

The budget is one of the most strategic policy documents enshrining government priorities and objectives. The budget is also the means for parliament, citizens and non-government organisations to hold the government to account for its use of resources. Increasing transparency in the use of public funds is crucial to fostering responsibility and integrity as well promoting an open and inclusive budget process. Transparent and inclusive budgeting can also support better fiscal outcomes and promote better public sector performance through more responsive, impactful and equitable public policies. As highlighted in the *OECD Toolkit on Budget Transparency* (2017), “there are various definitions of budget transparency and fiscal transparency, but they can all be summarised in one core concept: budget transparency means being fully open with people about how public money is raised and used.”

The national budget in SEA and OECD countries make available different types of budget information to the public. All SEA countries and all OECD countries in the Asia and Pacific region publish the approved budget. The majority of SEA countries also publish the budget proposal (60%) and the budget circular (70%).

Unlike OECD countries, where the practice is common (85%), including all OECD countries in the Asia and Pacific region), only half of the SEA countries release the underlying methodology and economic assumptions of the fiscal projections supporting the budget. Sensitivity analyses are published by few SEA countries (30%), whereas 73% of OECD countries publish them. The situation of the OECD countries in the Asia and Pacific region is similar: three out of four countries publish sensitivity analyses of fiscal and/or macroeconomic models. While these assumptions and analyses are often technical and complex in nature, they represent an essential component of the budget, as their matching with reality affects fiscal performance and the future credibility of government.

Eight out of ten SEA countries produce documents on the long-term perspective on total revenue and expenditure, although only the Philippines have currently made them publicly available. The majority of OECD countries (73%), however, produce long-term projections that are publicly available.

Citizens’ budgets, or citizens’ guides to the budget, allow governments to explain in plain language the objectives of the budget and provide key information. By helping citizens and non-government organisations to understand the budgeting process and to assess its impact on their own circumstances, citizens’ budgets promote inclusiveness and government accountability. Currently, 80% of the countries

in the SEA region indicated that they produce and publish citizens’ budgets, compared to 63% in OECD countries.

Methodology and definitions

Data for SEA countries refer to country responses to the 2018 OECD Budget Practices and Procedures Survey for Asian Countries. OECD country responses are to the 2018 OECD Budget Practices and Procedures Survey. Respondents were predominantly senior budget officials in SEA countries and OECD countries. Responses represent the countries’ self-assessments of current practices and procedures. Data refer only to central/federal governments and exclude the sub-national level. OECD totals are based on responses by 33 OECD countries as no 2018 data is available for the United Kingdom and the United States.

A budget circular is a document/memorandum issued by the central budget authority to guide line ministries/agencies in the formulation of their initial budget proposals/budget estimates.

A citizens’ guide to the budget is defined as an easy-to-understand summary of the main features of the annual budget presented to the legislature. It should be a self-contained document that explains what is in the annual budget proposals and what their effects are expected to be.

Long-term fiscal projections could help identify the probable future expenses and revenues in light of forecasted demographic and economic developments, and can contribute to the political discussion of a broader reform agenda. They usually span 10-50 or more years.

Further reading

- OECD (2017), *OECD Budget Transparency Toolkit: Practical Steps for Supporting Openness, Integrity and Accountability in Public Financial Management*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264282070-en>
- OECD (2002), “OECD Best Practices for Budget Transparency”, *OECD Journal on Budgeting*, Vol. 1/3, <https://doi.org/10.1787/budget-v1-art14-en>
- Petrie, M. and J. Shields (2010), “Producing a Citizens’ Guide to the Budget: Why, What and How?” *OECD Journal on Budgeting*, Vol. 10/2, OECD Publishing, Paris, <http://dx.doi.org/10.1787/budget-10-5km7gkwg2pjh>

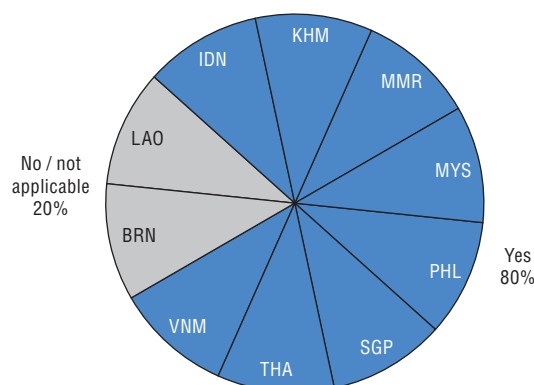
4.7. Budgetary information made publicly available, 2018

	Budget proposal	Budget approved	Methodology and economic assumptions for establishing fiscal projections	Sensitivity analyses of fiscal and/or macroeconomic models	Budget circular	Independent reviews/analyses of macroeconomic and/or fiscal assumptions	Pre-budget report	Long term perspective on total revenue and expenditure
Brunei Darussalam	○	●	○	○	○	○	○	x
Cambodia	○	●	●	●	●	●	●	○
Indonesia	●	●	●	●	●	x	●	○
Lao PDR	●	●	○	○	●	○	●	○
Malaysia	●	●	○	○	●	x	x	○
Myanmar	○	●	○	○	○	●	○	○
Philippines	●	●	●	●	●	x	●	●
Singapore	●	●	○	○	○	○	x	○
Thailand	●	●	●	○	●	●	○	○
Viet Nam	○	●	●	x	●	x	●	x
SEA Total								
● Publicly available	6	10	5	3	7	3	5	1
○ Not publicly available	4	0	5	6	3	3	3	7
x Not applicable	0	0	0	1	0	4	2	2
Australia	●	●	●	●	○	●	○	●
Japan	●	●	●	●	●	●	●	x
Korea	●	●	●	○	●	○	x	●
New Zealand	●	●	●	●	○	●	●	●
OECD Total								
● Publicly available	33	33	28	24	20	28	23	24
○ Not publicly available	0	0	5	6	12	1	5	1
x Not applicable	0	0	0	3	1	4	5	8

Sources: For SEA countries, OECD (2018) Budget Practices and Procedures Survey for Asian Countries. For OECD countries, OECD (2018) Budget Practices and Procedures Survey.

StatLink  <https://doi.org/10.1787/888933840247>

4.8. Publication of citizens' budget, 2018



Source: OECD (2018) Budget Practices and Procedures Survey for Asian Countries.

StatLink  <https://doi.org/10.1787/888933840912>



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