>
<td><strong>Timeframe:</strong> Released at the same time as the publicly available enacted budget. <strong>Content:</strong> Core elements include expenditure and revenue totals, main policy initiatives in the budget, macroeconomic forecast upon which the budget is based and contact information for follow-up by the public.</td>
</tr>
<tr>
<td>Simplified summary of the enacted</td>
<td></td>
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<tr>
<td>budget designed to reach and be</td>
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<tr>
<td>understood by as large a segment</td>
<td></td>
</tr>
<tr>
<td>of the population as possible to</td>
<td></td>
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<tr>
<td>facilitate discussion. It can also</td>
<td></td>
</tr>
<tr>
<td>include interactive visualization</td>
<td></td>
</tr>
<tr>
<td>tools.</td>
<td></td>
</tr>
<tr>
<td>More info: [Citizens Budget,</td>
<td></td>
</tr>
<tr>
<td>International Budget Partnership]</td>
<td></td>
</tr>
</tbody>
</table>
Open Data

Making budget data publicly available in open digital form provides the public and civil-society organisations with a valuable resource to analyse, evaluate and participate in public budgeting. Open data on budgets, spending and performance enables the public to understand and engage with the budgetary process and policy-making and to contribute new and innovative perspectives. While it is highlighted at this stage of the cycle, the provision of budget data in an open format is valuable for parliamentarians and the public at all stages of the financial process as it can be the basis for much of the required analysis.42

Additional resources:

- **Observatory of Fiscal Expenses, Chile**43
  Civil society initiative that produces various visualizations of public expenses.

- **Open Fiscal Data Package, GIFT**44
  Simple, open, technical specification for publishing government budget and spending data. It aims to be easy to use both for those publishing data, i.e. governments, and for those using the data, such as researchers, journalists and other audiences.

- **Open Data Tutorial: Opening and promoting use of budget data, GIFT**45
  Video tutorial that presents tools that enable the data opening process to contribute to a successful budget transparency policy.

- **Fiscal Data for Emergency Response: Guide for COVID-19, GIFT**46
  Guide to identify the datasets and data fields that government should integrate and disclose to ensure transparency in the COVID-19 fiscal packages and policy responses. For parliamentarians, the objective of the Guide is to simplify the process of prioritizing the data required to enable tracking, analysis and informed participation.
## Role of Other Institutions or Actors

<table>
<thead>
<tr>
<th>Actor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Branch of Government and Public Service</td>
<td>Prepare reports (e.g. annual, quarterly updates) on their implementation progress of budget-related matters (by the Treasury or relevant departments). Publish these documents in an easily accessible fashion through government websites.</td>
</tr>
<tr>
<td>Political Party Research Staff</td>
<td>Develop policy-specific lines of inquiry and analysis for their members’ consideration that target specific allocative commitments and operational results of the government.</td>
</tr>
<tr>
<td>Supreme Audit Institution</td>
<td>Produce audits each fiscal year; red flags raised in previous fiscal year audits can be a platform for further inquiry or follow-up by parliamentarians.</td>
</tr>
<tr>
<td>Independent Fiscal Institution</td>
<td>Produce reports on the reasonability of government spending estimates, relative to desired results. Such analysis can help parliamentarians to raise red flags or question the government on spending matters that don’t appear to add up.</td>
</tr>
<tr>
<td>Media</td>
<td>Raise issues of public concern regarding public spending that can inform parliamentarians’ research and oversight.</td>
</tr>
<tr>
<td>Public, Civil Society Organizations and Private Sector</td>
<td>Share perspectives with parliamentarians on the implementation of public spending and its impacts (i.e. researchers, academia, think-tanks, pressure groups, business owners, corporations, lobbyists)</td>
</tr>
</tbody>
</table>

### Case in Practice: Chile - Budget Visualization Tool by the Library of Congress

The Library of the National Congress of Chile has established an interactive webpage to visualize the national budget and its corresponding expenses with disaggregate data by sector and by program in each sector. It also has historic data and presents this information with graphics and charts that can be downloaded. The information displayed is gathered from the government’s budget department.
Case in Practice: Peru - Budget & Expenditures Visualization Tool by the Congress

The Congress of the Republic of Peru has created a budget visualization tool that provides information on national and subnational expenditures and resources allocated by regions and sectors with graphics, while emphasizing the overall level of implementation (by percentage). The information displayed is gathered from the Ministry of Economy and Finances. The information provided through this tool helps inform the work of parliamentary committees and legislators, particularly in terms of debates and oversight of the national budget.

Case in Practice: Ecuador - Committee Review of In-Year Budget Implementation

The Committee on the Economy and Tax Regime and its Regulation and Control performs two evaluations during the implementation period of the Enacted Budget and releases a report on budget implementation by the end of the fiscal year, in accordance with the Organic Law of the Legislative Function.

Public Participation Opportunities

At this stage of the financial cycle, public participation opportunities can provide an additional source of information to support parliamentarians’ scrutiny of the implementation of the budget and relevant policies and programmes during the budget’s implementation period. It can also inform parliamentary investigations that arise during the budget implementation period.

The following are examples of mechanisms that can be applied by parliamentarians to invite public participation:

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public hearings and consultations</td>
<td>Parliamentary committees can undertake public consultations or hearings to gather information to scrutinize the executive’s implementation of policies and programmes as part of specific studies.</td>
</tr>
<tr>
<td>Committee meetings</td>
<td>Parliamentary committees can invite experts (including representatives of the Independent Fiscal Institution) to present at committees reviewing in-year reports on the implementation of the budget or holding debates on the implementation of specific aspects of the executive’s budget.</td>
</tr>
<tr>
<td>Online consultation tools or interactive platforms</td>
<td>Parliamentary committees can use online surveys or platforms to gather input from the public to gather information as part of studies relevant to the implementation of the budget and relevant policies and programmes, or to identify potential cases of wrongdoing that should be investigated.</td>
</tr>
<tr>
<td>Social media</td>
<td>Parliamentarians can use social media and surveys through these platforms to connect with their constituents and engage them on a discussion identify any issues in the implementation of government policies or programmes.</td>
</tr>
</tbody>
</table>
Mechanism | Description
--- | ---
**Town hall meetings** | Parliamentarians can hold town hall meetings in their constituency to dialogue with them to identify any issues in the implementation of government policies or programmes.

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**Case in Practice: Mexico - Public Participation to Improve a Farming Subsidies Program**

“Farming Subsidies” was an initiative led by Fundar, a civil society organization, with the support of academics and technical experts, to generate easily accessible information to strengthen the public debate on Mexico’s farm subsidies program. The project reinforced the calls from the Congress and the policy community to improve transparency and accountability of this program, and the Chamber of Deputies requested more transparency from the Ministry of Agriculture in its 2011 budget proposal which led to the Ministry’s development of an accountability website for this program.

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**Reflections on Processes**

The following questions, extracted from the [Open Budget Survey](https://www.openbudgetsurvey.org), among other resources, can guide reflections to improve current parliamentary processes.

**Strengthening scrutiny and accountability:**

- Does a finance or budget committee, or legislative committees responsible for particular sectors (health, education, defense, etc.), examine in-year implementation of the approved budget or spending related to the sector for which they are responsible during the relevant budget implementation period?
- Does the executive seek approval from the legislature prior to shifting funds between administrative units that receive explicit funding in the approved budget, and is it legally required to do so?
- Does the executive seek approval from the legislature prior to (1) spending excess revenue that may become available during the budget implementation period, or (2) reducing spending below the levels in the enacted budget in response to revenue shortfalls, and is it legally required to do so?
- Does legislation require for new prior parliamentary approval of significant in-year budget reallocation?

**Strengthening transparency:**

- Is budget data available in a standardized, open, timely and free format? How is it used to analyze spending?
- Does the parliament ensure all activities it holds to scrutinize the executive’s implementation of the budget are accessible to the public, in person or through live streaming?
- Does parliament make all documents and information used in these activities available to the public in a timely fashion?
- Does the parliament publish information regarding the results of its activities to scrutinize the executive’s implementation of the budget, such as transcripts or reports?
- Are these documents and information, as well as the results of any parliamentary activities at this stage written in accessible, simple language?
Strengthening public participation:

- Does the parliament offer any opportunities for public input in monitoring the implementation of the annual budget?
- Does the parliament undertake any concrete steps to include vulnerable and under-represented parts of the population in public participation opportunities?
- Do public participation opportunities at this stage cover the following topics: changes in macroeconomic circumstances; delivery of public services; collection of revenue; implementation of social spending; changes in deficit and debt levels, and; implementation of public investment projects?
- Does the parliament provide comprehensive prior information on the public participation process so that the public can participate in an informed manner?
- Does the parliament provide the public with feedback on how their input has been used? (i.e., written transcript of interventions, reports from public hearings or committee meetings)
4. Audit and reporting

Role of Parliaments and Parliamentarians

At the end of the fiscal year, parliamentarians review and assure the reasonableness and appropriateness of the government’s actual spending and the results it generated. Just as parliament’s approval is required to raise or spend money, parliament must also accept the government’s public accounts and reporting on its actions. At this point in the financial cycle, action has been taken or not taken, i.e. money was spent or not spent, offering parliamentarians opportunities to assess not only the spending, but its results.

Typically, the Supreme Audit Institution (SAI) submits its report to parliament, as the guardian of the public purse who is accountable for oversight of government spending (from planning to audit). The SAI’s annual report provides parliament with a chance to discuss and analyze the outcomes of the previous budget, and to follow up on its recommendations if necessary. Some good practices are to have the annual report of the SAI presented to parliament within six-months of fiscal year-end, so that this report can be used by parliament in pre-budget planning and discussions for the next budget strategy, and to establish institutional arrangements for the legislature to follow up on audit findings and recommendations.

In the preparation of the public accounts, most technical work will be undertaken by the government, and by the SAI in the completion of audits and certification of government financial statements, with parliament contributing to these efforts through inquiries. In many cases ministers and senior civil servants will be called to appear before parliamentary committees to answer questions regarding ex-ante or ex-post budget implementation or accounts.51

Within parliament, this role is generally led by the parliamentary committee on public accounts, budget, economy or similar function. This committee will play a critical role in the evaluation and supplementary inquiry into the public accounts tabled by the government, as well as the results of the SAI’s audit(s) and report(s). This committee functions as a forum for debate and inquiry into audit findings and public spending and is integral to the sound operation and closing of the fiscal year. At this stage, the committee is mandated to review government activities from a financial and administrative perspective. Whereas other legislative committees focus primarily on considering bills and investigating policy issues, this function is much more retroactive than prospective. For example, in some legislatures, this committee can spend the majority of its time and resources hearing testimony from public servants and communicating with the SAI. This committee mostly reviews what has happened to make recommendations for future improvements.

Guidance questions for parliamentarians

- Did the SAI confirm that the country’s accounts are in good standing? Were there any red flags raised?
- What were the findings of the public accounts committee’s reports and deliberations?
- Are there issues from my constituency or party that require my attention?
- Was government spending reliable and accountable?
- Did the government’s spending deliver results? How were results measured? How were they reported?
- Was the required information reported in an accurate, timely and reliable way to parliament?
In Westminster parliamentary systems, Public Accounts Committees are unique in that the chair of this committee is typically a member of the official opposition party to the government. This is meant to ensure that the opposition members have the majority position on a committee meant to closely oversee the results of the government’s financial actions throughout a fiscal year.

Following this committee’s review, parliamentarians debate and accept or reject the public accounts. The tabling of the public accounts is an opportunity for parliament to follow spending, results and government decision-making, ultimately holding the government accountable for its (in)action. Now that the books are closed for the fiscal year, parliament is accountable for verifying and ensuring that the use of public money was responsible and reasonable based on the country’s fiscal and economic context and the government’s plans.

### Executive Reporting Requirements

The following document should be produced by the Executive at this stage, as recommended by the 2017 OECD Budget Transparency Toolkit and the 2018 IMF Fiscal Transparency Handbook. This document can be a helpful resource for parliamentarians as they fulfill their role at this stage of the financial cycle. The table below includes a brief description of the timeframe and content of the referenced documentation. For additional information, consult the aforementioned publications.

<table>
<thead>
<tr>
<th>Document Description</th>
<th>Timeframe and Content</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>External Audit Report</strong></td>
<td>Timeframe: Produced annually and submitted to parliament as soon as practicable after the end of the fiscal year (ideally within six months, at most within 12 months) so that findings can be used to inform next year’s budget proposal. Content: Review of Year-End Reporting using generally accepted International Standards of Supreme Audit Institutions (ISSAI) auditing practices, stating whether the resources appropriated by the government were used in the manner approved by the legislature, and in compliance with financial management laws and regulations; ideally includes an audit of reported performance information.</td>
</tr>
</tbody>
</table>

### Role of Other Institutions or Actors

<table>
<thead>
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<th>Actor</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Executive Branch of Government and Public Service</td>
<td>Prepare reports on spending and results (by Treasury or relevant departments). Publish these documents in an easily accessible format through governmental websites.</td>
</tr>
<tr>
<td>Political Party Research Staff</td>
<td>Prepare policy-specific lines of inquiry and analysis for their members’ consideration that target specific operational results of the government’s spending or revenue raising.</td>
</tr>
</tbody>
</table>
Case in Practice: Colombia - Examination of the Auditor General Report

The Committees on the Economy of the Chamber of Deputies and the Senate review the report produced by the General Comptroller on the annual budget. Each committee holds a session where the Comptroller General explains the report and answers any concern members might have. An updated report is submitted to the Legal Committee on Accounts of the Chamber of Deputies who is responsible for closing the yearly budget after receiving and reviewing it.

Case in Practice: Canada - Public Accounts Committee Report on the Auditor General’s Findings

The Public Accounts Committee in the House of Commons has the mandate to review and report on all of the Auditor General’s reports, as well as on the Office of the Auditor General’s reports on plans and priorities, and annual performance reports. The Public Accounts Committee adopted a motion requiring any organization that has been subject to a performance audit or a special examination by the Office of the Auditor General of Canada, to provide a detailed action plan to address the audit recommendations which have been agreed to — including specific actions, timelines for their completion and responsible individuals — to the Public Accounts Committee and the Office of the Auditor General of Canada within six months of the audit being tabled in the House of Commons.

Other parliamentary committees also hold hearings on matters raised in the Auditor General’s reports.

<table>
<thead>
<tr>
<th>Actor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supreme Audit Institution (SAI)</td>
<td>Verify government spending and undertake various forms of audits from assurance to compliance (based on their mandate). Verify and certify the reliability of the government’s accounts. Report exclusively to parliament, not to the executive branch, and ensure parliamentarians have the financial and performance information they need to hold the government accountable for its decisions and actions. SAIs should have their processes reviewed periodically by an independent institution.</td>
</tr>
<tr>
<td>Anti-corruption commission</td>
<td>Based on mandate, report on questionable practices among public officials and offices to parliament and the public.</td>
</tr>
<tr>
<td>Media</td>
<td>Raise issues of public concern resulting from the audit report.</td>
</tr>
<tr>
<td>Public, Civil Society Organizations and Private Sector</td>
<td>Share perspectives with parliamentarians on the results of the audit report (i.e. researchers, academia, think-tanks, pressure groups, business owners, corporations, lobbyists).</td>
</tr>
</tbody>
</table>
Public Participation Opportunities

At this stage of the financial cycle, public participation opportunities can contribute to further reviewing the Audit Report and evaluating the effectiveness and efficiency of public expenditures in achieving desired results. The information received by parliamentarians through these public participation opportunities can help inform the pre-budget debates for the next fiscal year as the cycle restarts.

The following are examples of mechanisms that can be applied by parliamentarians to invite public participation:

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<tr>
<th>Mechanism</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public hearings and consultations</td>
<td>Parliamentary committees can undertake public consultations or hearings to review the Audit Report.</td>
</tr>
<tr>
<td>Committee meetings</td>
<td>Parliamentary committees can invite experts (including representatives of the Supreme Audit Institution) to present at committees holding debates on the Audit Report.</td>
</tr>
<tr>
<td>Online consultation tools or interactive platforms</td>
<td>Parliamentary committees can use online surveys or platforms to gather input from the public on the Audit Report or specific issues it highlights. A summary of discussions can be provided to the relevant parliamentary committee.</td>
</tr>
<tr>
<td>Social media</td>
<td>Parliamentarians can use social media and surveys through these platforms to connect with their constituents to inform them about any results of the Audit Report and solicit their thoughts. Short videos explaining any issues and how they may relate to the constituency could be helpful.</td>
</tr>
<tr>
<td>Town hall meetings</td>
<td>Parliamentarians can hold town hall meetings in their constituency to inform them about the many results of the Audit Report and solicit their thoughts.</td>
</tr>
<tr>
<td>Supreme Audit Institution consultations</td>
<td>Parliamentarians can ensure that the mandate of the Supreme Audit Institution includes public consultations to support the planning of the audit process and the implementation of a complaints or whistleblower process to collect information from the public regarding any potential wrongdoing.</td>
</tr>
</tbody>
</table>
Case in Practice: Argentina - Supreme Audit Institution Consultations

The General Audit Office of Argentina organizes participatory planning workshops every year on different themes (such as environment, transport, health, among others). These thematic meetings are a mechanism for public consultation through which the AGN incorporates proposals from civil society for its annual audit planning. In addition, through these thematic workshops, the General Audit Office representatives from technical units’ highlight audit findings and expect public input on the issues and topic under audit.

Case in Practice: Trinidad and Tobago – Public Hearings on the Auditor General Report

The Public Accounts Committee of the House of Representatives of Trinidad and Tobago is mandated to examine the Audit Report on the annual budget produced by the Auditor General within three months of its availability. It also hosts public hearings that are livestreamed on YouTube and cover various issues arising from the Auditor General report. The public can submit questions to the committee using the YouTube live chat function, in accordance with a Live Chat Usage Policy defined in the description of the video.

Reflections on Processes

The following questions, extracted from the Open Budget Survey, among other resources, can guide reflections to improve current budgetary processes.

**Strengthening scrutiny and accountability:**

- Does a committee of the legislature examine the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI)?
- Does the legislature have access to sufficient financial scrutiny resources and/or independent budget and financial expertise to ensure that financial oversight is conducted effectively?
- Is the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?
- Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the SAI can be removed from office?
- Who determines the budget of the SAI? Is it adequately funded?
- Does the SAI have the discretion in law to undertake those audits it may wish to?
- Are the audit processes of the SAI reviewed by an independent agency?
- How often do representatives of the SAI take part and testify in hearings of a committee of the legislature?
**Strengthening transparency:**

- Does the parliament ensure all activities it holds to scrutinize the public accounts are accessible to the public, in person or through live streaming?
- Does parliament make all documents and information used in these activities available to the public in a timely fashion?
- Does the parliament publish information regarding the results of its activities to scrutinize the public accounts, such as transcripts or reports?
- Are these documents and information, as well as the results of any parliamentary activities at this stage, written in accessible, simple language?

**Strengthening public participation:**

- Does the parliament offer any opportunities for public participation through which the public can provide input during its public deliberations on the Audit Report?
- Does the parliament undertake any concrete steps to include vulnerable and under-represented parts of the population in any public participation opportunities?
- Does the parliament provide comprehensive prior information on the public participation process so that the public can participate in an informed manner?
- Does the parliament provide the public with feedback on how their input has been used? (i.e. written transcript of interventions, reports from public hearings or committee meetings)
Resources


5 Ibid.


23 UN Women, *Gender Responsive Budgeting: A tool for implementing the 2030 Agenda*, 2018. [https://parlgendertools.org/media/GRB_training_ENG.pptx](https://parlgendertools.org/media/GRB_training_ENG.pptx)


55 Parliament of Trinidad and Tobago YouTube Channel, *17th Public Meeting - Public Accounts Committee*, 2017. [https://www.youtube.com/watch?v=P91aUFQQ-GM](https://www.youtube.com/watch?v=P91aUFQQ-GM)
