Open Budget Survey 2019

Part of: GS-III-Economy (PT-MAINS-PERSONALITY TEST)

Recently, the International Budget Partnership (IBP) has released an Open Budget Survey (OBS) 2019. The survey evaluates each country on the basis of the availability of key budget documents of the Central or Federal Government, and assesses whether these are made public, in a timely manner, and provide comprehensive information.

Open Budget Survey

- The Open Budget Survey is part of the International Budget Partnership’s Open Budget Initiative, a global research and advocacy program to promote public access to budget information and the adoption of accountable budget systems.
- It is a biennial survey.
- The survey covers 117 countries.
- It rates the level of budget transparency across countries on a scale of 0-100, based on several normative, internationally comparable indicators.

Findings

- **Global Scenario:**
  - Improvement in Overall Score: OBS 2019 finds a modest global improvement in budget transparency, which is consistent with the overall trend measured by the survey over the past years.
  - Global Avg. Transparency Score: The global average transparency score has turned out to be 45 out of 100 and thus levels of publicly available budget information remains limited.
  - Top Scorers: New Zealand tops the chart with a score of 87.
    - Further, South Africa (87), Mexico (82) and Brazil (81) are among the top six countries providing extensive information to the public for scrutiny.
  - Citizens’ Participation: The citizens’ participation in the budget process continued to be at a dismal level and thus average global scores on the OBS participation measure remains 14 out of 100.
  - Publication of Audit and Legislative Reports: Only 30 of the 117 surveyed countries have adequate scores both for audit and for legislative oversight.

- **Indian Scenario:**
  - India’s Global Ranking: India has been placed at 53rd position among 117 nations in terms of budget transparency and accountability.
  - Transparency Score: India’s Union Budget process has a transparency score of 49 out of 100, which is higher than the global average of 45.
    - Some of the other large developing countries, with the exception of China, have got much higher transparency scores compared to India.
  - Citizens’ Participation: The public participation in its budgets has been flagged as an area of improvement required for India.
  - Publication of Audit Reports: India performs well in publishing timely and relevant information in the audit reports and in-year reports and has scored well and above many other countries.
  - Publication of Pre-Budget Statement: The absence of a published Pre-Budget
Statement and not bringing out a Mid-Year Review in 2018-19 pulled down the transparency score for the Union Budget of India.

Way Forward

- While many governments and citizens have embraced the open budgeting agenda, more efforts to translate good intentions into better practice are required.
- A global effort of joint, sustained activism is needed to accelerate progress and deliver the promises of open budgeting to all citizens.

International Budget Partnership

- The International Budget Partnership (IBP) is a collaborative effort of multiple actors — including civil society, state actors, international institutions and the private sector.
- IBP was formed in 1997 to promote transparent and inclusive government budget processes as a means to improve governance and service delivery in the developing world.
- It intends to bring citizens participation in open, inclusive budgeting processes to shape policies and practices that promote equity and justice on a sustainable basis.
  - IBP’s focus on citizens and civil society organizations (CSOs) was driven by the pioneering civil society budget monitoring efforts in a small number of middle-income countries in the early 1990s.
- IBP’s ultimate aim is to ensure that public resources are used more effectively to fight poverty and promote equitable and sustainable development in countries around the world.