

Open Budget Survey 2019

Questionnaire

Mongolia

April 2020

Country Questionnaire: Mongolia

PBS-1. What is the fiscal year of the PBS evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY2019

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>.

Comment:

According to Budget Law, draft PBS should be submitted by the Government to the Parliament no later than the 1st of May of each year.

Peer Reviewer

Opinion: Agree

Comments: While Article 8.1.2 of Budget Law (2011) sets the date for submission of the draft PBS to the Parliament, it should be noted that in Mongolia PBS is the document approved by the legislature, so the source referenced by the researcher is not the valid document, it is the draft PBS prepared by the Ministry of Finance and supported by the Cabinet and not PBS itself that is approved by the legislature. The actual source should be: <https://www.legalinfo.mn/law/details/13414>

Government Reviewer

Opinion: Agree

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

PBS-2. When is the PBS made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for a PBS to be considered publicly available, it must be made available to the public one month before the Executive's Budget Proposal is submitted to the legislature for consideration. If the PBS is not released to the public at least one month before the Executive's Budget Proposal is submitted to the legislature for consideration, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the PBS.

Answer:

a. At least four months in advance of the budget year, and at least one month before the Executive's Budget Proposal is introduced in the legislature

Source:

<http://www.iltod.gov.mn/?p=4546>

Comment:

The Ministry of Finance published draft 2019 PBS submitted to the Legislature on 30 April 2018 as seen at <http://www.iltod.gov.mn/?p=4546> (budget information portal run by the MOF).

The answer selected demonstrates improvement in performance from the 2017 round of research. At previous round the MOF produced the PBS but made available online to the public too late.

Peer Reviewer

Opinion: Agree

Comments: The actual posting date referenced by the researcher is for the draft PBS and not PBS. The parliament of Mongolia issued Law of Mongolia on General Budget Framework Statement for 2019 and Projections for 2020-2021, available at:

<https://www.legalinfo.mn/law/details/13414>. This formal website does not have the date of posting of the law, so I cannot verify the exact date made public from this source, but usually this consolidated website of all legislation is quite well maintained and therefore it could be assumed that the law was posted within a month or two after the law was passed. The law was passed on May 25, 2018. The law becomes public and official by publishing on 'State Information' Bulletin; this document published the law in its issue #22 of 2018 which was apparently published on June 15, 2018: <http://www.parliament.mn/n/xtjo>

Government Reviewer

Opinion: Agree

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

PBS-3a. If the PBS is published, what is the date of publication of the PBS?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

30/4/2018

Source:

<http://www.iltod.gov.mn/?p=4546>

Comment:

The Ministry of Finance published draft 2019 PBS submitted to the Legislature on 30 April 2018 as seen at <http://www.iltod.gov.mn/?p=4546> (budget information portal run by the MOF).

Peer Reviewer

Opinion: Disagree

Suggested Answer: 15/06/2018

Comments: The date of publication should be tracked to State Information Bulletin issue 22 of 2018 (which is June 15, 2018; <http://www.parliament.mn/n/xtjo>) and www.legalinfo.org website publication of the law on PBS.

Government Reviewer

Opinion: Agree

Comments: I agree with the comment of a researcher, however, I wish to add a comment. According to the Budget law, Parliament has to approve PBS before June 1st. For 2019FY Parliament did approve within the time frame and made it publicly available on 25th of May. (<https://www.legalinfo.mn/law/details/13414>)

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

PBS-3b. In the box below, please explain how you determined the date of publication of the PBS.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

We are using DRAFT 2019 PBS for this Survey. As seen at <http://www.iltod.gov.mn/?p=4546> (budget information portal run by the MOF) draft 2019 PBS was posted on 30 April 2018.

Source:

<http://www.iltod.gov.mn/?p=4546>

Comment:
n/a

Peer Reviewer

Opinion: Disagree

Suggested Answer: Date of publication of State Information Bulletin, issue 22 of 2018, which is the official publication of laws and regulations in Mongolia, at <http://www.parliament.mn/n/xtjo>.

Comments: The actual PBS approved as a law by the parliament should be used instead of draft PBS prepared by MoF.

Government Reviewer

Opinion: Agree

PBS-4. If the PBS is published, what is the URL or weblink of the PBS?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>

Source:

Comment:

Draft 2019 PBS is found at <http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>.

Peer Reviewer

Opinion: Disagree

Suggested Answer: <https://www.legalinfo.mn/law/details/13414?lawid=13414> and <http://www.parliament.mn/n/xtjo>

Comments: <https://www.legalinfo.mn/law/details/13414?lawid=13414>, which is the link to the general website of all legislation and where the state parliament posts approved laws, including law on PBS for 2019.

Government Reviewer

Opinion: Agree

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

PBS-5. If the PBS is published, are the numerical data contained in the PBS available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the PBS is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

c. No

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>

Comment:
Draft 2019 PBS is published in pdf format.

Peer Reviewer

Opinion: Agree

Comments: The law is provided as a text on the website, with the option to download in MS Word format.

<https://www.legalinfo.mn/law/details/13414?lawid=13414>. the State Information Bulletin is provided in print and in pdf at

<http://www.parliament.mn/n/xtjo>.

Government Reviewer

Opinion: Agree

Comments: I agree with the comment of a researcher, however, I wish to add a clarification. The reason the Ministry of Finance of Mongolia publishes a document in PDF format is that it is safe to view it in any platform. Documents in MS Excel tend to easily crash.

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

PBS-6a. If the PBS is not publicly available, is it still produced?

If the PBS is not considered publicly available under the OBS methodology (and thus the answer to Question PBS-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question PBS-2)

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

n/a

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-6b. If you selected option "c" or "d" in question PBS-6a, please specify how you determined whether the PBS was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question PBS-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

PBS-7. If the PBS is produced, please write the full title of the PBS.

For example, a title for the Pre-Budget Statement could be "Proposed 2019 State Budget" or "Guidelines for the Preparation of Annual Plan and Budget for 2018/19."

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Full title: About Mongolia's 2019 Budget Framework Statement and Budget Projections for 2020-2021 (Full title in Mongolian: Монгол Улсын нэгдсэн төсвийн 2019 оны төсвийн хүрээний мэдэгдэл, 2020-2021 оны төсвийн төсөөллийн тухай)

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: Law of Mongolia on Budget Framework Statement for 2019 and Budget Projections for 2020-2021 for General Budget (Full title in Mongolian: Монгол Улсын нэгдсэн төсвийн 2019 оны төсвийн хүрээний мэдэгдэл, 2020-2021 оны төсвийн төсөөллийн тухай Монгол Улсын Хууль)

Comments: The researcher is still referencing to the draft PBS (or draft law), while the PBS is actually a law. the source should be <https://www.legalinfo.mn/law/details/13414?lawid=13414>

Government Reviewer

Opinion: Agree

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

PBS-8. Is there a "citizens version" of the PBS?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408>

(budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:
n/a

Peer Reviewer

Opinion: Agree

Comments: While citizen's budget was produced for the first time in 2018 and then again in 2019, that covers only the executive budget.

Government Reviewer

Opinion: Agree

EBP-1a. What is the fiscal year of the EBP evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:
FY2019

Source:
<http://www.iltod.gov.mn/?p=4501>.

Comment:
By Article 8.4.5 of the Budget Law, Executives submit the proposal for the next year by October 1 of each year (about 3 months before the start of the budget year.
The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-1b. When is the EBP submitted to the legislature for consideration?

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:
28/9/2018 28/9/2018

Source:
<http://www.iltod.gov.mn/?p=4501>.

Comment:
By Article 8.4.5 of the Budget Law, Executives submit the proposal for the next year by October 1 of each year (about 3 months before the start of the budget year.
The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

Peer Reviewer

Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-2. When is the EBP made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an EBP to be considered publicly available, it must be made available to the public while the legislature is still considering it and before the legislature approves (enacts) it. If the EBP is not released to the public before the legislature approves it, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EBP.

The OBS definition of an Executive's Budget Proposal is a document(s) that (i) the executive submits to the legislature as a formal part of the budget approval process and (ii) the legislature either approves or on which it approves proposed amendments.

The OBS will treat the Executive's Budget Proposal as "Not Produced," in the following cases:

- *The executive does not submit the draft budget to the legislature; or*
- *The legislature receives the draft budget but does not approve it or does not approve recommendations on the draft budget;*
- *The legislature rejects the draft budget submitted by the executive, but the executive implements it without legislative approval; or*
- *There is no legislature, or the legislature has been dissolved.*

Answer:

a. At least three months in advance of the budget year, and in advance of the budget being approved by the legislature

Source:

<http://www.iltod.gov.mn/?p=4501>.

Comment:

By Article 8.4.5 of the Budget Law, Executives submit the proposal for the next year by October 1 of each year (about 3 months before the start of the budget year.

The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

Web portal <http://www.iltod.gov.mn> is run by Department of Fiscal Policy of the Ministry of Finance.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-3a. If the EBP is published, what is the date of publication of the EBP?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

In the comment boxes below, researchers should also list any supporting documents to the EBP and their date of publication.

Answer:

28/9/2018

Source:

<http://www.iltod.gov.mn/?p=4501>.

Comment:

By Article 8.4.5 of the Budget Law, Executives submit the proposal for the next year by October 1 of each year (about 3 months before the start of the budget year.

The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

Web portal <http://www.iltod.gov.mn> is run by Department of Fiscal Policy of the Ministry of Finance.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-3b. In the box below, please explain how you determined the date of publication of the EBP.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

Web portal <http://www.iltod.gov.mn> is run by Department of Fiscal Policy of the Ministry of Finance.

Source:

<http://www.iltod.gov.mn/?p=4501>

Comment:

The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

Web portal <http://www.iltod.gov.mn> is run by Department of Fiscal Policy of the Ministry of Finance.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Also it was published in <http://www.parliament.mn/n/wfky> official website of Parliament of Mongolia.

EBP-4. If the EBP is published, what is the URL or weblink of the EBP?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

In the comment boxes below, researchers should also list any supporting documents to the EBP and their URL or weblink.

Answer:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf>

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>

Comment:
<http://www.iltod.gov.mn/?p=4501>.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: <http://www.parliament.mn/n/wfky>

EBP-5. If the EBP is published, are the numerical data contained in the EBP or its supporting documents available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>.

Option "d" applies if the EBP is not published or not produced, therefore its machine readability cannot be assessed.

Answer:
c. No

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf>
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>.

Comment:
2019 EBP was published in pdf format.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: I agree with the comment of a researcher, however, I wish to add a clarification. The reason the Ministry of Finance of Mongolia publishes a document in PDF format is that it is safe to view it in any platform. Documents in MS Excel tend to easily crash.

EBP-6a. If the EBP is not publicly available, is it still produced?

If the EBP is not considered publicly available under the OBS methodology (and thus the answer to Question EBP-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question EBP-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:
e. Not applicable (the document is publicly available)

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> and
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>.

Comment:
2019 EBP was published.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-6b. If you selected option "c" or "d" in question EBP-6a, please specify how you determined whether the EBP was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question EBP-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer
Opinion:

Government Reviewer
Opinion:

EBP-7. If the EBP is produced, please write the full title of the EBP.

For example, a title for the Executive's Budget Proposal could be "Draft Estimates of Revenue and Expenditure for BY 2018-19, produced by the Ministry of Finance, Planning and Economic Development."

If there are any supporting documents to the EBP, please enter their full titles in the comment box below.

If the document is not produced at all, researchers should mark this question "n/a."

Answer:
2019 Consolidated Budget (in Mongolian: Монгол Улсын нэгдсэн төсөв 2019)

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> and
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>.

Comment:
2019 Consolidated Budget (in Mongolian: Монгол Улсын нэгдсэн төсөв 2019)

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

EBP-8. Is there a "citizens version" of the EBP?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets>.

Answer:

b. No

Source:

Citizen's version of 2019 Consolidated Budget Proposal (in Mongolian: Иргэдийн төсөв-2019: Монгол Улсын нэгдсэн төсвийн төсөл) was produced and printed version was distributed to us.

Comment:

Citizen's version of 2019 Consolidated Budget Proposal (in Mongolian: Иргэдийн төсөв-2019: Монгол Улсын нэгдсэн төсвийн төсөл) was produced and printed version was distributed to us.

However, since there is no online copy available before the budget was approved (the timeliness requirements of the EBP documents) this question is still scored as B.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

Comments: Even though Mongolia publishes EBP within the OBS methodology, we do not publish citizen version of EBP. Citizen's version of 2019 Consolidated Budget was made on the 2019 Enacted budget.

EB-1a. What is the fiscal year of the EB evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY2019

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

2018 EB is found at <https://mof.gov.mn/files/uploads/tusviin-tuhai-huuli.pdf> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal"). This version is not published until March 2018, however, more than three months after the budget was approved.

The law on this site: <https://www.legalinfo.mn/law/details/12964> is published on December 13, 2017.

By Clause 8.4.8 of the Budget Law, the Parliament approves the budget by 15 November of each year.

The approved budget for FY 2019, while approved in 2018, was not uploaded until 2019 therefore FY 2018 will be used for the OBS.

Peer Reviewer

Opinion: Disagree

Suggested Answer: FY2019

Comments: I am in no position to check when the FY 2019 budget was published on the main legislative website as it does not contain the dates for publishing such documents (www.legalinfo.org). However, the budget was published on State Information Bulletin issue 44 of 2018, another source of legislative documents and also run by the parliament. The bulletin was published on 3 December 2018, and available at <http://www.parliament.mn/n/r7mo>.

Government Reviewer

Opinion: Disagree

Suggested Answer: The approved budget for FY 2019, while approved and uploaded in 2018. <http://www.parliament.mn/n/r7mo> Printed date 30/11/20018, Published date 03/12/2018. Therefore, FY 2019, should be used for questionnaire.

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The response is revised from 2018 to 2019.

EB-1b. When was the EB approved (enacted) by the legislature?

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

23/11/2018

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

2018 EB was approved on 14 November 2017 as shown at <https://www.legalinfo.mn/law/details/12964>, which is central system of legal information run by the Ministry of Justice.

By Clause 8.4.8 of the Budget Law, the Parliament approves the EBP by 15 November of each year.

Peer Reviewer

Opinion: Disagree

Suggested Answer: 02/11/2018

Comments: EB for 2019 was approved on 2 Nov 2018, <http://www.parliament.mn/n/r7mo>. The date the researcher gave is correct for budget for 2018. I suggested changing the FY for EB to 2019.

Government Reviewer

Opinion: Disagree

Suggested Answer: 02/11/2018 FY2019

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The government reviewer's response regarding the enactment date is also accepted (see EB-2). The budget was finally enacted, via an override of the veto, on November 23, 2018: <https://www.pressreader.com/mongolia/the-ub-post/20181128/281479277472009> While the legislature did vote for the initial approval on November 2, 2018, due to the veto the enactment date is defined as November 23, 2018.

EB-2. When is the EB made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on

the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an EB to be considered publicly available, it must be made available to the public three months after the budget is approved by the legislature. If the EB is not released to the public at least three months after the budget is approved by the legislature, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EB.

Answer:

a. Two weeks or less after the budget has been enacted

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

2018 Budget was approved on 14 November 2017 and was published in 29 days. Date of publication is 13 December 2017 as seen at <https://www.legalinfo.mn/law/details/12964>

Peer Reviewer

Opinion: Agree

Comments: The budget for 2019 published on <http://www.parliament.mn/n/r7mo> on Dec 3, 2018. The date the researcher gave is correct for budget for 2018.

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Two weeks or less after the budget has been enacted

Comments: The approved budget for FY 2019, while approved and uploaded in 2018. <http://www.parliament.mn/n/r7mo> Printed date 30/11/20018, Published date 03/12/2018. After 2019 budget was approved in 02/11/2018, President vetoed the bill. However, Parliament rejected the veto in 23/11/2018 and within the week FY 2019 was published in 03rd of December.

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The original law posted on Parliament's website (<http://www.parliament.mn/n/r7mo>) was on December 3, 2018. Since we use the first of the two dates, the response is adjusted to November 30, 2018. The government reviewer's response regarding the enactment date is also accepted. The budget was finally enacted, via an override of the veto, on November 23, 2018: <https://www.pressreader.com/mongolia/the-ub-post/20181128/281479277472009> Given that there was then only 7 days between the enactment and publication date, the score is revised from B to A.

EB-3a. If the EB is published, what is the date of publication of the EB?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

30/11/2018

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

Date of publication is 13 December 2017 as seen at <https://www.legalinfo.mn/law/details/12964>

Peer Reviewer

Opinion: Disagree

Suggested Answer: 03/12/2018

Comments: EB for 2019 was approved on 2 Nov 2018, <http://www.parliament.mn/n/r7mo>. The date the researcher gave is correct for budget for

2018.

Government Reviewer

Opinion: Disagree

Suggested Answer: The approved budget for FY 2019, while approved and uploaded in 2018. <http://www.parliament.mn/n/r7mo> Printed date 30/11/20018, Published date 03/12/2018.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The law was also posted on Parliament's website (<http://www.parliament.mn/n/r7mo>) was on December 3, 2018. Since we use the first of the two dates, the response is adjusted to November 30, 2018.

EB-3b. In the box below, please explain how you determined the date of publication of the EB.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

Confirmed via Google timestamp: November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>

Source:

<https://www.legalinfo.mn/law/details/12964> - Date confirmed with a Google search with datestamp

Comment:

N/a

Peer Reviewer

Opinion: Disagree

Suggested Answer: The official publication on the parliamentary website of the State Information Bulletin, <http://www.parliament.mn/n/r7mo>. the website has dates for postings.

Government Reviewer

Opinion: Disagree

Suggested Answer: Date of publication is 03 December 2018 as seen at <http://www.parliament.mn/n/r7mo>

Comments: Date of publication is 03 December 2018 as seen at <http://www.parliament.mn/n/r7mo>

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. This was confirmed using the Google-search date-stamp reference for the webpage. The law was also posted on Parliament's website (<http://www.parliament.mn/n/r7mo>) was on December 3, 2018. Since we use the first of the two dates, the response is adjusted to November 30, 2018.

EB-4. If the EB is published, what is the URL or weblink of the EB?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

<https://www.legalinfo.mn/law/details/13781>

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

Comment on source: As per Budget Law (Clause 8.4.6) the MOF releases EBP submitted to the Parliament to public. The Parliamentary Secretariat is in charge of disclosing information of submitted EBP from stages it is under debate by MPs till it is enacted. Therefore, the Parliamentary Secretariat

discloses EB through www.legalinfo.mn (central portal of Mongolia's legislation run by the Ministry of Justice).

Peer Reviewer

Opinion: Disagree

Suggested Answer: <http://www.parliament.mn/n/r7mo>

Comments: Another source, while i cannot attest when it was published, is the central legislative database at <https://www.legalinfo.mn/law/details/13781?lawid=13781>

Government Reviewer

Opinion: Agree

Comments: <http://www.parliament.mn/n/r7mo>

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018 and the source as it is.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The law was also posted on Parliament's website (<http://www.parliament.mn/n/r7mo>). As the legalinfo site has all of the annexes, it is used for the response here.

EB-5. If the EB is published, are the numerical data contained in the EB available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the EB is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

c. No

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

2018 EB is published in html format.

Peer Reviewer

Opinion: Agree

Comments: <https://www.legalinfo.mn/law/details/13781?lawid=13781> and <http://www.parliament.mn/n/r7mo> would be correct sources.

Government Reviewer

Opinion: Agree

Comments: I agree with the comment of a researcher, however, I wish to add a clarification. The reason the Ministry of Finance of Mongolia publishes a document in PDF format is that it is safe to view it in any platform. Documents in MS Excel tend to easily crash.

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018 and the source as it is. The numerical data contained in the EB is not available in a machine readable format.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. However, this information is not available in machine-readable format, so the researcher's original score is confirmed.

EB-6a. If the EB is not publicly available, is it still produced?

If the EB is not considered publicly available under the OBS methodology (and thus the answer to Question EB-2 was "d"), a government may nonetheless

produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question EB-2)

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

n/a

Comment:

n/a

Peer Reviewer

Opinion:

Government Reviewer

Opinion: Agree

IBP Comment

This score is also confirmed for the 2019 budget.

EB-6b. If you selected option "c" or "d" in question EB-6a, please specify how you determined whether the EB was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question EB-6a, researchers should mark this question "n/a."

Answer:

Source:

<https://www.legalinfo.mn/law/details/13781?lawid=13781>, which is central system of legal information run by the Ministry of Justice.

www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:

2019 EB was published at <https://www.legalinfo.mn/law/details/13781?lawid=13781>, which is central system of legal information run by the Ministry of Justice.

2019 EB was not published by the MOF in its official websites. The Ministry of Finance publishes budget information at three different websites: www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

EB-7. If the EB is produced, please write the full title of the EB.

For example, a title for the Enacted Budget could be "Appropriation Act n. 10 of 2018."

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Mongolia's 2019 Budget Document

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

n/a

Peer Reviewer

Opinion: Disagree

Suggested Answer: Law of Mongolia on 2019 Budget, Law of Mongolia on 2019 Social Insurance Fund Budget, Law of Mongolia on 2019 Health Insurance Budget

Comments: <http://www.parliament.mn/n/r7mo>

Government Reviewer

Opinion: Disagree

Suggested Answer: Full title: Mongolia's 2019 Budget document (Full title in Mongolian: Монгол Улсын 2019 оны төсвийн баримт бичиг)

Comments: <http://www.parliament.mn/n/r7mo>

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The response is revised to reflect the document referenced is the 2019 budget (МОНГОЛ УЛСЫН 2019 ОНЫ ТӨСВИЙН ТУХАЙ).

EB-8. Is there a "citizens version" of the EB?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see:

<http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%932018.pdf (MOF's official website).

Comment:

CB of 2018 EB is published by the MOF at

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%932018.pdf (MOF's official website).

Full title: Citizen's Budget-2018: Enacted Budget of Mongolia (in Mongolian: Иргэдийн төсөв-2018: Монгол Улсын батлагдсан төсөв)

CB of 2018 EB was published by the MOF on 8 June 2018 as seen at <https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website).

2018 Budget was approved on 14 November 2017 as shown at <https://www.legalinfo.mn/law/details/12964>, which is central system of legal information run by the Ministry of Justice. CB of 2018 EB was published after 7 months of enactment.

However, since the timeliness criteria for a CB is the same as the original document (the EB), this document is considered late under OBS timeliness criteria and the score to this question is B.

Peer Reviewer

Opinion: Agree

Comments: But i would consider CB for 2019. This was published on the MoF website at <https://mof.gov.mn/download/citizen-budget> on March 4 of 2019, so i would agree with the answer of the researcher, but the source and comment is different.

Government Reviewer

Opinion: Agree

Comments: I agree with the comment of a researcher. CB 2018 should take a consideration for 2019 questionnaire, because CB 2018 was Mongolia's the very first publication of a Citizen's budget. And the content finalizing process took tremendous amount of time. Since then, MoF will publish CB on EB annually. CB 2019 took only 2 months to publish unfortunately it is beyond the cut-off date.

IBP Comment

Thank you to both of the reviewers for these comments. While it is correct that the EB for 2019 was published by the end of 2018 so it can be considered, this was not the case of the CB. As this OBS cannot consider any documents published after December 31, 2018 (the research cut-off date), then we assess the previous fiscal year. The CB of the EB for 2018, however, was published late, so that is the status of this document for this round of this OBS. Hopefully if the CB continues to be published, it will be published on-time and can be assessed in future rounds of the OBS.

CB-1. What is the fiscal year of the CB evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

If more than one Citizens Budget is produced, for each CB please indicate the document the CB simplifies/refers to, and the fiscal year.

Answer:

FY2018

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%932018.pdf

Comment:

CB of 2018 EB is published by the MOF at

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%932018.pdf (MOF's official website).

Peer Reviewer

Opinion: Disagree

Suggested Answer: FY2019

Comments: <https://mof.gov.mn/download/citizen-budget>

Government Reviewer

Opinion: Agree

Researcher Response

CB of 2019 EB was published by the MOF after the OBS research cut-off date. It was published on 4 March 2019 as seen at <https://mof.gov.mn/download/citizen-budget> (MOF's official website). Therefore, we are assessing CB of 2018 EB which was published on 8 June 2018.

IBP Comment

Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

CB-2a. For the fiscal year indicated in CB-1, what is the public availability status of the CB?

If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document (Executive's Budget Proposal or Enacted Budget) you are referring to, and - in the same comment box - which other Citizens Budget is produced and its public availability status.

Remember that publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified by the OBS methodology and that all citizens are able to obtain free of charge. This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology
Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

Answer:

a. Produced but made available online to the public too late (published after the acceptable time frame)

Source:

<https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website).

Comment:

CB of 2018 EB was published by the MOF on 8 June 2018 as seen at <https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website). 2018 Budget was approved on 14 November 2017 as shown at <https://www.legalinfo.mn/law/details/12964>, which is central system of legal information run by the Ministry of Justice. CB of 2018 EB was published after 7 months of enactment.

Peer Reviewer

Opinion: Agree

Comments: for EB for 2019, it took 122 days (or 4 months) from the approval (Nov 2, 2018) to publishing of CB on EB (Mar 4, 2019).

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

CB-2b. If you selected option "c" or "d" in question CB-2a, please specify how you determined whether the CB was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question CB-2a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

CB-3a. If the CB is published, what is the date of publication of the CB?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and its dates of publication.

Answer:
8/6/2018

Source:
<https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website).

Comment:
CB of 2018 EB was published by the MOF on 8 June 2018 as seen at <https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website). 2018 Budget was approved on 14 November 2017 as shown at <https://www.legalinfo.mn/law/details/12964>, which is central system of legal information run by the Ministry of Justice.

Peer Reviewer
Opinion: Disagree
Suggested Answer: 04/03/2019
Comments: <https://mof.gov.mn/download/citizen-budget>

Government Reviewer
Opinion: Agree

IBP Comment
Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

CB-3b. In the box below, please explain how you determined the date of publication of the CB.

If the document is not published at all, researchers should mark this question "n/a."

Answer:
CB of 2018 EB was published by the MOF on 8 June 2018 as seen at <https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website).

Source:
<https://mof.gov.mn/article/entry/citizenbudget> (MOF's official website).

Comment:
The answer selected demonstrates an improvement in performance from the 2017 round of research.

Peer Reviewer
Opinion: Disagree
Suggested Answer: CB of 2019 EB was published on the official MoF website on 4 March 2019, at <https://mof.gov.mn/download/citizen-budget>
Comments: <https://mof.gov.mn/download/citizen-budget>

Government Reviewer
Opinion: Agree

IBP Comment
Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

CB-4. If the CB is published, what is the URL or weblink of the CB?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and its URL or weblink.

Answer:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%93_2018.pdf (MOF's official website).

Source:

n/a

Comment:

The answer selected demonstrates an improvement in performance from the 2017 round of research.

Peer Reviewer

Opinion: Disagree

Suggested Answer: <https://mof.gov.mn/download/citizen-budget>

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

CB-5. If the CB is produced, please write the full title of the CB.

For example, a title for the Citizens Budget could be "Budget 2018 People's Guide" or "2019 Proposed Budget in Brief: A People's Budget Publication."

If the document is not produced at all, researchers should mark this question "n/a."

If more than one Citizens Budget is produced, for the other CB, indicate the document the CB refers to and, next to it, its full title.

Answer:

Full title: Citizen's Budget-2018: Enacted Budget of Mongolia (in Mongolian: Иргэдийн төсөв-2018: Монгол Улсын батлагдсан төсөв)

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%93_2018.pdf (MOF's official website).

Comment:

The answer selected demonstrates an improvement in performance from the 2017 round of research.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Citizen's Budget-2019: General Budget of Mongolia (in Mongolian: Иргэдийн төсөв-2019: Монгол Улсын нэгдсэн төсөв)

Comments: <https://mof.gov.mn/download/citizen-budget>

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

CB-6. If the CB is produced, please indicate which budget document it corresponds to.

If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and which budget document it simplifies.

Answer:

CB for 2018 EB

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%93_2018.pdf (MOF's official website).

Comment:

n/a

Peer Reviewer

Opinion: Disagree

Suggested Answer: CB for 2019 EB

Comments: <https://mof.gov.mn/download/citizen-budget>

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the Peer Reviewer for noting the 2019 Citizens Budget. However, since the publication date is after the OBS research cut-off date (31 December 2018), it cannot be used for OBS 2019.

IYRs-1. What is the fiscal year of the IYRs evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY2018

Source:

Main links to monthly Budget Execution Reports for 2018 is <http://shilendans.gov.mn/org/408?group=3&year=2018>

Comment:

MOF published monthly budget execution reports timely in 2018.

Peer Reviewer

Opinion: Agree

Comments: Also available at MoF website at https://mof.gov.mn/data_grid/total-budget

Government Reviewer

Opinion: Agree

Researcher Response

Would like to keep the link <http://shilendans.gov.mn/org/408?group=3&year=2018>.

IYRs-2. When are the IYRs made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for IYRs to be considered publicly available, IYRs must be made available to the public no later than three months after the reporting period ends. If at least seven of the last 12 monthly IYRs, or at least three of the last four quarterly IYRs are not released to the public at least three months after the reporting period ends, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the IYRs.

Answer:

a. At least every month, and within one month of the period covered

Source:

Main links to monthly Budget Execution Reports for 2018 is <http://shilendans.gov.mn/org/408?group=3&year=2018>

Comment:

MOF published monthly budget execution reports timely in 2018. As an example, information on Budget Execution Reports for July-Dec 2018 is shown below.

- Budget Execution Report for December 2018

Mongolia's Preliminary Budget Execution for 2018 (in Mongolian: 2018 оны Монгол Улсын нэгдсэн төсвийн урьдчилсан гүйцэтгэл). (MOF). Date of production: 08/01/2019. Published on 14/01/2019.

IYR for Dec 2018 is found at <http://shilendans.gov.mn/pdfview?file=4b171c500a0265a76aaa3f24845f42a2.pdf>

Date of publication is found at <http://shilendans.gov.mn/org/408?group=3&year=2018>

MOF released estimates only. A narrative report on the Budget Execution for December 2018 was not published. This demonstrates a deterioration in performance from the 2017 round of research.

- Budget Execution Report for November 2018

Mongolia's Budget Execution for November 2018 (in Mongolian: 2018 оны эхний 11 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл). (MOF). Date of production: 08/12/2018. Published on 11/12/2018.

IYR for Nov 2018 is found at Date of publication is found at <http://shilendans.gov.mn/pdfview?file=9b40feb30a0265a719373b8abf0f9508.pdf>

Date of publication is found at <http://shilendans.gov.mn/org/408?form=2764410&year=2018&month=11&group=3&task=739>

MOF released estimates only. A narrative report on the Budget Execution for December 2018 was not published. This demonstrates deterioration in performance from the 2017 round of research.

- Budget Execution Report for October 2018

Mongolia's Budget Execution for October 2018 (in Mongolian: 2018 оны эхний 10 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл). (MOF). Date of production: 08/11/2018. Published on 13/11/2018.

IYR for Oct 2018 is found at <http://shilendans.gov.mn/pdfview?file=0b35bfc60a0265a7164d166d14d21d66.pdf>

Date of publication is found at: <http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739>

MOF released estimates only. A narrative report on the Budget Execution for December 2018 was not published. This demonstrates a deterioration in performance from the 2017 round of research.

- Budget Execution Report for September 2018

Mongolia's Budget Execution for 3rd Quarter of 2018 (in Mongolian: 2018 оны 3 дугаар улирлын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл). (MOF). Date of production: 08/10/2018. Published on 09/10/2018.

IYR for Sep 2018 is found at <http://shilendans.gov.mn/pdfview?file=575940620a0265a76f415e8203f9cc75.pdf>

Date of publication is found at <http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739>

MOF released estimates only. A narrative report on the Budget Execution for December 2018 was not published. This demonstrates a deterioration in performance from the 2017 round of research.

- Budget Execution Report for August 2018

Mongolia's Budget Execution for August 2018 (in Mongolian: 2018 оны эхний 8 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл). (MOF). Date of production: 08/09/2018. Published on 11/9/2018.

IYR for Aug 2018 is found at: <http://shilendans.gov.mn/pdfview?file=c75b4e250a0265a731ce7fcd18dd5a37.pdf>

Date of publication is found at: <http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739>

MOF released estimates only. A narrative report on the Budget Execution for December 2018 was not published. This demonstrates deterioration in performance from the 2017 round of research.

- Budget Execution Report for July 2018

Mongolia's Budget Execution for July 2018 (in Mongolian: 2018 оны эхний 7 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл). (MOF). Date of production: 08/08/2018. Published on 27/08/2018.

MOF released estimates only. A narrative report on the Budget Execution for December 2018 was not published. This demonstrates deterioration in performance from the 2017 round of research.

IYR for Jul 2018 is found at: <http://shilendans.gov.mn/pdfview?file=78cc5c970a0265a74572710098595ad2.pdf>

Date of publication is found at: <http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-3a. If the IYRs are published, what are the dates of publication of the IYRs?

Specifically: if quarterly In-Year Reports are published, indicate the dates of publication of at least three of the last four IYRs that were publicly available. If monthly IYRs are published, indicate the dates of publication of at least seven of the last 12 IYRs that were publicly available.

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2018 should be entered as 05 September 2018. If the document is not published or not produced, please mark this question "n/a."

Answer:

MOF published monthly budget execution reports timely in 2018.

Source:

Main links to monthly Budget Execution Reports for 2018 is <http://shilendans.gov.mn/org/408?group=3&year=2018>

Comment:

For the Monthly Budget Execution reports:

The monthly report for November 2018 was publicly available online on 11 December 2018 at: <http://shilendans.gov.mn/org/408?form=2764410&year=2018&month=11&group=3&task=739>

The monthly report for October 2018 was publicly available online on 13 November 2018 at: <http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739>

The monthly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739>

The monthly report for August 2018 was publicly available online on 11 September 2018 at: <http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739>

The monthly report for July 2018 was publicly available online on 27 August 2018 at: <http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739>

The monthly report for June 2018 was publicly available online on 7 July 2018 at: <http://shilendans.gov.mn/org/408?form=2426941&year=2018&month=6&group=3&task=739>

The monthly report for May 2018 was publicly available online on 18 June 2018 at: <http://shilendans.gov.mn/org/408?form=2370414&year=2018&month=5&group=3&task=739>

The monthly report for April 2018 was publicly available online on 16 May 2018 at: <http://shilendans.gov.mn/org/408?form=2309940&year=2018&month=4&group=3&task=739>

The monthly report for March 2018 was publicly available online on 11 April 2018 at: <http://shilendans.gov.mn/org/408?form=2242894&year=2018&month=3&group=3&task=739>

The monthly report for February 2018 was publicly available online on 14 March 2018 at: <http://shilendans.gov.mn/org/408?form=2170762&year=2018&month=2&group=3&task=739>

The monthly report for January 2018 was publicly available online on 14 February 2018 at: <http://shilendans.gov.mn/org/408?form=2108834&year=2018&month=1&group=3&task=739>

The monthly report for December 2017 was publicly available online on 11 January 2018 at: <http://shilendans.gov.mn/org/408?form=2038652&year=2017&month=12&group=3&task=739>

For the Quarterly information on state budget savings, overflows and its causes:

The quarterly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739>

The quarterly report for June 2018 was publicly available online on 7 July 2018 at: <http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739>

The quarterly report for March 2018 was publicly available online on 11 April 2018 at: <http://shilendans.gov.mn/org/408?form=2639910&year=2018&month=9&group=3&task=739>

The quarterly report for December 2017 was publicly available online on 11 January 2018 at: <http://shilendans.gov.mn/org/408?form=2038668&year=2017&month=12&group=3&task=739>

For the Quarterly reports on government's foreign loans and grant aid:

The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2244288&year=2018&month=4&group=3&task=739>

The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2443015&year=2018&month=6&group=3&task=739>

The quarterly report for March 2018 was publicly available online on 13 April 2018 at: <http://shilendans.gov.mn/org/408?form=2635196&year=2018&month=9&group=3&task=739>

The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043582&year=2017&month=12&group=3&task=739>

For the Quarterly information on external and internal debt of the Government:

The quarterly report for September 2018 was publicly available online on 12 October 2018 at: <http://shilendans.gov.mn/org/408?form=2643053&year=2018&month=9&group=3&task=739>

The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2442764&year=2018&month=6&group=3&task=739>

The quarterly report for March 2018 was publicly available online on 16 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246251&year=2018&month=4&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043573&year=2017&month=12&group=3&task=739>

For the Quarterly information on external and internal government securities:

The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2632746&year=2018&month=9&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2442864&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 26 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246229&year=2018&month=4&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043539&year=2017&month=12&group=3&task=739>

For the Integrated State Budget Aggregation Survey and Quarterly Information Concerning macroeconomic indicators and other relevant indicators:

The quarterly report for September 2018 was publicly available online on 6 December 2018 at: <http://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 30 July 2018 at: <http://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 17 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246691&year=2018&month=4&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 13 March 2018 at: <http://shilendans.gov.mn/org/408?form=2169262&year=2017&month=12&group=3&task=739>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-3b. In the box below, please explain how you determined the date of publication of the IYRs.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

Main links to monthly Budget Execution Reports for 2018 is <http://shilendans.gov.mn/org/408?group=3&year=2018>

Source:

Main links to monthly Budget Execution Reports for 2018 is <http://shilendans.gov.mn/org/408?group=3&year=2018>

Comment:

MOF published monthly budget execution reports timely in 2018.

The monthly report for November 2018 was publicly available online on 11 December 2018 at: <http://shilendans.gov.mn/org/408?form=2764410&year=2018&month=11&group=3&task=739> The monthly report for October 2018 was publicly available online on 13 November 2018 at: <http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739> The monthly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739> The monthly report for August 2018 was publicly available online on 11 September 2018 at: <http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739> The monthly report for July 2018 was publicly available online on 27 August 2018 at: <http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739> The monthly report for June 2018 was publicly available online on 7 July 2018 at: <http://shilendans.gov.mn/org/408?form=2426941&year=2018&month=6&group=3&task=739> The monthly report for May 2018 was publicly available online on 18 June 2018 at: <http://shilendans.gov.mn/org/408?form=2370414&year=2018&month=5&group=3&task=739> The monthly report for April 2018 was publicly available online on 16 May 2018 at: <http://shilendans.gov.mn/org/408?form=2309940&year=2018&month=4&group=3&task=739> The monthly report for March 2018 was publicly available online on 11 April 2018 at: <http://shilendans.gov.mn/org/408?form=2242894&year=2018&month=3&group=3&task=739> The monthly report for February 2018 was publicly available online on 14 March 2018 at: <http://shilendans.gov.mn/org/408?form=2170762&year=2018&month=2&group=3&task=739> The monthly report for January 2018 was publicly available online on 14 February 2018 at: <http://shilendans.gov.mn/org/408?form=2108834&year=2018&month=1&group=3&task=739> The monthly report for December 2017 was publicly available online on 11 January 2018 at: <http://shilendans.gov.mn/org/408?form=2038652&year=2017&month=12&group=3&task=739> For the Quarterly information on state budget savings, overflows and its causes: The quarterly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> The quarterly report for June 2018 was publicly available online on 7 July 2018 at: <http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> The quarterly report for March 2018 was publicly available online on 11 April 2018 at: <http://shilendans.gov.mn/org/408?form=2639910&year=2018&month=9&group=3&task=739> The quarterly report for December 2017 was publicly available online on 11 January 2018

at: <http://shilendans.gov.mn/org/408?form=203866&year=2017&month=12&group=3&task=739> For the Quarterly reports on government's foreign loans and grant aid: The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2244288&year=2018&month=4&group=3&task=739> The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2443015&year=2018&month=6&group=3&task=739> The quarterly report for March 2018 was publicly available online on 13 April 2018 at: <http://shilendans.gov.mn/org/408?form=2635196&year=2018&month=9&group=3&task=739> The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043582&year=2017&month=12&group=3&task=739> For the Quarterly information on external and internal debt of the Government: The quarterly report for September 2018 was publicly available online on 12 October 2018 at: <http://shilendans.gov.mn/org/408?form=2643053&year=2018&month=9&group=3&task=739> The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2442764&year=2018&month=6&group=3&task=739> The quarterly report for March 2018 was publicly available online on 16 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246251&year=2018&month=4&group=3&task=739> The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043573&year=2017&month=12&group=3&task=739> For the Quarterly information on external and internal government securities: The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2632746&year=2018&month=9&group=3&task=739> The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2442864&year=2018&month=6&group=3&task=739> The quarterly report for March 2018 was publicly available online on 26 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246229&year=2018&month=4&group=3&task=739> The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043539&year=2017&month=12&group=3&task=739> For the Integrated State Budget Aggregation Survey and Quarterly Information Concerning macroeconomic indicators and other relevant indicators: The quarterly report for September 2018 was publicly available online on 6 December 2018 at: <http://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> The quarterly report for June 2018 was publicly available online on 30 July 2018 at: <http://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739> The quarterly report for March 2018 was publicly available online on 17 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246691&year=2018&month=4&group=3&task=739> The quarterly report for December 2017 was publicly available online on 13 March 2018 at: <http://shilendans.gov.mn/org/408?form=2169262&year=2017&month=12&group=3&task=739>

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IYRs-4. If the IYRs are published, what is the URL or weblink of the IYRs?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Researchers should provide the weblink to the most recent In-Year Report in the space below, and - in the comment box underneath - the weblinks to older IYRs.

If the document is not published at all, researchers should leave this question blank.

Answer:

<http://shilendans.gov.mn/org/408?group=3&year=2018>

Source:

For the Monthly Budget Execution reports:

The monthly report for November 2018 was publicly available online on 11 December 2018 at: <http://shilendans.gov.mn/org/408?form=2764410&year=2018&month=11&group=3&task=739>

The monthly report for October 2018 was publicly available online on 13 November 2018 at: <http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739>

The monthly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739>

The monthly report for August 2018 was publicly available online on 11 September 2018 at: <http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739>

The monthly report for July 2018 was publicly available online on 27 August 2018 at: <http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739>

The monthly report for June 2018 was publicly available online on 7 July 2018 at: <http://shilendans.gov.mn/org/408?form=2426941&year=2018&month=6&group=3&task=739>

The monthly report for May 2018 was publicly available online on 18 June 2018 at: <http://shilendans.gov.mn/org/408?form=2370414&year=2018&month=5&group=3&task=739>

The monthly report for April 2018 was publicly available online on 16 May 2018 at: <http://shilendans.gov.mn/org/408?form=2309940&year=2018&month=4&group=3&task=739>

The monthly report for March 2018 was publicly available online on 11 April 2018 at: <http://shilendans.gov.mn/org/408?form=2242894&year=2018&month=3&group=3&task=739>

The monthly report for February 2018 was publicly available online on 14 March 2018 at: <http://shilendans.gov.mn/org/408?form=2170762&year=2018&month=2&group=3&task=739>

The monthly report for January 2018 was publicly available online on 14 February 2018 at: <http://shilendans.gov.mn/org/408?form=2108834&year=2018&month=1&group=3&task=739>
The monthly report for December 2017 was publicly available online on 11 January 2018 at: <http://shilendans.gov.mn/org/408?form=2038652&year=2017&month=12&group=3&task=739>

For the Quarterly information on state budget savings, overflows and its causes:

The quarterly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 7 July 2018 at: <http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 11 April 2018 at: <http://shilendans.gov.mn/org/408?form=2639910&year=2018&month=9&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 11 January 2018 at: <http://shilendans.gov.mn/org/408?form=2038668&year=2017&month=12&group=3&task=739>

For the Quarterly reports on government's foreign loans and grant aid:

The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2244288&year=2018&month=4&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2443015&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 13 April 2018 at: <http://shilendans.gov.mn/org/408?form=2635196&year=2018&month=9&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043582&year=2017&month=12&group=3&task=739>

For the Quarterly information on external and internal debt of the Government:

The quarterly report for September 2018 was publicly available online on 12 October 2018 at: <http://shilendans.gov.mn/org/408?form=2643053&year=2018&month=9&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2442764&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 16 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246251&year=2018&month=4&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043573&year=2017&month=12&group=3&task=739>

For the Quarterly information on external and internal government securities:

The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2632746&year=2018&month=9&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 9 July 2018 at: <http://shilendans.gov.mn/org/408?form=2442864&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 26 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246229&year=2018&month=4&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 15 January 2018 at: <http://shilendans.gov.mn/org/408?form=2043539&year=2017&month=12&group=3&task=739>

For the Integrated State Budget Aggregation Survey and Quarterly Information Concerning macroeconomic indicators and other relevant indicators:

The quarterly report for September 2018 was publicly available online on 6 December 2018 at: <http://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739>
The quarterly report for June 2018 was publicly available online on 30 July 2018 at: <http://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739>
The quarterly report for March 2018 was publicly available online on 17 April 2018 at: <http://shilendans.gov.mn/org/408?form=2246691&year=2018&month=4&group=3&task=739>
The quarterly report for December 2017 was publicly available online on 13 March 2018 at: <http://shilendans.gov.mn/org/408?form=2169262&year=2017&month=12&group=3&task=739>

Comment:

MOF published monthly budget execution reports timely in 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-5. If the IYRs are published, are the numerical data contained in the IYRs available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine->

[readable/](#)

Option "d" applies if the IYRs are not published or not produced, therefore their machine readability cannot be assessed.

Answer:

c. No

Source:

2018 IYRs: links to reports:

- Budget Execution Report for December 2018

<http://shilendans.gov.mn/pdfview?file=4b171c500a0265a76aaa3f24845f42a2.pdf>

- Budget Execution Report for November 2018

<http://shilendans.gov.mn/pdfview?file=9b40feb30a0265a719373b8abf0f9508.pdf>

- Budget Execution Report for October 2018

<http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739>

- Budget Execution Report for September 2018

<http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739>

- Budget Execution Report for August 2018

<http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739>

- Budget Execution Report for July 2018

<http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739>

Comment:

Numerical data contained in 2018 IYRs are not available in machine readable format as they are available in pdf format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: I agree with the comment of a researcher, however, I wish to add a clarification. The reason the Ministry of Finance of Mongolia publishes a document in PDF format is that it is safe to view it in any platform. Documents in MS Excel tend to easily crash.

IYRs-6a. If the IYRs are not publicly available, are they still produced?

If the IYRs are not considered publicly available under the OBS methodology (and thus the answer to Question IYRs-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question IYRs-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

2018 IYRs: links to reports:

- Budget Execution Report for December 2018

<http://shilendans.gov.mn/pdfview?file=4b171c500a0265a76aaa3f24845f42a2.pdf>

- Budget Execution Report for November 2018
<http://shilendans.gov.mn/pdfview?file=9b40feb30a0265a719373b8abf0f9508.pdf>

- Budget Execution Report for October 2018
<http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739>

- Budget Execution Report for September 2018
<http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739>

- Budget Execution Report for August 2018
<http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739>

- Budget Execution Report for July 2018
<http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739>

Comment:
2018 IYRs are publicly available.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IYRs-6b. If you selected option "c" or "d" in question IYRs-6a, please specify how you determined whether the IYRs were produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question IYRs-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer
Opinion:

Government Reviewer
Opinion:

IYRs-7. If the IYRs are produced, please write the full title of the IYRs.

For example, a title for the In-Year Report could be "Budget Monitoring Report, Quarter 1" or "Budget Execution Report January-March 2018."

If In-Year Reports are not produced at all, researchers should mark this question "n/a."

Researchers should provide the full title of the most recent In-Year Report in the space below, and – in the comment box underneath – the full titles of older IYRs.

Answer:

2018 YIRs: Full titles:

- Mongolia's Preliminary Budget Execution for 2018 (in Mongolian: 2018 оны Монгол Улсын нэгдсэн төсвийн урьдчилсан гүйцэтгэл).

- Mongolia's Budget Execution for November 2018 (in Mongolian: 2018 оны эхний 11 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл).

- Mongolia's Budget Execution for October 2018 (in Mongolian: 2018 оны эхний 10 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл).

- Mongolia's Budget Execution for 3rd Quarter of 2018 (in Mongolian: 2018 оны 3 дугаар улирлын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл).

- Mongolia's Budget Execution for August 2018 (in Mongolian: 2018 оны эхний 8 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл).

- Mongolia's Budget Execution for July 2018 (in Mongolian: 2018 оны эхний 7 сарын Монгол Улсын нэгдсэн төсвийн гүйцэтгэл).

Source:

2018 IYRs: links to reports:

- Budget Execution Report for December 2018

<http://shilendans.gov.mn/pdfview?file=4b171c500a0265a76aaa3f24845f42a2.pdf>

- Budget Execution Report for November 2018

<http://shilendans.gov.mn/pdfview?file=9b40feb30a0265a719373b8abf0f9508.pdf>

- Budget Execution Report for October 2018

<http://shilendans.gov.mn/org/408?form=2705835&year=2018&month=10&group=3&task=739>

- Budget Execution Report for September 2018

<http://shilendans.gov.mn/org/408?form=2639911&year=2018&month=9&group=3&task=739>

- Budget Execution Report for August 2018

<http://shilendans.gov.mn/org/408?form=2571908&year=2018&month=8&group=3&task=739>

- Budget Execution Report for July 2018

<http://shilendans.gov.mn/org/408?form=2517595&year=2018&month=7&group=3&task=739>

Comment:

2018 IYRs are publicly available.

1. For the Quarterly information on state budget savings, overflows and its causes:

The quarterly report for September 2018 was publicly available online on 9 October 2018 at: <http://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739>

2. For the Quarterly reports on government's foreign loans and grant aid:

The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2244288&year=2018&month=4&group=3&task=739>

3. For the Quarterly information on external and internal debt of the Government:

The quarterly report for September 2018 was publicly available online on 12 October 2018 at: <http://shilendans.gov.mn/org/408?form=2643053&year=2018&month=9&group=3&task=739>

4. For the Quarterly information on external and internal government securities:

The quarterly report for September 2018 was publicly available online on 8 October 2018 at: <http://shilendans.gov.mn/org/408?form=2632746&year=2018&month=9&group=3&task=739>

5. For the Integrated State Budget Aggregation Survey and Quarterly Information Concerning macroeconomic indicators and other relevant indicators:

The quarterly report for September 2018 was publicly available online on 6 December 2018 at: <http://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-8. Is there a "citizens version" of the IYRs?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would

serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

The Ministry of Finance publishes budget information at three different websites: www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:

CB for 2018 IYRs was not published by the MOF in its official websites.

Peer Reviewer

Opinion: Agree

Comments: It should be noted that for FY2019, the MoF started publishing CB for quarterly reports at <https://mof.gov.mn/article/entry/ulirliin-medee-irgediin-tusuv>

Government Reviewer

Opinion: Agree

Comments: I agree with the answer of a researcher. However, MoF of Mongolia started to publish Citizen version of the IYR from FY2019 and on a quarterly basis.

Researcher Response

Nice to see that MoF of Mongolia started to publish Citizen's version of the IYR from FY2019 on a quarterly basis.

MYR-1. What is the fiscal year of the MYR evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY2018

Source:

<https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf>

Comment:

A report "The Macroeconomic Update for the 2nd Quarter of 2018" (in Mongolian: *Макро эдийн засгийн 2-р улирлын мэдээ*) (MOF, 2018) available at <https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-2. When is the MYR made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on

the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an MYR to be considered publicly available, it must be made available to the public no later than three months after the reporting period ends (i.e., three months after the midpoint of the fiscal year). If the MYR is not released to the public at least three months after the reporting period ends, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the MYR.

Answer:

d. The MYR is not released to the public, or is released more than three months after the midpoint

Source:

<https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf>

Comment:

The Ministry of Finance publishes quarterly economic update. However, a report "The Macroeconomic Update for the 2nd Quarter of 2018" include a very brief update on the current state of the economy and the state budget. The report does not include either information on economic projection for the remainder of the year or a comprehensive review of the budget's implementation six months into the budget year and revised projections for the full fiscal year. Therefore, I would consider 2018 MYR is not published.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-3a. If the MYR is published, what is the date of publication of the MYR?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

Source:

<https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf>

Date of publication is found at: <https://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739>

The Ministry of Finance publishes budget information at three different websites: www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:

The Ministry of Finance publishes quarterly economic update. However, a report "The Macroeconomic Update for the 2nd Quarter of 2018" include a very brief update on the current state of the economy and the state budget. The report does not include either information on economic projection for the remainder of the year or a comprehensive review of the budget's implementation six months into the budget year and revised projections for the full fiscal year. Therefore, I would consider 2018 MYR is not published.

Published on 30 July 2018. Date of publication is found at: <https://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-3b. In the box below, please explain how you determined the date of publication of the MYR.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

n/a

Source:

n/a

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Published on 30 July 2018. Date of publication is found at: <https://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739>

Researcher Response

Disagree with GR. A report "The Macroeconomic Update for the 2nd Quarter of 2018" (in Mongolian: Макро эдийн засгийн 2-р улирлын мэдээ) (MOF, 2018) available at <https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf> includes a very brief update on the current state of the economy and the state budget. The report does not include either information on economic projection for the remainder of the year or a comprehensive review of the budget's implementation six months into the budget year and revised projections for the full fiscal year. Therefore, I would consider 2018 MYR is not published.

IBP Comment

See previous MYR responses (MYR 2 and MYR-3a). As the 6-month report does not have the information to qualify as a MYR, the response to this question is n/a.

MYR-4. If the MYR is published, what is the URL or weblink of the MYR?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

Source:

n/a

Comment:

n/a

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

MYR-5. If the MYR is published, are the numerical data contained in the MYR available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>.

Option "d" applies if the MYR is not published or not produced, therefore its machine readability cannot be assessed.

Answer:
d. Not applicable

Source:
n/a

Comment:
n/a

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: Published on 30 July 2018. Date of publication is found at <https://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739> as a PDF format

MYR-6a. If the MYR is not publicly available, is it still produced?

If the MYR is not considered publicly available under the OBS methodology (and thus the answer to Question MYR-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question MYR-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:
d. Not produced at all

Source:
<https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf>

The Ministry of Finance publishes budget information at three different websites: www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:
The Ministry of Finance publishes quarterly economic update. However, a report "The Macroeconomic Update for the 2nd Quarter of 2018" include a very brief update on the current state of the economy and the state budget. The report does not include either information on economic projection for the remainder of the year or a comprehensive review of the budget's implementation six months into the budget year and revised projections for the full fiscal year. Therefore, I would consider 2018 MYR is not published.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer: c. Produced for internal purposes/use only

Researcher Response

Would like to ask the GR to send a copy of the MYR produced internally. If the MYR includes information on economic projection for the remainder of the year or a comprehensive review of the budget's implementation six months into the budget year and revised projections for the full fiscal year, I would consider 2018 MYR is produced for internal use.

IBP Comment

As the researcher confirmed, as the document's contents cannot be verified, the score of Not Produced is maintained for this round.

MYR-6b. If you selected option "c" or "d" in question MYR-6a, please specify how you determined whether the MYR was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question MYR-6a, researchers should mark this question "n/a."

Answer:

The Ministry of Finance publishes quarterly economic update. However, a report "The Macroeconomic Update for the 2nd Quarter of 2018" include a very brief update on the current state of the economy and the state budget. The report does not include either information on economic projection for the remainder of the year or a comprehensive review of the budget's implementation six months into the budget year and revised projections for the full fiscal year. Therefore, I would consider 2018 MYR is not published.

Source:

<https://shilendans.gov.mn/pdfview?file=e940dbb60a0265a75dec102056e740d0.pdf>

Comment:

The Ministry of Finance publishes budget information at three different websites: www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Peer Reviewer

Opinion: Agree

Comments: The answer researcher gives (last sentence) sas 'not published'. i would change that to 'not produced'.

Government Reviewer

Opinion: Agree

Comments: I agree with the answer but I wish to add an another reference. MoF of Mongolia started to produce budget execution analysis/report on monthly basis since 2017 FY for internal use only.

Researcher Response

Would like to ask the GR to send a copy of the mentioned monthly budget execution analysis/report produced for internal use.

IBP Comment

As the researcher confirmed, as the document's contents cannot be verified, the score of Not Produced is maintained for this round.

MYR-7. If the MYR is produced, please write the full title of the MYR.

For example, a title for the Mid-Year Review could be "Semi-annual Budget Performance Report, FY 2017/18" or "Mid-Year Report on the 2018 National Budget."

If the document is not produced at all, researchers should mark this question "n/a."

Answer:

n/a

Source:

n/a

Comment:

n/a

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer: Macroeconomic and budget execution report(mm/year)

MYR-8. Is there a "citizens version" of the MYR?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:
b. No

Source:
www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:
CB for 2018 MYR is not published.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: I agree with the answer of a researcher. However, MoF of Mongolia started to publish Citizen version of the IYR from FY2019 and on a quarterly basis.

YER-1. What is the fiscal year of the YER evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:
FY2017

Source:
n/a

Comment:
n/a

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

YER-2. When is the YER made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an YER to be considered publicly available, it must be made available to the public no later than one year after the fiscal year to which it corresponds. If the YER is not released to the public within one year after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the YER.

Answer:

b. Nine months or less, but more than six months, after the end of the budget year

Source:

Date of publication is found at <https://mof.gov.mn/article/entry/2017budgetaccountability> .

Comment:

Report for Mongolia's 2017 Budget Execution (Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлийн тайлан) was published on 3 July 2018.

This is just over 6 months after the end of the reporting period on 31 December 2017.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The report itself was approved within the six months (06/28/2018)

YER-3a. If the YER is published, what is the date of publication of the YER?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:

3/7/2018

Source:

<https://mof.gov.mn/article/entry/2017budgetaccountability> .

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-3b. In the box below, please explain how you determined the date of publication of the YER.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

Date of publication is found at <https://mof.gov.mn/article/entry/2017budgetaccountability> .

Source:

<https://mof.gov.mn/article/entry/2017budgetaccountability>

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-4. If the YER is published, what is the URL or weblink of the YER?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

https://mof.gov.mn/files/uploads/article/%D0%97%D0%93%D0%A1%D0%9D%D0%A2-2017_%D1%85%D1%83%D1%80%D0%B0%D0%B0%D0%BD%D0%B3%D1%83%D0%B9.pdf -

<https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> -

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf

Source:

-2017 YER on Government Finance (ЗГЧТ-2017 хураангуй) is found at

https://mof.gov.mn/files/uploads/article/%D0%97%D0%93%D0%A1%D0%9D%D0%A2-2017_%D1%85%D1%83%D1%80%D0%B0%D0%B0%D0%BD%D0%B3%D1%83%D0%B9.pdf

- Report for Mongolia's 2017 Budget Execution (Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлийн тайлан): Part 1. Introduction is found at <https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf>

- Report for Mongolia's 2017 Budget Execution (Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлийн тайлан): Part 2. Estimation is found at Төсвийн гүйцэтгэл-2017

(https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf)

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-5. If the YER is published, are the numerical data contained in the YER available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the YER is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

c. No

Source:

https://mof.gov.mn/files/uploads/article/%D0%97%D0%93%D0%A1%D0%9D%D0%A2-2017_%D1%85%D1%83%D1%80%D0%B0%D0%B0%D0%BD%D0%B3%D1%83%D0%B9.pdf

- <https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf>

(https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf)

Comment:

YER is published in pdf format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: I agree with the comment of a researcher, however, I wish to add a clarification. The reason the Ministry of Finance of Mongolia publishes a document in PDF format is that it is safe to view it in any platform. Documents in MS Excel tend to easily crash.

YER-6a. If the YER is not publicly available, is it still produced?

If the YER is not considered publicly available under the OBS methodology (and thus the answer to Question YER-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question YER-2)

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:

e. Not applicable (the document is publicly available)

Source:

n/a

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

YER-6b. If you selected option "c" or "d" in question YER-6a, please specify how you determined whether the YER was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question YER-6a, researchers should mark this question "n/a."

Answer:

Source:
n/a

Comment:
n/a

Peer Reviewer
Opinion:

Government Reviewer
Opinion:

YER-7. If the YER is produced, please write the full title of the YER.

For example, a title for the Year-End Report could be "Consolidated Financial Statement for the Year Ended 31 March 2018" or "Annual Report 2017 Published by the Ministry of Finance and Planning." If the document is not produced at all, researchers should mark this question "n/a."

Answer:

-2017 YER on Government Finance (in Mongolian: ЗАСГИЙН ГАЗРЫН 2017 ОНЫ САНХҮҮГИЙН НЭГТГЭСЭН ТАЙЛАН) - Report for Mongolia's 2017 Budget Execution: Introduction (in Mongolian: Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлийн танилцуулга)
- Report for Mongolia's 2017 Budget Execution (Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэл)

Source:

-https://mof.gov.mn/files/uploads/article/%D0%97%D0%93%D0%A1%D0%9D%D0%A2-2017_%D1%85%D1%83%D1%80%D0%B0%D0%B0%D0%BD%D0%B3%D1%83%D0%B9.pdf

- <https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf>

- https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf)

Comment:
n/a

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

YER-8. Is there a "citizens version" of the YER?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would

serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:

www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law, which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-1. What is the fiscal year of the AR evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY2017 FY2017

Source:

<https://archive.audit.mn/wp-content/uploads/2017/11/LAST-2017-FA-NegdsenTusuv-last.pdf>

Comment:

Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per advice by IBP staff.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: I disagree with the answer. Even though, National Audit posted the report on their website beyond the cut-off date, the report also can be found from the Parliament website. Mongolia's 2017 consolidated budget execution was published in 19th of June.

(forum.parliament.mn/files/39545). In addition, Parliament also posted following information through their website.

(<http://www.parliament.mn/n/dijo>). Therefore, FY2017 should be used for the AR evaluation in the Open Budget Survey questionnaire.

Researcher Response

Disagree with the GR. According to Open Budget Survey Guidelines on the Public Availability of Budget Documents (January 2019), to be accepted in the Open Budget Survey, budget documents must meet a set of criteria regarding their availability: 1. Budget documents must be published on the official website of the government body that produces it. 2. Budget documents must be available free of charge. Therefore, the Audit report must be published on the official website of the National Audit Office (NAO) that produces it, not by the Parliament. Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per survey guideline and advice by IBP staff.

IBP Comment

The government reviewer's response is acknowledged and accepted. The 2017 Audit Report was both posted on Parliament's website (forum.parliament.mn/files/39545) and on the audit website (<https://www.audit.mn/wp-content/uploads/2018/06/MU-NEGDSSEN-TUSUV-GUITSETGEL.pdf>). The second audit website's link is now broken, but was later re-posted in January 2019 here: <https://www.audit.mn/detail/5c4aec7e854f5521c4268381> FY 2017 is assessed instead of FY 2016.

AR-2. When is the AR made available to the public?

Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.

The OBS methodology requires that for an AR to be considered publicly available, it must be made available to the public no later than 18 months after the end of the fiscal year to which it corresponds. If the AR is not released to the public at least 18 months after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the AR.

Answer:

a. Six months or less after the end of the budget year

Source:

<https://archive.audit.mn/?p=21422> .

<https://archive.audit.mn/wp-content/uploads/2017/11/LAST-2017-FA-NegdsenTusuv-last.pdf>

Comment:

Date of publication can't be identified from <https://archive.audit.mn/?p=21422> .

Via Javascript on the direct PDF link, however, a publication date of November 11, 2017, can be confirmed. This is 10 months after the end of the reporting period in December 2016.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Six months or less after the end of the budget year

Comments: I disagree with the answer. Even though, National Audit posted the report on their website beyond the cut-off date, the report also can be found from the Parliament website. Mongolia's 2017 consolidated budget execution was published in 19th of June.

(forum.parliament.mn/files/39545). In addition, Parliament also posted following information through their website.

(<http://www.parliament.mn/n/dijo>). Therefore, FY2017 should be used for the AR evaluation in the Open Budget Survey questionnaire.

Researcher Response

Disagree with the GR. According to Open Budget Survey Guidelines on the Public Availability of Budget Documents (January 2019), to be accepted in the Open Budget Survey, budget documents must meet a set of criteria regarding their availability: 1. Budget documents must be published on the official website of the government body that produces it. 2. Budget documents must be available free of charge. Therefore, the Audit report must be published on the official website of the National Audit Office (NAO) that produces it, not by the Parliament. Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content/?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per survey guideline and advice by IBP staff.

IBP Comment

The government reviewer's response is acknowledged and accepted. FY 2017 is assessed instead of FY 2016. The document was both posted on Parliament's website in June 2018 (forum.parliament.mn/files/39545) and on the audit website on July 1, 2018 (<https://www.audit.mn/wp-content/uploads/2018/06/MU-NEGDSSEN-TUSUV-GUITSETGEL.pdf>). The second link is now broken, but was later re-posted in January 2019 here: <https://www.audit.mn/detail/5c4aec7e854f5521c4268381> As both of the initial postings were within six months of the end of the reporting period, however, the score is revised from B to A.

AR-3a. If the AR is published, what is the date of publication of the AR?

Note that the date of publication is not necessarily the same date that is printed on the document.

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not

published or not produced, leave this question blank.

Answer:

1/7/2018 1/7/2018

Source:

<https://archive.audit.mn/?p=21422> .

Comment:

FY2016

Publication date is November 7, 2017 (the date was determined via Javascript).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: 19/06/2018

Comments: I disagree with the answer. Even though, National Audit posted the report on their website beyond the cut-off date, the report also can be found from the Parliament website. Mongolia's 2017 consolidated budget execution was published in 19th of June.

(forum.parliament.mn/files/39545). In addition, Parliament also posted following information through their website.

(<http://www.parliament.mn/n/dijo>). Therefore, FY2017 should be used for the AR evaluation in the Open Budget Survey questionnaire.

Researcher Response

Disagree with the GR. According to Open Budget Survey Guidelines on the Public Availability of Budget Documents (January 2019), to be accepted in the Open Budget Survey, budget documents must meet a set of criteria regarding their availability: 1. Budget documents must be published on the official website of the government body that produces it. 2. Budget documents must be available free of charge. Therefore, the Audit report must be published on the official website of the National Audit Office (NAO) that produces it, not by the Parliament. Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per survey guideline and advice by IBP staff.

IBP Comment

The government reviewer's response is acknowledged and accepted. FY 2017 is assessed instead of FY 2016. The document was both posted on Parliament's website in June 2018 (forum.parliament.mn/files/39545) and on the audit website on July 1, 2018 (<https://www.audit.mn/wp-content/uploads/2018/06/MU-NEGDSN-TUSUV-GUITSETGEL.pdf>). As the date that can be confirmed on the auditor's website is July 1, 2018 (via Google datestamp) the response is revised to that date. The second link is now broken, but was later re-posted in January 2019 here: <https://www.audit.mn/detail/5c4aec7e854f5521c4268381>

AR-3b. In the box below, please explain how you determined the date of publication of the AR.

If the document is not published at all, researchers should mark this question "n/a."

Answer:

Date of publication can't be identified from <https://archive.audit.mn/?p=21422> . Date of publication is 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>

Source:

<https://archive.audit.mn/?p=21422> .

Comment:

Date reported on AR-3a was confirmed using Javascript.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: From the following link forum.parliament.mn/files/39545. Official Parliament website.

Comments: I disagree with the answer. Even though, National Audit posted the report on their website beyond the cut-off date, the report also can be found from the Parliament website. Mongolia's 2017 consolidated budget execution was published in 19th of June.

(forum.parliament.mn/files/39545). In addition, Parliament also posted following information through their website. (<http://www.parliament.mn/n/dijo>). Therefore, FY2017 should be used for the AR evaluation in the Open Budget Survey questionnaire.

Researcher Response

Disagree with the GR. According to Open Budget Survey Guidelines on the Public Availability of Budget Documents (January 2019), to be accepted in the Open Budget Survey, budget documents must meet a set of criteria regarding their availability: 1. Budget documents must be published on the official website of the government body that produces it. 2. Budget documents must be available free of charge. Therefore, the Audit report must be published on the official website of the National Audit Office (NAO) that produces it, not by the Parliament. Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per survey guideline and advice by IBP staff.

IBP Comment

The government reviewer's response is acknowledged and accepted. FY 2017 is assessed instead of FY 2016. The document was both posted on Parliament's website in June 2018 (<forum.parliament.mn/files/39545>) and on the audit website on July 1, 2018 (<https://www.audit.mn/wp-content/uploads/2018/06/MU-NEGDSSEN-TUSUV-GUITSETGEL.pdf>). This was confirmed via Google datestamp.

AR-4. If the AR is published, what is the URL or weblink of the AR?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:

<https://www.audit.mn/detail/5c4aec7e854f5521c4268381> <https://www.audit.mn/detail/5c4aec7e854f5521c4268381>

Source:

n/a

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: <forum.parliament.mn/files/39545>

Researcher Response

Disagree with the GR. According to Open Budget Survey Guidelines on the Public Availability of Budget Documents (January 2019), to be accepted in the Open Budget Survey, budget documents must meet a set of criteria regarding their availability: 1. Budget documents must be published on the official website of the government body that produces it. 2. Budget documents must be available free of charge. Therefore, the Audit report must be published on the official website of the National Audit Office (NAO) that produces it, not by the Parliament. Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per survey guideline and advice by IBP staff.

IBP Comment

The government reviewer's response is acknowledged and accepted. FY 2017 is assessed instead of FY 2016. The document was both posted on Parliament's website in June 2018 (<forum.parliament.mn/files/39545>) and on the audit website on July 1, 2018 (<https://www.audit.mn/wp-content/uploads/2018/06/MU-NEGDSSEN-TUSUV-GUITSETGEL.pdf>). The second link is now broken, but was later re-posted in January 2019 here: <https://www.audit.mn/detail/5c4aec7e854f5521c4268381> Since this last link is the one that is now functional, it is used as the repose for this question, even though it was not the original posting link.

AR-5. If the AR is published, are the numerical data contained in the AR available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>

Option "d" applies if the AR is not published or not produced, therefore its machine readability cannot be assessed.

Answer:
c. No

Source:
<https://archive.audit.mn/?p=21422>

Comment:
The AR was published in pdf format.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IBP Comment
FY 2017 is assessed instead of FY 2016, however the document is still in PDF form, so the original score is confirmed.

AR-6a. If the AR is not publicly available, is it still produced?

If the AR is not considered publicly available under the OBS methodology (and thus the answer to Question AR-2 was "d"), a government may nonetheless produce the document.

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question AR-2).

Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.

Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.

Option "d" applies if the document is not produced at all.

Option "e" applies if the document is publicly available.

If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.

Answer:
e. Not applicable (the document is publicly available)

Source:
n/a

Comment:
n/a

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IBP Comment
FY 2017 is assessed instead of FY 2016, however the document is still available on-time, so the original score is confirmed.

AR-6b. If you selected option "c" or "d" in question AR-6a, please specify how you determined whether the AR was produced for internal use only, versus not produced at all.

If option "a," "b," or "e" was selected in question AR-6a, researchers should mark this question "n/a."

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

AR-7. If the AR is produced, please write the full title of the AR.

For example, a title for the Audit Report could be "Annual General Reports of the Controller and Auditor General." If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Audit Report for Mongolia's 2017 Consolidated Budget Execution (In Mongolian: ?????? ????? 2017 ??? ?????? ?????? ?????????? ?????? ?????? ??????) Audit Report for Mongolia's 2017 Consolidated Budget Execution (In Mongolian: ?????? ????? 2017 ??? ?????? ?????? ?????????? ?????? ??????)

Source:

<https://archive.audit.mn/?p=21422>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Audit Report for Mongolia's 2017 Consolidated Budget Execution (In Mongolian: Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлд хийсэн аудитын тайлан)

Comments: Audit Report for Mongolia's 2017 Consolidated Budget Execution (In Mongolian: Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлд хийсэн аудитын тайлан)

IBP Comment

FY 2017 is assessed instead of FY 2016, so the title is updated to reflect this. <https://www.audit.mn/detail/5c4aec7e854f5521c4268381>

AR-8. Is there a "citizens version" of the AR?

While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:

b. No

Source:
www.audit.mn (Official website of Mongolia's National Audit Office)

Comment:
n/a

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

IBP Comment
FY 2017 Audit Report is assessed instead of the FY 2016, however there is no citizen's version in 2017 either.
<https://www.audit.mn/detail/5c4aec7e854f5521c4268381>

GQ-1a. Are there one or more websites or web portals for disseminating government fiscal information? If yes, please provide the necessary links in the comment/citation.

GQ-1a asks the researcher to list any government websites or portals where fiscal information can be found. For example, in New Zealand the Treasury website (<http://www.treasury.govt.nz/>) hosts important budget-related information, including the Pre-Budget Statement, the Executive's Budget Proposal, the Citizens Budget, In-Year Reports, the Mid-Year Review, and the Year-End Report. In addition, New Zealand's Parliamentary Counsel Office (<http://www.legislation.govt.nz/>) posts the Enacted Budget while the Controller and Auditor-General website (<http://www.oag.govt.nz/>) publishes the annual Audit Report. The New Zealand researcher would provide the links to each of these sites. Other countries have developed portals that include fiscal information, though not in the "documents" format. For example, these portals have been created by Mexico (<https://www.transparenciapresupuestaria.gob.mx/>) and Brazil (<http://www.portaltransparencia.gov.br/>). Some countries have both a website and a portal. The Brazilian government, for example, apart from the Transparency Portal, has a dedicated website for the federal budget, where all key documents and other information can be found (www.orcamentofederal.gov.br). Researchers should include details about all of the relevant websites and/or portals that they can be used to access budget information.

Answer:
a. Yes

Source:
- www.mof.gov.mn (MOF's official website),
- www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law (2014), which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").
- www.legalinfo.mn (run by the Ministry of Justice)
- www.parliament.mn (The Parliament's official website)

Comment:
Mongolia's official budget information can be found at 5 websites.
The Ministry of Finance publishes budget information at three different websites: www.mof.gov.mn (MOF's official website), www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law (2014), which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal"). The Government budget information is becoming more transparent since the enactment of the Glass Account Law, which obliges the government and budget entities to publish all transactions and procurement above USD 2500 and related decisions within a week after they occur in addition to budget plans and executions at www.shilendans.gov.mn.

The Ministry of Justice runs website www.legalinfo.mn at which budget plans and executions approved by the Legislature are published.
The Parliament publishes draft budget documents submitted for its approval at www.parliament.mn.

Peer Reviewer
Opinion: Agree
Comments: I would add National Audit Office website www.audit.mn, National Statistics Committee website www.1212.mn, Local Development Funds (part of Local Budgets, which are part of the general government budget) at <http://onhs.mof.gov.mn/> (run by MoF) as other key portals for the budget information.

Government Reviewer
Opinion: Agree

Researcher Response
Agree with PR to add National Audit Office website www.audit.mn, National Statistics Committee website www.1212.mn, Local Development Funds

(part of Local Budgets, which are part of the general government budget) at <http://onhs.mof.gov.mn/> (run by MoF) as other key portals for the budget information.

IBP Comment

Thank you to the Peer Reviewer for the additional websites.

GQ-1b. On these websites/portals, can revenue and/or expenditure data for the current fiscal year be downloaded as a consolidated file (or set of files)? If yes, please provide the necessary links in the comment/citation.

GQ-1b, GQ-1c, and GQ-1d ask about whether governments publish specific types of content on their websites/portals: (a) consolidated files that contain revenue and/or expenditure information for the current fiscal year; (b) consolidated files that contain revenue and/or expenditure information for multiple years in consistent formats; and (c) infographics/visualizations or other similar tools used to simplify data access and analysis. Researchers should provide the links to relevant webpages and some explanations of what they contain.

Answer:

a. Yes, both revenue and expenditure data can be downloaded as a consolidated file

Source:

- www.mof.gov.mn (MOF's official website),
- www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law (2014), which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").
- www.legalinfo.mn (run by the Ministry of Justice)
- www.parliament.mn (The Parliament's official website)

Comment:

Budget information are published in pdf format.

Peer Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, both revenue and expenditure data can be downloaded as a consolidated file

Comments: National Statistics Office website offers choices for downloading in machine readable format monthly budget information for both revenues and expenditures (but as separate files for expenditures and revenues). http://1212.mn/Stat.aspx?LIST_ID=976_L08&type=tables

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, both revenue and expenditure data can be downloaded as a consolidated file

Comments: The question is not asking about machine readable format. Thus, even though, all key budget information are in PDF format, EBP contains consolidated files revenue and/or expenditure information for the current and multiple years. Example: 2017 budget amendment - EBP (<http://www.iltod.gov.mn/?p=4121> page 176)

Researcher Response

Agree with PR. Would like to change the score to "a". National Statistics Office website offers choices for downloading in machine readable format of yearly and monthly budget information for both revenues and expenditures (but as separate files for expenditures and revenues) as found at http://1212.mn/Stat.aspx?LIST_ID=976_L08&type=tables

GQ-1c. On these websites/portals, can consolidated revenue and/or expenditure data be downloaded for multiple years in consistent formats? If yes, please provide the necessary links and details in the comment/citation.

Answer:

a. Yes, both revenue and expenditure data can be downloaded for multiple years in consistent formats

Source:

- www.mof.gov.mn (MOF's official website),
- www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law (2014), which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").
- www.legalinfo.mn (run by the Ministry of Justice)

- www.parliament.mn (The Parliament's official website)

Comment:
n/a

Peer Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, both revenue and expenditure data can be downloaded for multiple years in consistent formats

Comments: National Statistics Office website offers choices for downloading in machine readable format multiyear budget information for both revenues and expenditures (but as separate files for expenditures and revenues). http://1212.mn/Stat.aspx?LIST_ID=976_L08&type=tables

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Yes, both revenue and expenditure data can be downloaded for multiple years in consistent formats

Comments: The question is not asking about machine readable format. Thus, even though, all key budget information are in PDF format, EBP contains consolidated files revenue and/or expenditure information for the current and multiple years. Example: 2017 budget amendment - EBP (<http://www.iltod.gov.mn/?p=4121> page 176)

Researcher Response

Agree with PR. Would like to change the score to "a". National Statistics Office website offers choices for downloading in machine readable format of yearly and monthly budget information for both revenues and expenditures (but as separate files for expenditures and revenues) for multiple years as found at http://1212.mn/Stat.aspx?LIST_ID=976_L08&type=tables

GQ-1d. On these websites/portals, are infographics/visualizations or other similar tools used to simplify data access and analysis? If yes, please provide the necessary links and details in the comment/citation.

Answer:

b. No

Source:

- www.mof.gov.mn (MOF's official website),

- www.iltod.gov.mn (budget information portal run by the MOF), and <http://shilendans.gov.mn/org/408> (budget information portal run by the MOF as obliged by the Glass Account Law (2014), which requires every budget entity to publish budget information on centralized portal named "Glass Account Portal").

- www.legalinfo.mn (run by the Ministry of Justice)

- www.parliament.mn (The Parliament's official website)

Comment:

n/a

Peer Reviewer

Opinion: Agree

Comments: there is a very simple visualization on http://1212.mn/stat.aspx?LIST_ID=976_L08, but also on citizen's budgets (which are produced as PDFs), so i would not really consider them as tools that you can manipulate to access budget data, so i would agree with the researcher.

Government Reviewer

Opinion: Agree

GQ-2. Are there laws in place guiding public financial management and/or auditing? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where the law(s) contains specific provisions for budget transparency and/or participation.

GQ-2 asks about the existence of any national laws governing public financial management and auditing. These may include a public finance act, a section of the constitution, or an organic budget law. In some countries, fiscal responsibility legislation may also be relevant. For example, the Kenya researcher may include the link to its Public Finance Management Act, 2012 (<http://www.kenyalaw.org/lex/actview.xhtml?actid=No.%2018%20of%202012>), and the Macedonian researcher may include a link to its State Audit Law (<https://www.finance.gov.mk/files/u11/Audit%20law.pdf>). Researchers should provide links to websites where such laws are published, if possible, or an electronic copy of the law itself. They should also indicate if and where (e.g. which article) these laws include specific provisions for budget transparency and citizen participation in budget processes.

Answer:

a. Yes

Source:

1. Budget Law of Mongolia (2011)

<http://www.legalinfo.mn/law/details/504>

2. Glass Accounts Law (2014) (in Mongolian: Шилэн дансны тухай хууль) at <https://www.legalinfo.mn/law/details/10497>

3. Law on State Auditing (2003)

<http://www.legalinfo.mn/law/details/491?lawid=491>

4. Law on Public Hearing (2015) /НИЙТИЙН СОНСГОЛЫН ТУХАЙ ХУУЛЬ/ (<http://www.legalinfo.mn/law/details/11225>)

Comment:

LEGISLATIONS ON BUDGET MANAGEMENT

1. Budget Law of Mongolia (2011)

<http://www.legalinfo.mn/law/details/504>

2. Glass Accounts Law (2014) (in Mongolian: Шилэн дансны тухай хууль) at <https://www.legalinfo.mn/law/details/10497>

3. Law on State Auditing (2003)

<http://www.legalinfo.mn/law/details/491?lawid=491>

4. Law on Public Hearing (2015) /НИЙТИЙН СОНСГОЛЫН ТУХАЙ ХУУЛЬ/ (<http://www.legalinfo.mn/law/details/11225>)

Budget Law of Mongolia (2011): Articles 5.1.4 requires the government budget to be transparent. Article 6.5 defines the principles of transparency as below:

6.5.1. budget debates and enactment to be open to public; budget plans, execution and reports to be disclosed to public in understandable and accessible manner.

6.5.2. To ensure public participation in budget planning, revenue collection, allocation and reporting

6.5.3. To provide public with opportunity of monitoring budget execution and spending in line with approved plan

6.5.4. To provide public with opportunity of monitoring public works, services and measures, and procurement of goods, works and services

6.5.5. To take public opinions into account in decisions on prioritization and sequences of implementation of government programs, projects and measures.

6.5.6. To report on how the government reflected proposals and conclusions related to budget expressed by citizens and non-governmental organizations and how it ensured public participation in budget process back to them in timely manner.

(Mongolian version of Budget Law of Mongolia (2011): Article 6.5:

6.5. Энэ хуулийн 5.1.4-т заасан төсвийн ил тод байдлыг хангасан байх зарчмыг дараах байдлаар хэрэгжүүлнэ:

6.5.1. төсөв хэлэлцэх, батлах үйл ажиллагааг нийтэд нээлттэй байлгаж, төсвийн төлөвлөгөө, гүйцэтгэл, тайлагналын талаар тогтоосон хугацаанд нийтэд ойлгомжтой, хүртээмжтэй байдлаар мэдээлэх;

6.5.2. төсвийг төлөвлөх, бүрдүүлэх, хуваарилах, тайлагнах үйл ажиллагаанд олон нийтийн оролцоог хангах;

6.5.3. төсвийн гүйцэтгэл, зарцуулалт нь батлагдсан төлөвлөгөөний дагуу хэрэгжиж байгаа эсэхэд олон нийт хяналт тавих боломжоор хангах;

6.5.4. төрөөс үзүүлж байгаа аливаа ажил, үйлчилгээ, хэрэгжүүлж байгаа арга хэмжээ, тэдгээрийн хүрээнд худалдан авч байгаа бараа, ажил, үйлчилгээнд олон нийт хяналт тавих боломжоор хангах;

6.5.5. хөтөлбөр, төсөл, арга хэмжээний ач холбогдлын эрэмбэ, хэрэгжүүлэх дараалал, арга замыг тодорхойлох шийдвэрт олон нийтийн саналыг харгалзан үзэх;

6.5.6. төсвийн асуудлаар иргэд, төрийн бус байгуулагаас гаргасан санал, дүгнэлтийг эрх бүхий этгээд нь шийдвэртээ хэрхэн тусгасан тухай, төсвийн үйл ажиллагаанд дахь олон нийтийн оролцоог хангаж ажилласан дүнг тэдэнд тухай бүр мэдээлж байх.)

Glass Account Law (2014) obliges every budget entity to publish budget information on centralized portal named "Glass Account Portal"

(www.shilendans.gov.mn). The Government budget information is becoming more transparent since the enactment of the Glass Account Law, which obliges the government and budget entities to publish all transactions and procurement above USD 2500 and related decisions within a week after they occur in addition to budget plans and executions.

Article 9 of Law on Public Hearing (2015) /НИЙТИЙН СОНСГОЛЫН ТУХАЙ ХУУЛЬ/ effective from 1 January 2016 mandates public hearings on budget monitoring. It mandates the Parliament to hold public hearings if the Subcommittee of Budget Expenditure requests or by request by not less than ¼ of all the members of the Parliament. It also mandates the Government, ministries, local governments to hold hearings on budget.

Mongolian version of Article 9 is given below.

/9 дүгээр зүйл. Төсвийн хяналтын сонсгол/

9.1. Улсын Их Хурал улсын төсвийн орлого ба зарцуулалттай холбоотой асуудлаар дараах тохиолдолд сонсголыг явуулна:

9.1.1. Төсвийн зарлагын хяналтын дэд хороо хүсэлт гаргасан;

9.1.2. Улсын Их Хурлын нийт гишүүний дөрөвний нэгээс доошгүй гишүүд хүсэлт гаргасан.

9.3. Засгийн газар, төрийн захиргааны төв, нутгийн өөрөө удирдах болон нутгийн захиргааны байгууллага дараах асуудлаар төсвийн хяналтын сонсголыг жил бүр зохион байгуулна:

9.3.1. улс, орон нутаг, Нийгмийн даатгалын сан, Хүний хөгжил сангийн төсөв;

9.3.2. орон нутгийн хөгжлийн сангийн төсөв;

9.3.3. Засгийн газрын тусгай сангийн төсөв;

9.3.4. Засгийн газар, орон нутгийн өрийн бичиг, санхүүгийн бусад хэрэгсэл;

9.3.5. Засгийн газар, орон нутгийн гадаад болон дотоод зээл, буцалтгүй тусламж;

9.3.6. Засгийн газар, орон нутгийн баталгаа гаргах болон төсвийн өр, авлага үүсгэх аливаа бусад шийдвэр.)

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

GQ-3. Are there additional laws regulating: (1) access to information; (2) government transparency; or (3) citizens participation? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where these laws contain specific provisions for budget transparency and/or participation.

The third and last question asks researchers to list any additional laws regulating access to information, transparency, or citizens' participation that are relevant for the promotion of budget transparency and citizen participation in budget processes. These might include legislation related to access to information, to planning processes, or to public administration more generally. India's Right to Information Act of 2005 (<https://www.ncess.gov.in/facilities/central-public-information-officer/rti-act-details.html>) is an example of this type of law. More information on access to information legislation (constitutional provisions, laws, and regulations), including examples of model laws, can be found here: <http://www.right2info.org/laws/constitutional-provisions-laws-and-regulations#section-1>.

Answer:
a. Yes

Source:
Law on Transparency of and Access to Information (2011)
<http://www.legalinfo.mn/law/details/374?lawid=374>

Comment:
Law on Transparency and Access to Information does not have specific clauses on fiscal/budget transparency and/or participation as the fiscal/budget transparency is now regulated by the Glass Account Law of Mongolia (2014).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

1. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?

GUIDELINES:

Question 1 addresses the presentation of expenditure by administrative unit. This information indicates which government entity (ministry, department, or agency, or MDAs) will be responsible for spending the funds and, ultimately, held accountable for their use.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all administrative units, accounting for all expenditures, in the budget year. To answer "b," the administrative units shown individually, in the Executive's Budget Proposal or its supporting documentation, must account for at least two-thirds of all expenditures in the budget year. In other words, the sum of the expenditures assigned to the individual MDAs (education, health, infrastructure, interior, defense, etc.) must account for at least two-thirds of the total expenditure budgeted for that particular year. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents administrative units that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by administrative unit.

Answer:
a. Yes, administrative units accounting for all expenditures are presented.

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:
Appendix 11 to the Estimates to the Budget Proposal 2019 (pp. 23-37) lists expenditures by all ministries, departments, and agencies (MDA). MDAs are organized by the ministerial portfolios. The data for the 2019 budget proposal is presented in column 9 of the table (2019 төсөн).

Peer Reviewer

Opinion: Agree

Comments: Appendix 11 does contain expenditures by agencies, but does not show the total amount. My calculations indicate that the appendix contains agency breakdown for expenditures totaling 9,023,454.5 million MNT, which is 96% of total state budget (9,357,150.7 million MNT).

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 2 addresses the presentation of expenditure by functional classification. This classification indicates the programmatic purpose, sector, or objective for which the funds will be used, such as health, education, or defense. Administrative units are not necessarily aligned with functional classifications. For instance, in one country all functions connected with water supply (which fall into the "Housing" function) may be undertaken by a single government agency, while in another country they may be distributed across the Ministries of Environment, Housing, and Industrial Development. In the latter case, three ministries have programs addressing water supply, so three ministries contribute to one function. Similarly, some administrative units may conduct activities that cut across more than one function. For instance, in the example above, some programs of the Ministry of Environment would also be classified in the "environmental protection" function.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for the budget year organized by functional classification.

Answer:

a. Yes, expenditures are presented by functional classification.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 14 to the Estimates to the Budget Proposal 2019 (pp. 47-50) provides a list of expenditures by functional classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 3 asks whether a country's functional classification meets international standards. To answer "a," a country's functional classification must be aligned with the OECD and the UN's Classification of the Functions of Government (COFOG), or provide a cross-walk between the national functional presentation and COFOG.

The OECD Best Practices for Budget Transparency can be viewed at <http://www.oecd.org/gov/budgeting/Best%20Practices%20Budget%20Transparency%20-%20complete%20with%20cover%20page.pdf>

COFOG can be viewed at https://unstats.un.org/unsd/publication/SeriesM/SeriesM_84E.pdf or at <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/ch6ann.pdf>.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 14 to the Estimates to the Budget Proposal 2019 (pdf pp. 47-50) provides list of expenditures by functional classification. Although the classification does not strictly follow international standards (COFOG), it is largely compatible with the standards. Namely, it includes the following categories: transfers, debt repayment, general public services, health, environmental protection, education, culture, recreation and sports, urban community services, defense and public safety, economic affairs (including mining, infrastructure, transport, construction, communication, food and agriculture, manufacturing, trade), employment, and social protection. The list covers most categories but is not exhaustive. The categories are not coded in accordance with COFOG.

The list of functional classification starts on p. 47. The items on page 47 include the following:

- General purpose current operating costs
- Purpose of expenditure for common services performed by others
- Purpose of other general costs of goods and services
- Purpose of subsidies
- Purpose of internal and external government transfer
- Purpose of social insurance transfer
- Purpose of social protection (benefit) transfer

The last item on this list is related to social protection.

The items on PDF page 48-50 include the following:

- The purpose of other transfers
- Purpose of capital expenditure
- Purposes of unclassified resources
- Privatization and financial investment purposes
- Resource reserve
- Loans and debt service
- The common state measures
- Health measures
- Environmental protection measures
- Educational measures
- Cultural events
- Physical and athletic events
- Urban and public services
- Defense, armed forces and security
- Mining, infrastructure, transportation, construction and communication
- Food, agriculture, industry and trade
- Employment
- Monetary contingent liabilities
- Holidays, festivals and celebrations
- Foreign relations
- Other economics
- Other non-classified activities and measures

Because there are some categories, such as 'purpose of unclassified revenues', 'Other non-classified activities and measures', 'resource reserve', that cannot be mapped to COFOG, therefore the score is B. However, if there were a mapping between the functional classification classification and COFOG then this could be accepted.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: EBP is presented by functional classification. Country to country basis the implementation of the COFOG might be different and for Mongolian government, the classification does provide a cross-walk between the national presentation and COFOG. In addition, MoF of Mongolia started the process of implementation of GFSM2014.

Researcher Response

Would like to keep the score "b". The question itself asks whether the expenditures by functional classification is compatible with international standards. The functional classification of Mongolia's EBP is not compatible with OECD and the UN's Classification of the Functions of Government (COFOG). For instance, according to UN's COFOG (p37), education is classified as below: 09 EDUCATION 09.1 PRE-PRIMARY AND PRIMARY EDUCATION 09.2 SECONDARY EDUCATION 09.3 POST-SECONDARY NON-TERTIARY EDUCATION 09.4 TERTIARY EDUCATION 09.5 EDUCATION NOT DEFINABLE BY LEVEL 09.6 SUBSIDIARY SERVICES TO EDUCATION 09.7 R&D EDUCATION 09.8 EDUCATION N.E.C.

IBP Comment

IBP confirms the government reviewer's suggested response for this question. The researcher is correct that the details of the classifications (including the sub-functional level) are not completely aligned, however this question asks only about first-level COFOG, and the top ten categories of COFOG. There are some functional categories that are more difficult to map to COFOG, such as: Purpose of capital expenditure, Purposes of

unclassified resources, Resource reserve, Loans and debt service, Monetary contingent liabilities, Other economics, Other non-classified activities and measures. However, as even these categories can be aligned to 'General Public Services', the score is revised from B to A.

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

GUIDELINES:

Question 4 asks whether the Executive's Budget Proposal or its supporting documentation presents expenditures for the budget year organized by economic classification. Economic classification provides information on the nature of the expenditure, such as whether funds are being used to pay for wages and salaries, capital projects, or social assistance benefits.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for the budget year organized by economic classification.

Answer:

a. Yes, expenditures are presented by economic classification.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 13 to the Estimates to the Budget Proposal 2019 (pp. 41-44) provides list of expenditures by economic classification. The categories include wages and salaries, utilities, goods and services, interest and debt service, subsidies, grants, capital investment, social benefits, and others.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 5 asks whether a country's economic classification meets international standards. To answer "a," a country's economic classification must be consistent with the International Monetary Fund's (IMF) 2001 Government Finance Statistics (GFS). The GFS economic classification is presented here: <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>. To learn more about Government Finance Statistics also refer to the entire IMF 2001 GFS manual (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf>).

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 13 to the the Estimates to the Budget Proposal 2019 (pp. 41-44) provides a list of expenditures by economic classification. The classification is fully compatible with the GFS standards.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

6. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the budget year?

GUIDELINES:

Question 6 asks whether expenditures are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should treat the term "program" as meaning any level of detail below an administrative unit – that is, any programmatic grouping that is below the ministry, department, or agency level. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, in the budget year. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures in the budget year. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Budget decisions for the upcoming year can also affect the parameters of future budgets. It is therefore useful to estimate revenues and expenditures for multi-year periods, understanding that these estimates might be revised as circumstances change. Sometimes referred to as a Medium Term Expenditure Framework (MTEF), a three-year period – that is, the budget year plus two more years – is generally considered an appropriate horizon for budgeting and planning.

Answer:

a. Yes, programs accounting for all expenditures are presented.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> - Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> - Budget proposal 2019 (Estimates)

Comment:

Budget expenditures are presented at the level of detail one level below the ministry on PDF pp.23-38 of Budget proposal 2019 (Estimates). For instance, within the portfolio of the Minister of Finance there are items such as the General Tax Office (an agency under the ministry), subsidies (transfers) to subnational governments (could be classified as a program), government debt service (also a program). So, the classification beneath each ministerial level includes a mixture of agencies, departments, as well as programs.

The budget proposal has a list of programs to be implemented by portfolios (Appendix 1 to the Budget Law of 2019, pp. 22-35 of the first link listed above). However, the list contains performance indicators for each program and not the expenditures.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, expenditures are not presented by program.

Comments: The program breakdown used by the researcher is actually the administrative breakdown, and not program. But since the guide says that anything below the level of ministry, department or agency could be considered program breakdown, I would agree with the answer given by the researcher, but the Appendix 11, which is administrative breakdown, covers about 96% of total state budget (9023454.5 million MNT as opposed to 93567150.7 of the total budget), so in that case my answer would be 'B'. But I would note that in the past the GoM would present most of the budget strictly by programs, and currently they seem to have made a step back. For instance, in 2017 EBP, each administration budget will be further broken down by specific programs, such as 'Economic Development Planning', 'State Special Protection', 'Domestic and Foreign Instant Information Activity', 'Exercise of State Property Rights' etc. Therefore, in this case my answer would be 'D'. I will leave this to IBP to decide.

Government Reviewer

Opinion: Agree

Researcher Response

Appendix 11 contains information on expenditures for a level below Ministry. Since OBS methodology is clear that we look for a level below Ministry, we think we can maintain the score.

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

GUIDELINES:

Question 7 asks if multi-year expenditure estimates are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on.

To answer “a,” the Executive’s Budget Proposal or its supporting documentation must present expenditure estimates by all three of the expenditure classifications for at least two years beyond the budget year. To answer “b,” multi-year expenditure estimates must be presented by two of these three classifications. A “c” answer applies if multi-year expenditure estimates are presented by one of the three classifications. Answer “d” applies if multi-year expenditure estimates are not presented by any of the three classifications.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

The budget proposal for 2019 includes a draft amendment to the Law of Fiscal Framework for 2019 and Budget Estimates for 2020-2021. The document is on page 11 of the source. The budget estimates for 2019-2021 contain general information on the GDP growth, inflation rate, total revenue, total expenditure, fiscal balance, capital investment, government debt and their share as a percentage of the estimated GDP. There are no budget expenditure estimates by any type of classification.

The Law on Fiscal Framework Statement for 2019 and Budget Estimates for 2020-2021 was initially approved on May 25, 2018, source: <https://www.legalinfo.mn/law/details/13414>. It was proposed to be amended during the budget proposal (as noted above).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

7b. Based on the response to Question 7, check the box(es) to identify which expenditure classifications have estimates for a multi-year period in the Executive’s Budget Proposal?

Answer:

None of the above

Source:

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

n/a

Peer Reviewer

Opinion: Disagree

Suggested Answer: Administrative and Economic

Comments: Appendix 11 for administrative and Appendix 13 for economic breakdown.

Government Reviewer

Opinion: Agree

Comments: Only PBS have estimates for a multi-year period in total revenue and expenditure classification, along with budget deficit.

Researcher Response

Would like to ask the GR to send a copy of the mentioned monthly budget execution analysis/report produced for internal use.

IBP Comment

Appendix 3 and 11 both show prior year expenditures, but only expenditures for the budget year, and not future projections of expenditures for 2020 and 2021, which is required for this question. The researcher’s response is confirmed.

8. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by program?

GUIDELINES:

Question 8 asks if multi-year expenditure estimates are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for at least two years beyond the budget year. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures over the multi-year period. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates for programs that account for less than two-thirds of expenditures. Answer "d" applies if multi-year estimates are not presented by program.

Revenues generally are separated into two major categories: "tax" and "non-tax" revenues. Taxes are compulsory transfers that result from government exercising its sovereign power. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes. The category of non-tax revenues is more diverse, ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services. Note that some forms of revenue, such as contributions to social security funds, can be considered either a tax or non-tax revenue depending on the nature of the approach to these contributions. Particularly because different revenues have different characteristics, including who bears the burden of paying the tax and how collections are affected by economic conditions, it is helpful when estimates for revenues are disaggregated and displayed based on their sources.

For more information, please refer to the 2001 GFS manual, in particular Appendix 4 (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>).

Answer:

d. No, multi-year estimates for programs are not presented.

Source:

n/a

Comment:

No evidence is found in the budget proposal documents.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 9 assesses the degree to which the individual sources of "tax" revenue are disaggregated in the budget. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of tax revenue that when combined account for at least two-thirds of all tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of tax revenue that account for less than two-thirds of tax revenues. Answer "d" applies if individual sources of tax revenue are not presented.

Answer:

a. Yes, individual sources of tax revenue accounting for all tax revenue are presented.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 5 to the Estimates to the Budget Proposal 2019 (pp. 7-8) contains a list of all tax revenue by individual sources. Item 1 (with sub-items 1.1-1.8) has a listing of individual tax sources. Data in Column 9 has the proposed revenue for 2019 (2019 төсөл). The category "other taxes" (1.8) amounts to less than 1 percent of all tax revenue.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 10 assesses the degree to which the individual sources of "non-tax" revenue are disaggregated in the budget. The category of non-tax revenues is diverse, and can include revenue ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of non-tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all non-tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of non-tax revenue that when combined account for at least two-thirds of all non-tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of non-tax revenue that account for less than two-thirds of non-tax revenues. Answer "d" applies if individual sources of non-tax revenue are not presented.

Answer:

b. Yes, individual sources of non-tax revenue accounting for at least two-thirds of, but not all, non-tax revenues are presented.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 5 to the Estimates to the Budget Proposal 2019 (pp. 7-8) contains a list of all non-tax revenue by individual sources. Item 2 (with sub-items 2.1-2.3) has a listing of individual non-tax sources. Data in Column 9 has the proposed revenue for 2019 (2019 төсөл). The category "other (non-tax) revenue" (2.1.8) accounts for about 7.2 percent of all non-tax revenue.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 11 evaluates whether revenue estimates are presented for a multi-year period (at least two years beyond the budget year) by "category," that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of revenues classified by category for at

least two years following the budget year in question.

Answer:

b. No, multi-year estimates of revenue are not presented by category.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

The budget proposal for 2019 includes a draft amendment to the Law on Fiscal Framework Statement for 2019 and Budget Estimates for 2020-2021. The document is on PDF page 11 of the source. The budget estimates for 2019-2021 contain general information on the GDP growth, inflation rate, total revenue, total expenditure, fiscal balance, capital investment, government debt and their share as a percentage of the estimated GDP. There are no revenue estimates by category.

The Law on Fiscal Framework Statement for 2019 and Budget Estimates for 2020-2021 was initially approved on May 25, 2018, source: <https://www.legalinfo.mn/law/details/13414>. It was proposed to be amended during the budget proposal (as noted above).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 12 evaluates whether revenue estimates for individual sources of revenue are presented for a multi-year period (at least two years beyond the budget year). The question applies to both tax and non-tax revenue.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented for a multi-year period.

Answer:

d. No, multi-year estimates for individual sources of revenue are not presented.

Source:

n/a

Comment:

No evidence is found in the budget proposal documents.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

13. Does the Executive's Budget Proposal or any supporting budget documentation present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

GUIDELINES:

Question 13 asks about three key estimates related to borrowing and debt that the budget should include:

- the amount of net new borrowing required during the budget year;
- the central government's total debt burden at the end of the budget year; and
- the interest payments on the outstanding debt for the budget year.

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the IMF.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all three estimates of borrowing and debt. For a "b" answer, the Executive's Budget Proposal or its supporting documentation must present two of those three estimates. For a "c" answer, the Executive's Budget Proposal or its supporting documentation must present one of the three estimates. Answer "d" applies no information on borrowing and debt is presented for the budget year.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Article 13 of the Budget Law 2019 states the total amount of net new borrowing and guarantees (p.19).

The budget proposal for 2019 contains explanation of government debt (Chapter 9 on pages 57-61 of the Introduction to the Budget Law 2019). The document contains information on the interest payments for 2019 (both on domestic and foreign debt, Figure 26 and text on p. 58), share of government debt as a percentage of GDP (Figure 25 on p. 58).

The budget proposal for 2019 includes a draft amendment to the Law on Fiscal Framework Statement for 2019 and Budget Estimates for 2020-2021. Item 8 in the table on p. 11 of the main document gives the present value for total government debt and its share in the GDP for 2019 and the two following years.

In the Estimates to the Budget Proposal 2019 we find the following:

Appendix 1 (p. 3) describes the sources of funding of budget deficit. The information includes numbers on government short and long-term bills, domestic and foreign borrowing (including the net new borrowing) and others.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

Would like to add the following to Comments Box: "All three are presented. The central government's total debt burden at the end of the budget year is presented in the EBP as a share of GDP (55.3% of GDP in NPV terms), Graph 25 on page 58".

IBP Comment

As there is nominal GDP is presented in the budget proposal, debt estimates expressed as a percentage of GDP are accepted.

13b. Based on the response to Question 13, check the box(es) below to identify which estimates of government borrowing and debt are presented in the Executive's Budget Proposal:

Answer:

The amount of net new borrowing required during the budget year
The interest payments on outstanding debt for the budget year
The central government's total debt burden at the end of the budget year

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

n/a

Peer Reviewer

Opinion: Agree

Comments: The central government's total debt burden at the end of the budget year is presented in the EBP as a share of GDP (55.3% of GDP in NPV terms), Graph 25 on page 58. If this is acceptable, then i would include all three as presented.

Government Reviewer

Opinion: Agree

Comments: Plus the total principal payment for the corresponding fiscal year.

Researcher Response

Agree with PR. Would like to add the following to Comments Box: "All three are presented. The central government's total debt burden at the end of the budget year is presented in the EBP as a share of GDP (55.3% of GDP in NPV terms), Graph 25 on page 58".

IBP Comment

As there is nominal GDP is presented in the budget proposal, debt estimates expressed as a percentage of GDP are accepted.

14. "Does the Executive's Budget Proposal or any supporting budget documentation present information related to the composition of the total debt outstanding at the end of the budget year?"

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

GUIDELINES:

Question 14 focuses on the composition of government debt at the end of the budget year, asking whether "core" information related to its composition is presented. These core components include:

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 13, domestic debt is held by a country's citizens, banks, and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.

Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the composition of government debt at the end of the budget year as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding at the end of the budget year.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (pp 57-61) gives a description of debt issues as well as related tables and

figures. Figure 25 on page 58 has information on the share of total government debt as a percentage of GDP. Table 24 (p. 57) provides information on the composition of total government debt as of the end of 2017 as well as first and second quarter of 2018. The table gives information on the total amount of domestic and foreign debt and government guarantees. There is no information on the interest rate and maturity profile of the debt. No information is found on the composition of total outstanding debt by the end of 2019.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I disagree with the answer of a researcher. In the Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (pp 59), the maturity of domestic and external debts are presented. Only information that is missing the core elements is interest rate.

Researcher Response

The government debt comprises of domestic (bond), external (bond and loans) and others (guarantee and concession). In the Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (Table 24 on p. 57) provides information on the composition of total government debt as of the end of 2017 as well as first and second quarter of 2018. The table gives information on the total amount of domestic and foreign debt and government guarantees. On p.59, we find only information on the maturity of 4 foreign bonds. No information is found on maturity of loans and interest rate. Therefore, we would like to change the score of Q14 to "c".

IBP Comment

The researcher's response is confirmed. P. 59 presents the maturities of different loans for the period of the budget year and beyond. All other information is not presented for the budget year, but for prior years.

14b. Based on the response to Question 14, check the box(es) to identify which elements of the composition of the total debt outstanding are are presented in the Executive's Budget Proposal:

Answer:

Maturity profile of the debt

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: I disagree with the answer of a researcher. In the Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (pp 59), the maturity of domestic and external debts are presented. Only information that is missing the core elements is interest rate.

Researcher Response

The government debt comprises of domestic (bond), external (bond and loans) and others (guarantee and concession). In the Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (Table 24 on p. 57) provides information on the composition of total government debt as of the end of 2017 as well as first and second quarter of 2018. The table gives information on the total amount of domestic and foreign debt and government guarantees. On p.59, we find only information on the maturity of 4 foreign bonds. No information is found on maturity of loans and interest rate. Therefore, we would like to change the answer to: "elements included: Whether the debt is domestic or external". In addition, we would like to change the score of Q14 to "c".

IBP Comment

P. 59 presents the maturities of different loans for the period of the budget year and beyond. All other information is not presented for the budget year, but for prior years. The response to this question is therefore revised to 'maturity profile of the debt'.

15. "Does the Executive's Budget Proposal or any supporting budget documentation present information on the macroeconomic forecast upon which the budget projections are based?"

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)"

GUIDELINES:

Question 15 focuses on the macroeconomic forecast that underlies the budget's revenue and expenditure estimates, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

- nominal GDP level;
- inflation rate;
- real GDP growth; and
- interest rates.

While the core macroeconomic information should be a standard feature of the Executive's Budget Proposal, the importance of some types of macroeconomic assumptions may vary from country to country. For example, the budget estimates of some countries are particularly affected by changes in the price of oil and other commodities.

Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short and long-term interest rates; rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Chapter 1 on the Macroeconomic Outlook of the Introduction to the Budget Law 2019 (pp. 3-9, PDF p. 71-77) gives a narrative description of macroeconomic issues along with tables and figures. Figure 1 (section 1.2.1 on page 4, PDF p. 72) provides information on the nominal GDP level and real GDP growth. Section 1.2.5 (p. 8, PDF p. 76) presents inflation rates and forecast, section 1.2.6 (p.9, PDF p. 77) talks about interest rates and related policies. Consumer Price Index (which shows inflation) for FY 2019 is found on PDF p.11 of the draft of Amendment to Law on 2019 PBS which is included in the package. The last section (point 3 on p. 9, PDF p. 77) gives information on the 2023 mid-term outlook for interest rates and refers to the central bank's monetary policy for the forthcoming year, but does not provide information on the specific interest rates for 2019 which were used for the budget purposes. The document has other information on foreign trade, terms of trade, current and capital account, as well as global economic outlook.

Therefore since one core element is missing, but additional information beyond the core is provided, the score is B.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: I agree with the answer of a researcher, but I wish to add a comment: MoF responsible for fiscal policy (Tax and government spending etc) and BoM responsible for monetary policy. (Demand & Supply, interest rates etc). Therefore, information regarding monetary policy are proposed and published from BoM, separately from EBP

15b. Based on the response to Question 15, check the box(es) to identify which elements of the macroeconomic forecast are included in the Executive's Budget Proposal:

Answer:

Nominal GDP level
Inflation rate
Real GDP growth
Information beyond the core elements (please specify)

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:
Information beyond the core elements: foreign trade, terms of trade, current and capital account, global economic outlook

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

16. "Does the Executive's Budget Proposal or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget?"

(The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.)"

GUIDELINES:

Question 16 focuses on the issue of whether the Executive's Budget Proposal shows how different macroeconomic assumptions affect the budget estimates (known as a "sensitivity analysis"). It asks whether "core" information related to a sensitivity analysis is presented, estimating the impact on expenditures, revenue, and debt of different assumptions for:

- *inflation rate;*
- *real GDP growth; and*
- *interest rates.*

A sensitivity analysis shows the effect on the budget of possible changes in some macroeconomic assumptions, and is important for understanding the impact of the economy on the budget; for instance, what would happen to revenue collections if GDP growth were slower than what is assumed in the budget proposal? Or what would happen to expenditure if inflation were higher than estimated? Or how will revenue be affected by a decrease in the price of oil?

As noted for Question 15, changes in certain macroeconomic assumptions, such as the price of oil and other commodities, can have a significant impact on the budget estimates. As a result, some sensitivity analyses may also examine the impact on the budget estimates of changes in assumptions such as the price of oil that are beyond the core elements of the inflation rate, real GDP growth, and interest rates.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to a "sensitivity analysis" as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to a "sensitivity analysis" is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on "sensitivity analysis" is presented.

Answer:
d. No, information related to different macroeconomic assumptions is not presented.

Source:
n/a

Comment:
No information is found in the budget proposal documents.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:

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

Comments: In the main presentation of EBP page 26, states about possible impact to the budget from fluctuation of an exchange rate as well as the price of the commodities.

Researcher Response

EBP does not show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget. In the main presentation of EBP page 26, states about possible impact to the budget from fluctuation of an exchange rate as well as the price of the commodities. However, it does not include any estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.) Therefore, would like to keep the original score.

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

GUIDELINES:

Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.

Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on the impact of new policy proposals.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Email response from the staff of the Department of Fiscal Policy and Planning sent on April 9, 2019. Telephone follow-up interview (clarification) with the same staff on April 15, 2019.

Comment:

Chapter 5 on the Current Expenditures of the Introduction to the Budget Law 2019 (PDF pp. 96-112) has specific sectoral policy proposals that have implications on the current expenditures. The chapter contains both estimates (some are in the form of graphs and tables) along with the narrative. Chapter 6 on the Capital Expenditures (PDF pp. 113-116) has the same type of information on investment projects (e.g., building new schools etc.). In both cases, the new policy proposals presented are quite comprehensive but not exhaustive.

The MoF staff members informed in an email and explained in a follow-up interview that all expenditure policy proposals are reflected in the estimates. However, the version made publicly available does not contain an exhaustive list of all policy initiatives and their implications on the expenditures.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I disagree with the answer of a researcher. Researcher stated that "the version made publicly available does not contain an exhaustive list of all policy initiatives and their implications on the expenditures". However, MoF does include information about new policy proposals, along with a narrative discussion in corresponding FY introduction. Researcher already cited the page number from 2019 EBP.

Researcher Response

Agree with GR to change score to "a".

18. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy

proposals, as distinct from existing policies, affect revenues?

GUIDELINES:

Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.

Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on the impact of new policy proposals.

Prior-year information constitutes an important benchmark for assessing the proposals for the upcoming budget year. Estimates of prior years should be presented in the same formats (in terms of classification) as the budget year to ensure that year-to-year comparisons are meaningful. For example, if the budget proposes shifting responsibility for a particular program from one administrative unit to another – such as shifting responsibility for the training of nurses from the health department to the education department – the prior-year figures must be adjusted before year-to-year comparisons of administrative budgets can be made.

Typically, when the budget proposal is submitted, the year prior to the budget year (BY-1), also known as the current year, has not ended, so the executive will provide estimates of the anticipated outcome for BY-1. The soundness of these estimates is directly related to the degree to which they have been updated to reflect actual expenditures to date, legislative changes that have occurred, and anticipated changes in macroeconomic, caseload, and other relevant factors for the remainder of the year.

The first year that can reflect actual outcomes, therefore, is generally two years before the budget year (BY-2). Thus the OECD recommends that data covering at least two years before the budget year (along with two years of projections beyond the budget year) are provided in order to assess fully the trends in the budget.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Email response from the staff of the Department of Fiscal Policy and Planning sent on April 9, 2019. Telephone follow-up interview (clarification) with the same staff on April 15, 2019.

Comment:

Chapter 4 on the Budget Revenue for 2019 of the Introduction to the Budget Law 2019 (PDF pp. 88-95) describes revenue policies and estimates for the upcoming budget year. Both the narrative and estimation forms are used. There are some estimates of implications of new policy proposals on the revenue. For instance, the government plans to install new customs control systems at the border point where coal and other minerals are being exported to China. The new technology will allow for improved tax collection on coal (section 4.4 on PDF p.89). The explanation includes both ongoing and new policies. For instance, the new policies include customs reforms which will have impact on the mining sector revenue. Other sources of tax revenues, e.g. personal income tax and VAT, will not be affected by policy changes.

The MoF staff members informed in an email and explained in a follow-up interview that all revenue policy proposals are reflected in the estimates. However, the version made publicly available does not contain a comprehensive list of all policy initiatives and their implications on the revenues.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I disagree with the answer of a researcher. Researcher stated that " the version made publicly available does not contain a comprehensive list of all policy initiatives and their implications on the revenues". However, MoF does include information about new policy proposals, along with a narrative discussion in corresponding FY introduction. Researcher already cited the page number from 2019 EBP. In addition, throughout 2018FY, MoF staff collaborated along with Parliament to approve new Tax law reform. And the implementation process of newly approved tax laws was clearly stated in EBP of 2019. page 78-83.

Researcher Response

Agree with GR to change the score to "a".

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

GUIDELINES:

Question 19 asks if expenditure estimates for the year prior to the budget year (BY-1) are presented by one of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-1 by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-1 must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-1 are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-1 are not presented by any of the three classifications.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 11 of the Estimates to the Budget Proposal 2019 (pp. 23-38) provides information on expenditure by administrative classification for the years 2012-2018 (7 years prior to the budget year).

Appendix 13 to the to the Estimates to the Budget Proposal 2019 (pp. 41-44) provides a list of expenditures by economic classification for the years 2011-2018.

Appendix 14 to the to the Estimates to the Budget Proposal 2019 (pp. 47-50) provides a list of expenditures by functional classification only for the budget year of 2019. No prior-year information is presented.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

20. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

GUIDELINES:

Question 20 asks if expenditure estimates for the year before the budget year (BY-1) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaille. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-1. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-1. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Answer:

a. Yes, programs accounting for all expenditures are presented for BY-1.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Budget expenditures for BY-1 are given one level below the ministry, which includes a mixture of agencies underneath the ministry, departments, and individual programs. These can be found on PDF pp. 23-37 of the Estimates.

The budget proposal has a list of programs to be implemented by portfolios (Appendix 1 to the Budget Law of 2019, PDF pp. 22-35 of the source listed above). However, the list contains performance indicators for each program and not the expenditures.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The researcher assumed that the administrative classification would be sufficient to be considered a 'program level' breakdown. If that is the right answer, I agree with this current answer. To me the program classification is not presented under the current EBP.

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 21 asks whether the expenditure estimates for the year before the budget year (BY-1) have been updated from the original enacted levels. Updates can reflect actual experience to date; revised estimates due to shifting of funds by the executive, as permitted under the law; enactment of supplemental budgets; and revised assumptions regarding macroeconomic conditions, caseload, and other relevant factors for the remainder of the year.

Answer "a" applies if the estimates have been updated; answer "b" applies if the original estimates are still being used.

Answer:

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

Source:

n/a

Comment:

Any changes to the budget estimates (both revenue and expenditure) require legislature's decision to amend the budget. In 2018, no amendments were made to the enacted budget.

"Бат" means budgeted values.

Peer Reviewer

Opinion: Agree

Comments: The EBP is submitted in October prior to the budget year, when the pre-budget year has not yet finished. Therefore, the estimates for 2018, in this case, were shown in the EBP for 2019 as the estimated and approved values, not actual expenditures.

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 22 asks if expenditure estimates for more than one year prior to the budget year (BY-2 and prior years) are presented by any of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-2 and prior years by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-2 and prior years must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-2 and prior years are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-2 and prior years are not presented by any of the three classifications

Answer:

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

Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:
Appendix 11 of the Estimates to the Budget Proposal 2019 (pp. 23-38) provides information on expenditure by administrative classification for the years 2012-2018 (7 years prior to the budget year).

Appendix 13 to the to the Estimates to the Budget Proposal 2019 (pp. 41-44) provides a list of expenditures by economic classification for the years 2011-2018.

Appendix 14 to the to the Estimates to the Budget Proposal 2019 (pp. 47-50) provides a list of expenditures by functional classification only for the budget year of 2019. No prior-year information is presented.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

22b. Based on the response to Question 22, check the box(es) to identify which expenditure classifications have estimates for more than one year prior to the budget year in the Executive Budget Proposal:

Answer:
Administrative classification
Economic classification

Source:
Source:
<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:
Comment:
Appendix 11 of the Estimates to the Budget Proposal 2019 (pp. 23-38) provides information on expenditure by administrative classification for the years 2012-2018 (7 years prior to the budget year).

Appendix 13 to the to the Estimates to the Budget Proposal 2019 (pp. 41-44) provides a list of expenditures by economic classification for the years 2011-2018.

Appendix 14 to the to the Estimates to the Budget Proposal 2019 (pp. 47-50) provides a list of expenditures by functional classification only for the budget year of 2019. No prior-year information is presented.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 23 asks if expenditure estimates for more than one year before the budget year (BY-2 and prior years) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-2 and prior years. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-2 and prior years. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Answer:

a. Yes, programs accounting for all expenditures are presented for BY-2 and prior years.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Budget expenditures for BY-2 and prior years are given one level below the ministry, which includes a mixture of agencies underneath the ministry, departments, and individual programs. These are found on PDF pp.23-37 of the Estimates.

The budget proposal has a list of programs to be implemented by portfolios (Appendix 1 to the Budget Law of 2019, PDF pp. 22-35 of the source listed above). However, the list contains performance indicators for each program and not the expenditures.

Peer Reviewer

Opinion: I choose not to review this question

Comments: Again, in my opinion, the program level classification was not presented in EBP.

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 24 asks for which year the actual outcomes for expenditures are shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated all its expenditure data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendices 11 and 13 of the Estimates to the Budget Proposal 2019 (pp. 23-38 and 41-44) give information on the actual expenditures. The most recent year is 2017, denoted 2017 Гүйц in column 7 of Appendix 11 and column 8 in Appendix 13.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

25. Does the Executive's Budget Proposal or any supporting budget documentation present revenue by category (such as tax and non-tax) for the year preceding the budget year (BY-1)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 5 to the to the Estimates to the Budget Proposal 2019 (pp. 7-8) contains a list of all tax and non-tax revenue by individual sources. Revenue data is given for the budget years of 2012-2018, i.e. 7 years prior to the proposed budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

26. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for the year preceding the budget year (BY-1)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Comment:

Appendix 5 to the to the Estimates to the Budget Proposal 2019 (pp. 7-8) contains a list of all tax and non-tax revenue by individual sources. Item 1 (with sub-items 1.1-1.8) has a listing of individual tax sources and item 2 (sub-items 2.1-2.3) provides information on individual non-tax revenue sources. Revenue data is given for the budget years of 2012-2018, i.e. 7 years prior to the proposed budget year.

For FY 2018 we find the following numbers:

Other tax revenue 1.8.1.9 – 56,911

Other non-tax revenue 2.1.8 – 55,980

Total other – 112,891

This is 1.56% of total revenue

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Any changes to the budget estimates (both revenue and expenditure) require legislature's decision to amend the budget. In 2018, no amendments were made to the enacted budget. 2018 column header (Бат) refers to "budgeted value".

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

28. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for more than one year prior to the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, revenue estimates for BY-2 and prior years are presented by category.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 5 to the to the Estimates to the Budget Proposal 2019 (pp. 7-8) contains a list of all tax and non-tax revenue by individual sources. Revenue data is given for the budget years of 2012-2018, i.e. 7 years prior to the proposed budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-2 and prior years.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 5 to the to the Estimates to the Budget Proposal 2019 (pp. 7-8) contains a list of all tax and non-tax revenue by individual sources. Revenue data is given for the budget years of 2012-2018, i.e. 7 years prior to the proposed budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 5 of the Estimates to the Budget Proposal 2019 (pp. 7-8) give information on the actual revenues. The most recent year is 2017, denoted 2017 Гүйц in column 7.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

31. "Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1)?"

(The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

GUIDELINES:

Question 31 focuses on prior-year debt information, rather than on prior-year expenditures or revenues, asking whether "core" information is provided on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1).

The "core" information includes:

- *total debt outstanding at the end of BY-1;*
- *amount of net new borrowing required during BY-1;*
- *interest payments on the debt;*
- *interest rates on the debt instruments;*
- *maturity profile of the debt; and*
- *whether it is domestic or external debt.*

This core information for BY-1 is consistent with the budget year information for borrowing and debt, which is examined in Questions 13 and 14.

In addition, some governments provide information beyond the core elements, such as gross new borrowing required during BY-1; currency of the debt; whether the debt carries a fixed or variable interest rate; whether it is callable; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); where appropriate, what the debt is being used to finance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to government borrowing and debt, including its composition, for BY-1 as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to government borrowing and debt, including its composition, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on government borrowing and debt for BY-1.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

In the main document we find the following:

1. Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (PDF pp 125-129) gives a description of debt issues as well as related tables and figures. Figure 25 on PDF page 126 has information on the share of total government debt as a percentage of GDP for the years 2015-2018 (4 years prior to the budget year), but NOT the actual amount of outstanding debt.
2. Figure 26 and text on PDF p. 126 contains information on the interest payments both on domestic and foreign debt for 2015-2018, i.e. 4 years prior to the budget year.
3. Table 24 (PDF p. 125) provides information on the total debt outstanding and composition of total government debt as of the end of 2017 (BY-2) as well as first and second quarter of 2018 (i.e., no end-of-year information for BY-1). The table gives information on the total amount of domestic and foreign debt and government guarantees.

In the Estimates to the Budget Proposal 2019 we find the following:

1. Appendix 3 (PDF p. 5) describes the sources of funding of budget deficit. The information includes numbers on government short and long-term bills, domestic and foreign borrowing (including the net new borrowing) and others for 2011-2018, i.e. 8 years prior to the budget year.

There is no information on the interest rate and maturity profile of the debt for any year prior to the budget year of 2019. Thus, for the BY-1, 3 out of 6 items of core information is presented in the budget proposal.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 32 asks for which year the actual outcome for debt is shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated its debt data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

It is essential that all government activities that may have an impact on the budget – in the current budget year or in future budget years – be fully disclosed to the legislature and the public in budget documents. In some countries, for instance, entities outside central government (such as public corporations) undertake fiscal activities that could affect current and future budgets. Similarly, activities that can have a significant impact on the budget, such as payment arrears and contingent liabilities, sometimes are not properly captured by the regular presentations of expenditure, revenue, and debt.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 3 of the Estimates to the Budget Proposal 2019 (p. 5) describes the sources of funding of budget deficit. The information includes numbers on government short and long-term bills, domestic and foreign borrowing (including the net new borrowing) and others for 2011-2018. The

most recent actual data is for 2017 (BY-2). See column 8 of the table (2017 Гүйц). Other debt figures, such as actual interest paid and actual total debt outstanding, can be found for the year of 2017 in the Chapter 9 on Government Debt of the Introduction to the Budget Law 2019 (p. 57, or p. 125 in the PDF).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

33. "Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)"

GUIDELINES:

Question 33 focuses on extra-budgetary funds, asking whether "core" information related to these funds, which exist outside the budget, are presented. These core components include:

- a statement of purpose or policy rationale for the extra-budgetary fund (i.e., why was a particular fund set up? what is it used for?); and
- estimates of its income, expenditure, and financing. (These estimates should be presented on a gross basis so that it is possible to tell how much money flows through each extra-budgetary fund.)

In most countries, governments engage in certain budgetary activities that are not included in the central government's budget. Known as extra-budgetary funds, they can range in size and scope. For example, countries frequently set up pension and social security programs as extra-budgetary funds, where the revenues collected and the benefits paid are recorded in a separate fund outside the budget. Another example of an extra-budgetary fund can be found in countries dependent on hydrocarbon/mineral resources, where revenues from producing and selling those resources are channeled through systems outside the annual budget.

In some cases, the separation engendered by an extra-budgetary fund serves a legitimate political purpose, and the finances and activities of these funds are well documented. In other cases, however, this structure is used for obfuscation, and little or nothing is known about a fund's finances and activities.

The availability of information related to extra-budgetary funds is essential for a comprehensive understanding of the government's true fiscal position. In addition to the core information, other information about extra-budgetary funds is also desirable. Such information includes a discussion of the risks associated with the extra-budgetary fund; expenditures classified by economic, functional, or administrative unit; and the rules and procedures that govern the operations and management of the extra-budgetary fund.

For more information about extra-budgetary funds, see the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 2.1.1 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to extra-budgetary funds as well as some additional information beyond the core elements. A "b" answer applies if the Executive's Budget Proposal or supporting documentation presents all of the core information. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to extra-budgetary funds is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on extra-budgetary funds.

Answer:

c. Yes, information is presented, but it excludes some core elements or some extra-budgetary funds.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

The budget proposal has two parts: the state budget (comprised of the central government and local government budget) and budget for the Social Security Fund and Health Insurance Fund, which are set up separately from the state budget. All information in terms of revenue, financing, and expenditure of the fund is presented in the budget proposal and approved by the parliament. Pages 149-156 of the Budget proposal 2019 (main document) provide a narrative on the policies and rationale as well as estimates on the revenue and expenditure of the Social Security Fund. Pages 161-167 provide similar information on the Health Insurance Fund.

At the end of 2018, there were 29 government special funds (including the above two funds), pursuant to clause 5.4 of the Law on Government Special Funds (approved June 29, 2006, <https://www.legalinfo.mn/law/details/278>).

Chapter 5, Section 5.13 of Introduction to the Budget Proposal 2019 (pp. 37-38) gives information on policy rationale for selected extra-budgetary funds. There is also information on the expenditures of 22 special funds in Table 14 on page 37. Section 5.14 of the same document provides information, including policy rationale, revenue and expenditure on Social Security Fund. The latter is further divided into 4 funds plus Health Insurance Fund (total of 5).

Appendix 6 to the Estimates to the Budget Proposal 2019 (pp. 6-12) contains revenues to be raised by revenue-generating agencies, including special funds. Appendix 11 to the Estimates (pp. 23-38) has information on the aggregate expenditures of all agencies, including special funds (these are organized by ministerial portfolios). There is no direct information on financing of special funds. Most of the funds are financed from the state budget (as specified in Law on Government Special Funds). It could be assumed that the difference between revenue and expenditure is financed from the state budget. Few funds are to be financed through donations and gifts, pursuant to the law. However, no information is given on these sources of financing.

Peer Reviewer

Opinion: Agree

Comments: It should also be noted that the government set up two other funds, mostly based on mining revenues: Fiscal Stabilization Fund and Future Heritage Fund. Information on these funds is available to a limited extent in EBP (for example, 4.3 Future Heritage Fund Revenue on page 20, Table 3 on general budget revenue includes revenue for Stabilization Fund).

Government Reviewer

Opinion: Agree

Researcher Response

Agree to add the clarification by the PR to Comments box: "It should also be noted that the government set up two other funds, mostly based on mining revenues: Fiscal Stabilization Fund and Future Heritage Fund. Information on these funds is available to a limited extent in EBP (for example, 4.3 Future Heritage Fund Revenue on page 20, Table 3 on general budget revenue includes revenue for Stabilization Fund). "

34. Does the Executive's Budget Proposal or any supporting budget documentation present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year?

GUIDELINES:

Question 34 asks whether the Executive's Budget Proposal or supporting documents present the finances of the central government on a consolidated basis, showing both its budgetary and extra-budgetary activities. Virtually all of the questions in the OBS questionnaire focus on budgetary central government – the activities of the ministries, departments, or agencies of central government. In addition, Question 33 asks about extra-budgetary funds, such as social security funds that are not included in the budget.

Coverage is an important aspect of fiscal reporting. Budget documents should cover the full scope of government's financial activity. In many countries, extra-budgetary activities are substantial, and can represent a sizable share of the central government's activities. To get a full picture of the central government's finances, therefore, it is necessary to examine both activities that are included in the budget and those that are extra-budgetary. This question asks whether such a consolidated presentation of central government finances is provided.

The central government is only one component of the overall public sector. The public sector also includes other levels of government, such as state and local government, and public corporations. (See Box 2.1 under Principle 1.1.1 of the IMF's Fiscal Transparency Handbook (2018): <https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>). For the purpose of answering this question, please consider only the central government level.

In order to answer "a," the Executive's Budget Proposal or supporting documentation must present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Extra-budgetary activities: Future Heritage Fund, Fiscal Stability Fund, Social Security Fund, Health Insurance Fund, concessions (as part of PPP), most of these are included in the executive's budget, with the exception of a few government special funds (as mentioned in my answer to Q33).

Quasi-fiscal activities: some activities of the Development Bank of Mongolia and the State Bank (when loans are given at a lower than market rates), low-rate housing mortgage programs (subsidized by the government), some government special funds where they provide below-market-rate loans (e.g., the SME Development Fund and Crop Farming Support Fund), etc. Since 2017, Mongolia's EBP figures include the Development Bank of Mongolia.

The commercial activities of the DBM are not considered quasi-fiscal (as of 2017, with the change of law). Price stabilization programs were

terminated. The mortgage is currently issued by the Bank of Mongolia and they are included in the budget. The government wants to shift the mortgage program from the Bank of Mongolia to the government, but the process will be gradual.

Appendix 5 to the Estimates to the Budget Proposal 2019 (pp. 7-8) provides estimates for the consolidated budget revenue, including social security payments (extra-budgetary revenue). Appendix 13 (pp. 41-46) provides consolidated expenditure, both budgetary and some extra-budgetary. For instance, the table includes subsidies to state and private enterprises (ТАТААС on p. 41). In terms of sources of financing, the table specifies financing from government special funds (Засгийн газрын тусгай сангаас санхүүжих), financing from the Social Security Fund (including Health Insurance Fund) (Нийгмийн даатгалын сангийн төсвөөс санхүүжих), and financing from the Development Bank (Хөгжлийн банкны эх үүсвэрээр санхүүжих).

Peer Reviewer

Opinion: Agree

Comments: The EBP covers most of the extrabudgetary funds. These funds include 29 special government funds; these funds are mostly covered in the budget. the exceptions are Government loan guarantee fund, Industry development fund, and Fund against air pollution, which while legislated by the Government Special Funds Law, the EBP does not contain any information on. It should be noted that 26 out of 29 funds are considered a part of the 'state budget', while the other 3 are considered the part of the 'general government budget', but only revenues and expenditures are legislated as part of the budget, and not the balance of these funds. In addition, the SOEs and Development bank activities, with the exception of transfers from the budget, are not described in the EBP. so I would agree with the researcher.

Government Reviewer

Opinion: Agree

Researcher Response

Would like to add the clarification by the PR to Comments box: "The EBP covers most of the extrabudgetary funds. These funds include 29 special government funds; these funds are mostly covered in the budget. the exceptions are Government loan guarantee fund, Industry development fund, and Fund against air pollution, which while legislated by the Government Special Funds Law, the EBP does not contain any information on. It should be noted that 26 out of 29 funds are considered a part of the 'state budget', while the other 3 are considered the part of the 'general government budget', but only revenues and expenditures are legislated as part of the budget, and not the balance of these funds. In addition, the SOEs and Development bank activities, with the exception of transfers from the budget, are not described in the EBP."

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

GUIDELINES:

Question 35 asks about intergovernmental transfers. In many cases, the central government supports the provision of a good or service by a lower level of government through an intergovernmental transfer of funds. This is necessary because, independent from the level of administrative decentralization that exists in a given country, the capacity for revenue collection of a local government is unlikely to be sufficient to pay for all its expenses. However, because the activity is not being undertaken by an administrative unit of the central government, it is unlikely to receive the same level of review in the budget. Thus it is important to include in the budget proposal a statement that explicitly indicates the amount and purposes of these transfers.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all intergovernmental transfers and a narrative discussing these transfers. If a narrative discussion is not included, but estimates for all intergovernmental transfers are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, intergovernmental transfers (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of intergovernmental transfers are presented.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Chapter 7 of the Introduction to the Budget Proposal 2019 (pp. 49-50) provides the narrative discussion on the local government budget, covering intergovernmental transfers. Appendix 10 (p. 22) of the Estimates to the Budget Proposal 2019 provide information on intergovernmental transfers.

The narrative is short but covers all aggregate numbers, e.g. total investment, total current transfers, and transfers to the local development fund. Some numbers by aimags (provinces) are given in the form of maps (figures 23 and 24 on p. 118).

Peer Reviewer

Opinion: Agree

Government Reviewer

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

GUIDELINES:

Question 36 asks about "alternative displays" of expenditures that highlight the financial impact of policies on different groups of citizens. As discussed above, expenditures are typically presented by at least one of three classifications – administrative, functional, and economic classifications (see Questions 1-5) – and by individual program (Question 6). In addition, governments can provide alternative displays to emphasize different aspects of expenditure policies and to show who benefits from these expenditures.

For the purpose of answering this question, the alternative presentation must differ from the presentations (such as administrative, functional, or economic classifications or presentation by program) used to answer other questions. The alternative display can cover all expenditures or only a portion of expenditures. For instance, it can show how all expenditures are distributed according to geographic region or it can show how selected expenditures (such as the health budget or the agriculture budget) are distributed to different regions. But such a geographic display must be something different than the presentation of intergovernmental transfers used to answer question 35. One exception is when a country includes a special presentation of all policies intended to benefit the most impoverished populations (and is used to answer Question 52) then that can be considered an alternative display for purposes of answering this question as well. Finally, brief fact sheets showing how proposals in the budget benefit particular groups would be insufficient; only more detailed presentations would be considered.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of the importance of alternative displays of budget information and provides a number of examples. For instance,

- Bangladesh in its 2017-18 Budget included a detailed supplementary Gender Budgeting Report, which presents the spending dedicated to advancing women across various departments. (<https://mof.portal.gov.bd/site/page/3bb14732-b5b1-44df-9921-efedf1496295>).
- The UK's 2017 budget included a supplementary analysis that provided a distributional analysis of the budget by households in different income groups (see https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661465/distributional_analysis_autumn_budget_2017.pdf)
- South Africa's 2017 Budget Review goes beyond the standard presentation of intergovernmental transfers, discussing the redistribution that results from national revenue flowing to the provinces and municipalities and presenting the allocations on a per capita basis (see chapter 6, <http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBR.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must include at least three different presentations that illustrate the financial impact of policies on different groups of citizens for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must include at least two different alternative displays of expenditures. A "c" applies if only one type of alternative display of expenditure is presented. Answer "d" applies if no alternative display of expenditure is presented.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Expenditures (both capital and current) are displayed by aimags (provinces) and in some cases by smaller administrative units (soums and districts). For instance, Appendix 10 to the Estimates on the budget proposal (p. 22) provides information on two types of central government allocations to local governments: (i) transfers to finance general government services in the regions such as education etc., and (ii) inter-governmental transfers to be spent at the discretion of local governments (covered in Q35 above). The examples of the first type of expenditures are special purpose transfers (column 9) which are earmarked expenditure for 5 items, namely general education, pre-school, primary health care, land relations and cadaster, and child development and protection services. Transfers from the Health Insurance Fund (column 10) to be spent on providing other health services at the local level (non-primary).

Additionally, Appendix 2 to the Budget Law 2019 (p. 36-59 of the main document) provides a list of all investment projects to be financed from the central budget, including facilities in the rural and urban districts. These are central government capital expenditures to finance investment projects at the local level.

Appendix 10 to the Estimates on the budget proposal (p. 22) provides information on allocations to local development funds of all aimags (provinces) of Mongolia. These allocations are formula-based and are in addition to central government transfers to finance basic public services such as education and health. Resources allocated to the local development funds are spent on projects based on direct voting of local citizens.

Opinion: Disagree

Suggested Answer:

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

Comments: Local development fund distributions to aimags (provinces) are formula based distributions of certain revenues to local government budgets. To emphasize, LDFs are part of the local budgets. Therefore, i would not consider this as the alternative display of expenditures, it is just the local government budget estimates. There is 'special transfers' which would be some ministries assigning certain tasks that the ministry has to perform to local governments with the relevant budgets, but the EBP does not specify any details on what ministries are transferring their responsibilities to local governments. Most importantly, we do not know how central government agencies and ministries' spending affects certain regions or provinces. Therefore, i would choose to disagree with the researcher on this question.

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates) In the last section (page 47-51), State budget appendix 14, illustrates government spending by functional classification. From there, we can see how the corresponding expenses are approved for a certain purposes. (social welfare, unemployment etc...) In addition, MoF transfers special purposed funds to all 22Aimag(Province). Top right section of page 22.

Researcher Response

The EBP presents expenditures by region only. Expenditures (both capital and current) are displayed by aimags (provinces) and in some cases by smaller administrative units (soums and districts). For instance, Appendix 10 to the Estimates on the budget proposal (pdf p. 22) provides information on two types of central government allocations to local governments: (i) transfers to finance general government services in the regions such as education etc., and (ii) inter-governmental transfers to be spent at the discretion of local governments (covered in Q35 above). Additionally, Appendix 2 to the Budget Law 2019 (p. 36-59 of the main document) provides a list of all investment projects to be financed from the central budget, including facilities in the rural and urban districts. These are central government capital expenditures to finance investment projects at the local level. Therefore, would like to keep the original score.

IBP Comment

During an IBP cross-country consistency check, this response is revised from C to D. As the researcher notes, transfers to subnational government are assessed in Q35, and do not count as an alternative presentation of expenditures on different groups of citizens. Only an analysis of the distribution of central-level expenditures, or general government expenditures, across regions would count for this question. Furthermore, a listing of infrastructure projects, while useful, does not show the impact of those projects on different groups of citizens by region either. The score of D is confirmed.

36b. Based on the response to Question 36, select the box(es) below to identify which types of alternative displays are included in the Executive's Budget Proposal:

Answer:

None of the above

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Other displays of expenditures: geographic distribution of resources to the local development fund

Peer Reviewer

Opinion: Disagree

Suggested Answer: None of the above

Comments: Local development fund distributions to aimags (provinces) are formula based distributions of certain revenues to local government budgets. To emphasize, LDFs are part of the local budgets. Therefore, i would not consider this as the alternative display of expenditures, it is just the local government budget estimates. There is 'special transfers' which would be some ministries assigning certain tasks that the ministry has to perform to local governments with the relevant budgets, but the EBP does not specify any details on what ministries are transferring their responsibilities to local governments. Most importantly, we do not know how central government agencies and ministries' spending affects certain regions or provinces. Therefore, i would choose to disagree with the researcher on this question.

Government Reviewer

Opinion: Disagree

Suggested Answer: Distribution of health expenditures by geographic region Distribution of education expenditures by geographic region

Comments: Two of the five special purposed funds.

Researcher Response

- Transfers to finance general government services by geographic region -Distribution of health expenditures by geographic region

IBP Comment

See the response to Q36. The peer reviewer's suggestion of 'none of the above' is confirmed.

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

GUIDELINES:

Question 37 asks about transfers to public corporations. It is often the case that governments have a stake in enterprises that manage resources that are particularly relevant for the public good (such as electricity, water, and oil). While these public corporations can operate independently, in some cases the government will provide direct support by making transfers to these corporations, including to subsidize capital investment and operating expenses.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all transfers to public corporations and a narrative discussing the purposes of these transfers. If a narrative discussion is not included, but estimates for all transfers to public corporations are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, transfers to public corporations (regardless of whether it also includes a narrative discussion). Answer "c" also applies if estimates of transfers to public corporations are presented as a single line item. Answer "d" applies if no estimates of transfers to public corporations are presented.

Answer:

d. No, estimates of transfers to public corporations are not presented.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates)

Comment:

Appendix 13 to the Estimates to the Budget Proposal 2019 (p. 41-46) provides gross amount of subsidies to state-owned entities (Төрийн өмчит байгууллагад олгох татаас) and private organizations' (Хувийн хэвшлийн байгууллагад олгох татаас) (denoted ТАТААС on page 41).

Mongolian law has two distinct categories: state organizations [read "entities"] and state owned enterprises (SOEs). A "state-owned legal entity" can belong to one of the following three categories: 1. state entities and offices; 2. state owned enterprises; 3. state or locally owned hospitals. And it seems that you focused on State Entities and Offices, but not on State Owned Enterprises (which is what the question is asking). As such, no information on transfers to SOEs is found.

No narrative is given.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, estimates of all transfers to public corporations are presented, but a narrative discussion is not included.

Comments: <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates) page 47 Татаасын зориулалт (functional classification), where all the transfers from state budget to the public sector is listed.

Researcher Response

Agree with GR to change answer to "b" and add comments: "<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> Budget proposal 2019 (Estimates) page. 47 Татаасын зориулалт (functional classification), where all the transfers from state budget to the public sector is listed."

38. Does the Executive's Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)

GUIDELINES:

Question 38 focuses on quasi-fiscal activities, asking whether "core" information related to such activities is presented. These core components include:

- *A statement of purpose or policy rationale for the quasi-fiscal activity (i.e., what is the reason for engaging in this activity?);*
- *The identification of intended beneficiaries of the quasi-fiscal activity.*

The term "quasi-fiscal activities" refers to a broad range of activities that are fiscal in character and could be carried out through the regular budget process

but are not. For example, a quasi-fiscal activity could take place if, instead of providing a direct subsidy through the budget for a particular activity, a public financial institution provides an indirect subsidy by offering loans at below-market rates for that activity. Similarly, it is a quasi-fiscal activity when an enterprise provides goods or services at prices below commercial rates to certain individuals or groups to support the government's policy goals.

The above examples are policy choices that may be approved by the government and legislature. However, quasi-fiscal activities can also involve activities that violate or circumvent a country's budget process laws or are not subject to the regular legislative approval process for expenditures. For example, the executive may issue an informal order to a government entity, such as a public commercial enterprise, to provide the executive with goods and services that normally would have to be purchased with funding authorized by the legislature. All quasi-fiscal activities should be disclosed to the public and subject to public scrutiny.

Beyond the core information, some governments may also provide other information about quasi-fiscal activities, including for example: the anticipated duration of the quasi-fiscal activity; a quantification of the activity and the assumptions that support these estimates; and a discussion of the fiscal significance and potential risks associated with the activity, including the impact on the entity carrying out the activity. Principle 3.3.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) provides examples of quasi-fiscal activities that can be consulted as needed. And more details on quasi-fiscal activities can be found in the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to all quasi-fiscal activities for at least the budget year as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to quasi-fiscal activities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on quasi-fiscal activities.

If quasi-fiscal activities do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question.

Answer:

c. Yes, information is presented, but it excludes some core elements or some quasi-fiscal activities.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

https://www.mongolbank.mn/documents/ENG_QFPA%20Review%20BOM%20Final%20report_v2.0.pdf – KPMG Audit's review of quasi-fiscal activities by the Bank of Mongolia

<https://www.imf.org/~media/Files/Publications/CR/2017/cr17140.ashx> - 2017 Article IV Consultation and Request for an Extended Arrangement under the Extended Fund Facility, Staff Report April 2017, IMF country report 17/140

http://www.eitimongolia.mn/sites/default/files/uploads/final-reports/Mongolia_EITI_Report_2016_English.pdf - Extractive Industries Transparency Initiative, Mongolia 11th EITI Reconciliation Report, November 2017

https://eiti.org/sites/default/files/documents/mongolia_systematic_disclosure_feasibility_study.pdf - Extractive Industries Transparency Initiative Systematic Disclosure of EITI Data in Mongolia Report, March 2018

-<http://tog.mn/public/show/id/55> (permanent tariff preference of Ulaanbaatar Electricity Distribution Network, SOE),

-<http://tog.mn/public/show/id/57> (tariff preference for social welfare by Ulaanbaatar Electricity Distribution Network, SOE),

-<http://tog.mn/index.php/public/newsshow/id/514> (tariff preference for electricity used at night by Ulaanbaatar Electricity Distribution Network, SOE).

Comment:

In the recent past quasi-fiscal activities were conducted by two institutions: the Development Bank of Mongolia (DBM) and the Bank of Mongolia (BoM). The former engaged in providing loans at the below-market interest rate to private companies. The latter engaged in series of quasi-fiscal activities including the price stabilization programs, retail mortgage and few smaller ad-hoc programs initiated by the government, such as hosting the ASEM summit in 2016. There have been some recent changes in the legal environment and government policies. In February 2017 the legislature adopted the revised Law on Development Bank of Mongolia which restricts its activities to purely commercial ones. As of 2019, the DBM does not engage in quasi-fiscal activities. In the 2019 budget proposal, some activities are still financed through the Development Bank and the budget proposal identifies these sources. These should be treated as fiscal rather than quasi-fiscal activities. Similarly, low-rate loans to SMEs through the government's SME Development Fund and subsidies to the SOEs for providing below-market-priced goods and services should be treated as direct fiscal activities, as they are explicitly reflected in the budget.

Starting from 2017, the BoM terminated most of its quasi-fiscal activities, including the price stabilization programs. The bank does not give low-rate financing for SME loans. Currently it remains engaged in retail mortgage (no net financing, only funding from the principal and interest payments on the existing mortgage assets in 2017, second link above).

Some sources (last two links above) identify that some SOEs may engage in quasi-fiscal activities (e.g., a coal mine selling coal at the below-market price to state power plant, a portion of which is not compensated by the government subsidy).

Information on provision of electricity at below-market price to consumers are found at <http://tog.mn/public/show/id/55> (permanent tariff preference of Ulaanbaatar Electricity Distribution Network, SOE), <http://tog.mn/public/show/id/57> (tariff preference for social welfare by Ulaanbaatar Electricity Distribution Network, SOE), <http://tog.mn/index.php/public/newsshow/id/514> (tariff preference for electricity used at night by Ulaanbaatar Electricity Distribution Network, SOE).

However, the problem with this type of activities is that the current financial statements of SOEs do not distinguish between the subsidized and non-subsidized portion of the sale. Therefore, more precise financial disclosure rules are necessary to identify the existence and extent of quasi-fiscal activities.

Chapter 5, Section 5.15 of the Introduction to the Budget Proposal 2019 (pp. 112, the first link above) gives information on policy rationale and

expenditure estimates for low-rate mortgages. The discussion of mortgages provides a brief explanation of mortgage policies, which includes gradual withdrawal of the Bank of Mongolia from this activity and transfer to the government, in which case it will become part of the direct fiscal activities. It was emphasized that the mortgage financing shall remain in the BoM balance sheet for the year of 2019. The document also mentions changes in the priority provision of low-rate mortgages to the households who contribute to reducing the pollution. The document specifies the amount of financing.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

39. Does the Executive's Budget Proposal or any supporting budget documentation present information on financial assets held by the government for at least the budget year?

(The core information must include a listing of the assets, and an estimate of their value.)

GUIDELINES:

Question 39 focuses on financial assets held by the government, asking whether "core" information related to these assets is presented. These core components include:

- *A listing of the financial assets; and*
- *An estimate of their value.*

Governments own financial assets such as cash, bonds, or equities. Unlike private sector businesses, however, few governments maintain balance sheets that show the value of their assets and liabilities.

Beyond the core information, some governments may also provide other information about financial assets, including for example: a discussion of their purpose; historical information on defaults; differences between reported values and market values; and a summary of financial assets as part of the government's balance sheet.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to all financial assets held by the government as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to financial assets is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on financial assets held by the government.

Answer:

d. No, information related to financial assets is not presented.

Source:

n/a

Comment:

No information is found in the budget proposal documents.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: Such information is included in the Government financial statistics. Account sheet.

40. Does the Executive's Budget Proposal or any supporting budget documentation present information on nonfinancial assets held by the government for at least the budget year?

(The core information must include a listing of the assets by category.)

GUIDELINES:

Question 40 focuses on nonfinancial assets held by the government, asking whether "core" information related to these assets is presented. The core information is a listing of nonfinancial assets, grouped by the type (or category) of asset.

Nonfinancial assets are things of value that the government owns or controls (excluding financial assets) such as land, buildings, and machinery. The valuation of public nonfinancial assets can be problematic, particularly in cases where the asset is not typically available on the open market (such as a government monument). In these cases, it is considered acceptable to provide summary information in budget documents from a country's register of assets. But, in some cases, governments are able to value their nonfinancial assets; some present a summary of nonfinancial assets as part of their balance sheets. For an example of how nonfinancial assets are presented in one of the many supporting documents to the New Zealand Executive's Budget Proposal, see the Forecast Financial Statement 2011, Notes to the Financial Statements (Continued), Note 14, accessible here: <https://treasury.govt.nz/sites/default/files/2011-05/befu11-pt6of8.pdf>.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year a listing by category of all nonfinancial assets held by the government as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to nonfinancial assets is presented, but some nonfinancial assets are not included. Answer "d" applies if no information is presented on nonfinancial assets held by the government.

Answer:

d. No, information related to nonfinancial assets is not presented.

Source:

n/a

Comment:

No information is found in the budget proposal documents.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Such information is included in the Government financial statistics. Account sheet.

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

GUIDELINES:

Question 41 asks about estimates of expenditure arrears, which arise when government has entered into a commitment to spend funds but has not made the payment when it is due. (For more information see sections 3.49-3.50 of the IMF's GFS Manual 2001, <http://www.imf.org/external/pubs/ft/qfs/manual/pdf/all.pdf> (page 29)). Though equivalent to borrowing, this liability is often not recorded in the budget, making it difficult to assess fully a government's financial position. Moreover, the obligation to repay this debt affects the government's ability to pay for other activities.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all expenditure arrears and a narrative discussing the arrears. If a narrative discussion is not included, but estimates for all expenditure arrears are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, expenditure arrears (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of expenditure arrears are presented.

If expenditure arrears do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question. Public expenditure management laws and regulations often will allow for reasonable delays, perhaps 30 or 60 days, in the routine payment of invoices due. Expenditure arrears impacting a small percentage of expenditure that are due to contractual disputes should not be considered a significant problem for the purpose of answering this question.

Answer:

c. Yes, estimates of some but not all expenditure arrears are presented.

Source:

Email response from the staff of the Department of Fiscal Policy and Planning sent on April 9, 2019. Telephone follow-up interview (clarification) with the same staff on April 15, 2019. Additional email response from the same staff sent on May 31, 2019.

Comment:

There is no information in the budget proposal documents on arrears. The MoF staff members informed in an email and explained in a follow-up interview that all current and capital expenditure outlays are made within a fiscal year as budgeted. Some current and capital expenditures may not be paid within the fiscal year as budgeted. The reasons are attributable to the fact that these particular activities or investment projects were not executed in the fiscal year. Expenses for those projects that were executed and not paid in the budget are rolled over to the next year. However,

these do not show as separate items on the budget proposal.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, estimates of some but not all expenditure arrears are presented.

Comments: The EBP contains information on concession agreements and related payments estimates in the budget year to concession holders for the work that was performed in the past (section 9.1 Government debt management).

Government Reviewer

Opinion: Agree

Researcher Response

Agree with PR to change score to "c". The EBP contains information on concession agreements and related payments estimates in the budget year to concession holders for the work that was performed in the past (section 9.1 Government debt management, Table 24, Line 1.2, p57).

42. Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs, for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

GUIDELINES:

Question 42 focuses on contingent liabilities, asking whether "core" information related to these liabilities is presented. These core components include:

- *a statement of purpose or policy rationale for each contingent liability;*
- *the new contingent liabilities for the budget year, such as new guarantees or insurance commitments proposed for the budget year; and*
- *the total amount of outstanding guarantees or insurance commitments at the end of the budget year. This reflects the gross exposure of the government in the case that all guarantees or commitments come due (even though that may be unlikely to occur).*

Contingent liabilities are recognized under a cash accounting method only when the contingent event occurs and the payment is made. An example of such liabilities is the case of loans guaranteed by the central government, which can include loans to state-owned banks and other state-owned commercial enterprises, subnational governments, or private enterprises. Under such guarantees, government will only make a payment if the borrower defaults. Thus a key issue for making quantitative estimates of these liabilities is assessing the likelihood of the contingency occurring.

In the budget, according to the OECD, "[w]here feasible, the total amount of contingent liabilities should be disclosed and classified by major category reflecting their nature; historical information on defaults for each category should be disclosed where available. In cases where contingent liabilities cannot be quantified, they should be listed and described."

Beyond the core information, some governments may also provide other information about contingent liabilities, including for example: historical default rates for each program, and likely default rates in the future; the maximum guarantee that is authorized by law; any special financing associated with the guarantee (e.g., whether fees are charged, whether a reserve fund exists for the purpose of paying off guarantees, etc.); the duration of each guarantee; and an estimate of the fiscal significance and potential risks associated with the guarantees.

For more details on contingent liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and page 59 (Box 11) and Principle 3.2.3 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to contingent liabilities as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to contingent liabilities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on contingent liabilities.

Answer:

b. Yes, the core information is presented for all contingent liabilities.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Email response from the staff of the Department of Fiscal Policy and Planning sent on April 9, 2019.

Comment:

Chapter 9, Section 9.2 of the Introduction to the Budget Proposal 2019 (pp. 60-61, PDF p. 128-129) contains information on the contingent liabilities of the government. The following information is given: a statement of purpose for each of the 6 cases of guarantees (contingent liability); and the amount of outstanding guarantees at the end of the budget year by each case. It was stated in the budget document (p. 59 of the same document, PDF p. 127) that the government will not issue any new guarantees in the budget year, meaning the new guarantee commitment is zero.

Staff members of the Department of Fiscal Policy and Planning of the Ministry of Finance confirmed that the list of contingent liabilities is exhaustive. There are no insurance commitments issued by the executive.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

43. Does the Executive's Budget Proposal or any supporting budget documentation present projections that assess the government's future liabilities and the sustainability of its finances over the longer term?

(The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

GUIDELINES:

Question 43 focuses on government's future liabilities and the sustainability of its finances over the longer-term, asking whether "core" information related to these issues is presented. These core components must include:

- *Projections that cover a period of at least 10 years.*
- *The macroeconomic and demographic assumptions used in making the projections.*
- *A discussion of the fiscal implications and risks highlighted by the projections. Good public financial management calls for budgets to include fiscal sustainability analyses.*

The IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) recommends that governments regularly publish the projected evolution of the public finances over the longer term (see Principle 3.1.3.). Future liabilities are a particularly important element when assessing the sustainability of public finances over the long term. Future liabilities are the result of government commitments that, unlike contingent liabilities, are virtually certain to occur at some future point and result in an expenditure. A typical example consists of government obligations to pay pension benefits or cover health care costs of future retirees. Under a cash accounting system, only current payments associated with such obligations are recognized in the budget. To capture the future impact on the budget of these liabilities, a separate statement is required.

Beyond the core information, some governments may also provide other information about the sustainability of their finances, including for example: projections that cover 20 or 30 years; multiple scenarios with different sets of assumptions; assumptions about other factors (such as the depletion of natural resources) that go beyond just the core macroeconomic and demographic data; and a detailed presentation of particular programs that have long time horizons, such as civil service pensions.

For more details on future liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to future liabilities and the sustainability of government finances over the longer term as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to future liabilities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on future liabilities and the sustainability of government's finances

Answer:

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

Source:

n/a

Comment:

No information is found in the budget proposal documents.

Peer Reviewer

Opinion: Agree

Comments: I note that there is a brief mention of government external debt payments due in 2020-22 on page 59 of the EBP, but this is insufficient to change the answer.

Government Reviewer

Opinion: Agree

44. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of the sources of donor assistance, both financial and in-kind, for at least the budget year?

GUIDELINES:

Question 44 asks about estimates of donor assistance, both financial and in-kind assistance. Such assistance is considered non-tax revenue, and the sources of this assistance should be explicitly identified. In terms of in-kind assistance, the concern is primarily with the provision of goods (particularly those for which there is a market that would allow goods received as in-kind aid to be sold, thereby converting them into cash) rather than with in-kind aid like advisors from a donor country providing technical assistance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all donor assistance and a narrative discussing the assistance. If a narrative discussion is not included, but estimates for all donor assistance are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, donor assistance (regardless of whether it also includes a narrative discussion). Answer "c" also applies if the sources of donor assistance are not presented, but the total amount of donor assistance is presented as a single line item. Answer "d" applies if no estimates of donor assistance are presented. Select answer "e" if your country does not receive donor assistance.

Answer:

c. Yes, estimates of some but not all sources of donor assistance are presented.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Email response from the MoF Fiscal Policy and Planning Department staff member sent on May 31, 2019

Comment:

Chapter 8 of the Introduction to the Budget Proposal 2019 (PDF pp.119-124) contains information on donor assistance. Table 23 (PDF p.119) provides estimate for 2019 by multilateral and bilateral development partners. The chapter provides a narrative discussion of the proposed sources and uses of donor assistance in 2019. However, the estimates include only monetary assistance.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of all sources of donor assistance are presented, along with a narrative discussion.

Comments: Foreign loan and grant for 2019. All the donor assistance estimates are converted into monetary unit and some of which are exempt from tax, along with a narrative discussion. The source is cited in a researcher's comment

Researcher Response

Based on clarification from the GR, agree to change the score to "a". Would like to revise the comments box as below: "Chapter 8 of the Introduction to the Budget Proposal 2019 (PDF pp.119-124) contains information on donor assistance. Table 23 (PDF p.119) provides estimate for 2019 by multilateral and bilateral development partners. The chapter provides a narrative discussion of the proposed sources and uses of donor assistance in 2019. All the donor assistance estimates are converted into monetary unit and some of which are exempt from tax, along with a narrative discussion.

45. Does the Executive's Budget Proposal or any supporting budget documentation present information on tax expenditures for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.)

GUIDELINES:

Question 45 focuses on tax expenditures, asking whether "core" information related to these tax preferences is presented. These core components must include for both new and existing tax expenditures:

- a statement of purpose or policy rationale;
- a listing of the intended beneficiaries; and
- an estimate of the revenue foregone.

Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. Tax expenditures often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, encouraging a company to engage in more research through a special tax break can have the same effect as subsidizing it directly through the expenditure side of the budget, as it still constitutes a cost in terms of foregone revenues. However, expenditure items that require annual authorization are likely to receive more scrutiny than tax breaks that are a permanent feature of the tax code.

*Beyond the core information, some governments may also provide other information about tax expenditures, including for example: the intended beneficiaries by sector and income class (distributional impact); a statement of the estimating assumptions, including the definition of the benchmark against which the foregone revenue is measured; and a discussion of tax expenditures as part of a general discussion of expenditures for those program areas that receive both types of government support (in order to better inform policy choices). For more details on tax expenditures, see *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 1.1.4 of the IMF's *Fiscal Transparency Handbook* (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).*

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, all of the core information related to tax expenditures as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to tax expenditures is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on tax expenditures.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Chapter 4, section 4.8 of the Introduction to the Budget Proposal 2019 (p. 95) contains information on tax expenditures. The section describes the types of tax expenditure, reference to the existing laws that provide for tax expenditures (which could serve as the rationale for the policy, first column of Table 6 on p. 95), the beneficiaries (the text directly below Table 6 on p. 95), its estimate for 2019 and 2020 as well as actual (or expected) numbers for the years of 2015-2018 (Table 6 on p. 95).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

46. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues for at least the budget year?

GUIDELINES:

Question 46 asks about estimates of earmarked revenues, which are revenues that may only be used for a specific purpose (for example, revenues from a tax on fuel that can only be used for building roads). This information is important in determining which revenues are available to fund the government's general expenses, and which revenues are reserved for particular purposes.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all earmarked revenues and a narrative discussing the earmarks. If a narrative discussion is not included, but estimates for all earmarked revenues are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, earmarked revenues (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of earmarked revenues are presented. An "e" response applies if revenue is not earmarked or the practice is disallowed by law or regulation.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)
Email response from the staff of the Department of Fiscal Policy and Planning sent on April 9, 2019.

Comment:

There are some earmarked revenues in the budget proposal. For instance, Chapter 2, section 2.2 (pp. 13-14, PDF 80-81) of the Introduction to the Budget Proposal 2019 discusses such earmarked revenues as road tolls collected in the Road Fund to be used for maintenance of roads. This section of the document mentions four types of revenue to be earmarked for specific purposes. The discussion does not include revenue estimates.

Discussion of various sectoral expenditures provides some information on the estimates of earmarked revenue. To give an example, Section 5.3 of the same document (p. 29, PDF 97) mentions an estimated amount of 41.0 billion Mongolian Togrogs of revenue to be collected through the fees on foreign labor force. These fees are to be used for providing allowances to students in vocational training centers. Thus, both narrative and estimates are provided for some of the earmarked revenue. But this discussion does not seem to be comprehensive.

Estimates on earmarked revenues for social security payments (which should be directed to the Social Insurance Fund) and tax revenues and fees from mining which should be directed to the Budget Stability Fund and Future Heritage Fund are presented along with a narrative discussion as below.

-Sources of revenue of Budget Stability Fund (Төсвийн тогтворжуулалтын сан) are discussed in Sections 4.1 and 4.2 (p.20, PDF 88). Estimates of revenue for 2019 are presented in Table 3.

-Sources of revenue of Future Heritage Fund (Ирээдүйн өв сан) are discussed in Sections 4.1 and 4.3 (p.20, PDF 88). Estimates of revenue for 2019 are presented in Table 3.

-Budget of Social Insurance Fund is discussed in Section 5.3 (p29, PDF 97). Estimates of revenue for 2019 are presented in Table 3 on p.20 - PDF 88.

Ministry of Finance staff confirmed in an email that estimates and the narrative on earmarked revenues is not exhaustive. It contains only those of large amount. Earmarked revenues are managed not only in accordance with Budget Law. Some sectoral and other laws have clauses related the use of earmarked revenues and therefore the MoF believes the estimates and narrative given to the public may be too detailed (long) and confusing.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: All the necessary earmarked revenues are presented in EBP 2019, along with the narrative discussion in the introduction part. Example: Social security fund <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> page 152-156 Budget stability fund <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> page 88 (brief discussion) Future heritage fund <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> page 88 (brief discussion)

Researcher Response

We agree to keep the score at A.

IBP Comment

During an IBP review, the score is revised to A based on the government reviewer's feedback and the discussion of the earmarked taxes that are used to fund the Budget Stability Fund, Heritage Fund, Local Budget Revenue (Resource Royalty Payment). This is consistent with previous confirmation that these are the earmarked revenues for the Mongolian central government budget.

47. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Chapters 2, 4, 5, and 6 of the Introduction to the Budget Law 2019 have some discussion of policies and related estimates for the budget year. Chapter 2 (pp. 11-17, PDF 78 - 85) has general fiscal policy guidelines, formulated as general statements without budget estimates. Chapter 4 (pp. 20-27, PDF 88 - 95) discusses revenue related policies and their implications on budget revenue. Chapter 5 on current expenditures (pp. 28-44, PDF 96-112) contains both expenditure estimates (some are in the form of graphs and tables) along with the narrative description of policies. Chapter 6 on the Capital Expenditures (pp. 45-48, PDF 113-116) has the same type of information on investment projects (e.g., building new schools etc.). The discussion does not have a strong direct link between the policy goals and the budget. Also, the discussion does not cover all policy goals.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

No information is found in the budget proposal documents. The only occasion when the multi-year revenue and expenditure figures are presented is in the budget proposal for 2019 includes a draft amendment to the Law of Fiscal Framework for 2019 and Budget Estimates for 2020-2021. The document is on page 11 of the source. The budget estimates for 2019-2021 contain only total nominal revenue and total nominal expenditure and their share as a percentage of the estimated GDP. There are no stated policy goals for a multi-year frame and no budget estimates linked to the policy goals.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: EB, as well as EBP is drafted and approved for 1 FY. However, PBS does include multi-year frame of policy goals.

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf> (page 21)

49. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on inputs to be acquired for at least the budget year?

GUIDELINES:

Question 49 asks about the availability of nonfinancial data on inputs for the budget year. (Nonfinancial data on outputs and outcomes are addressed in Question 50.)

The budget should disclose not only the amount of money that is being allocated on a program but also any information needed to analyze that expenditure. Nonfinancial data and performance targets associated with budget proposals are used to assess the success of a given policy. For example, even when allocated funds are spent according to plan, there remains the question of whether the policy delivered the results that it aimed to achieve.

Nonfinancial data can include information on:

Inputs - These are the resources assigned to achieve results. For example, in regards to education, nonfinancial data on inputs could include the number of books to be provided to each school or the materials to be used to build or refurbish a school.

Outputs - These are products and services delivered as a result of inputs. For example, the number of pupils taught every year; the number of children that received vaccines; or the number of beneficiaries of a social security program.

Outcomes - These are the intended impact or policy goals achieved. For example, an increase in literacy rates among children under 10, or a reduction in rates of maternal mortality.

In addition, governments that set performance targets must use nonfinancial data for outputs and outcomes to determine if these targets have been met.

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on inputs for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on inputs for each individual program is organized by functions. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on inputs for all administrative units or all functions, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on inputs are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on inputs is presented.

Answer:

c. Yes, nonfinancial data on inputs are presented for some programs and/or some administrative units (or functions).

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf> - Budget proposal 2019 (Estimates)

Comment:

Appendix 13 to the Estimates (p. 42) contains the following non-financial data: number of budget and non-budget entities, number of public employees (by categories and sectors), number of students by level of education (secondary schools, pre-school, and vocational).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

The staffing information are not provided by ministries. The information is presented by the following categories: -Administration staff -Special staff - Staff in pre-school, primary and secondary education - Service staff in science sector - Service staff in culture sector - Service staff in vocational training sector - Service staff in health sector - Contract staff and - Political staff.

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

GUIDELINES:

Question 50 asks about the availability of nonfinancial data on results for the budget year. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 49).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on results for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on results for each individual program is organized by functional classification. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on results for all administrative units or all functional classifications, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on results are presented only for some programs and/or some

administrative units or some functions. Answer "d" applies if no nonfinancial data on results is presented.

Answer:

a. Yes, nonfinancial data on results are provided for each program within all administrative units (or functions).

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Appendix 1 of the draft Budget Law 2019 (pp. 22-35) contains non-financial information on the desired results for programs, organized by ministerial portfolios (i.e. by administrative classification).

A few examples of non-financial data on results:

13 National Statistics Office

13.1.1 Types of official statistical information and reports to be issued – target 290

13.1.5 Number of nationwide surveys to be conducted in accordance with the Statistics Law – target 16

15.5 State Property Policy (Commission)

15.5.3 Number of trainings on e-procurement for individuals and legal entities – target 80

15.5.5 Number of inspections on financial, economic and production activities of state-owned entities – target 35

20.2 Tax Revenue Collection

20.2.6 Percentage of electronic tax reports – target 93%

20.2.13 Reduction in time spent on customs clearance due to ease of trade procedures (percent) – target 20%

Peer Reviewer

Opinion: Agree

Comments: I consider program budgeting missing, so this is more of a presentation of results by administrative units.

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 51 asks about performance targets assigned to nonfinancial data on results for the budget year. The question applies to those nonfinancial results shown in the budget, and that were identified for purposes of Question 50.

To answer "a," the Executive's Budget Proposal or supporting documentation must assign performance targets to all nonfinancial data on results shown in the budget for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must assign performance targets to a majority (but not all) of the nonfinancial data on results shown in the budget. A "c" response applies performance targets are assigned only to less than half of the nonfinancial data on results. Answer "d" applies if no performance targets are assigned to nonfinancial data on results shown in the budget, or the budget does not present nonfinancial results.

Answer:

a. Yes, performance targets are assigned to all nonfinancial data on results.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Appendix 1 of the draft Budget Law 2019 (pp. 22-35) contains non-financial information on the desired results for programs, organized by ministerial portfolios (i.e. by administrative classification). For each non-financial result, there is a target.

However, some indicators are not expressed in terms of numbers (counts, percentages, dates, etc.). I observe three reasons: (i) performance cannot be measured in terms of numbers, for example, they may be YES/NO type of targets; (ii) performance can be measured in terms of numbers, but the target numbers cannot be determined at the time of putting the budget proposal (the issues will be tackled as they come along); and lastly (iii) performance can be measured in terms of numbers or more specifically, but the entity did not put enough effort to identify the target (i.e., the target is too vague).

The example of (i) is:

17.1.1 Provide legal and professional guidance, coordination and support to all government decisions – target: full compliance with laws and regulations

The example of (ii) is:

15.5.1 Organize public procurement of goods and services in accordance with the law – target: as they are requested by public entities
The example of (iii) is:

27.4.1 Implement effectively laws, policies and regulations with regard to labor and social welfare – target: as implemented by entities in the sector

Some entities fair better than others in terms of determining the performance targets. For instance, the Government Service Commission's (12) performance targets are vague, while National Audit Office (9.1) targets are quite precise. Overall, most entities tried to define their targets more precisely.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

52. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations in at least the budget year?

GUIDELINES:

Question 52 asks whether the budget highlight policies, both new and existing, that benefit the poorest segments of society. This question is intended to assess only those programs that directly address the immediate needs of the poor, such as through cash assistance programs or the provision of housing, rather than indirectly, such as through a stronger national defense. This information is of particular interest to those seeking to bolster government's commitment to anti-poverty efforts. For purposes of answering this question, a departmental budget (such as the Department of Social Welfare) would not be considered acceptable. In general, this question is asking whether the EBP includes a special presentation that pulls together estimates of all the relevant policies in one place. However, if the country uses "program budgeting," where programs are presented as expenditure categories with specific and identified objectives, and it identifies anti-poverty programs within each administrative unit, then that is also acceptable for this question.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of countries that have provided information on how its policies affect the poor.

For instance, Pakistan provides a detailed breakdown of pro-poor expenditure as part of its 2017-18 budget proposal. In one document, the government sets out policy priorities, expected outputs, and estimates of past and future spending for several programs aimed at poverty alleviation. Another supporting document provides a comprehensive overview of ongoing policies, including a chapter on social safety nets, covering both financial and performance information of poverty alleviation schemes over a period of eight years. (http://www.finance.gov.pk/budget/mtbf_2018_21.pdf and http://www.finance.gov.pk/survey_1718.html).

To answer "a," the Executive's Budget Proposal or supporting documentation must for at least the budget year both present estimates covering all policies that are intended to benefit the most impoverished populations and include a narrative discussion that specifically addresses these policies. (For countries using program budgeting that breaks out individual anti-poverty programs, there should be a separate narrative associated with each such program.) Answer "b" if a narrative discussion is not included, but estimates for all policies that are intended to benefit the most impoverished populations are presented. Answer "c" if the presentation includes estimates covering only some, but not all, policies that are intended to benefit the most impoverished populations (regardless of whether it also includes a narrative discussion). Answer "d" if no estimates of policies that are intended to benefit the most impoverished populations are presented.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> Budget proposal 2019 (the main document)

Comment:

Chapter 5, section 5.3 of the Introduction to the Budget Proposal 2019 (p.29) contains a brief narrative and estimate of expenditure on the social welfare fund. There is no specifically formulated goal to reduce poverty or support the most impoverished.

There are many other programs and policies which directly affect the impoverished populations, but the impact on them is not assessed. For instance, employment support fund can directly impact the impoverished populations, but it is not analysed separately. The same can be said about vocational education support fund, livestock protection fund, health support fund etc. which can directly impact this target group.

Peer Reviewer
Opinion: Disagree
Suggested Answer:

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

Comments: The social welfare fund, while benefits impoverished, does not specifically target the poorest. In fact, there is no mention of 'poor' in the EBP at all. Social welfare benefits include: caretaking (for elderly if nobody can take care of them); members of households which absolutely require social welfare (but this provision of the law is not yet being implemented), special cases and subsistence support allowance (this is for homeless,

orphans, multichildren mothers etc.), and child money (to select, the children have to go through means testing of the household). Again, while these allowances target impoverished, they are not explicitly for the 'poor', and the policies are not to reduce poverty. so i would choose a different answer.

Government Reviewer
Opinion: Agree

Researcher Response

Disagree with PR. Would like to keep the response "c", as Chapter 5, section 5.3 of the Introduction to the Budget Proposal 2019 (p.29) contains a brief narrative and estimate of expenditure on the social welfare fund.

IBP Comment

The researcher's response is confirmed. The information about the social welfare fund qualifies for a C response.

53. Does the executive release to the public its timetable for formulating the Executive's Budget Proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation)?

GUIDELINES:

Question 53 asks about the budget timetable. An internal timetable is particularly important for the executive's management of the budget preparation process, in order to ensure that the executive accounts for the views of the different departments and agencies in the proposed budget. The timetable would, for instance, set deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. So that civil society is aware of the various steps in the budget formulation process, and when opportunities may exist to engage the executive, it is essential that this timetable be made available to the public.

To answer "a," the executive must prepare a detailed budget timetable and release it to the public. A "b" answer applies if the timetable is made public, but some details are not included. A "c" response applies if the timetable is made public, but many important details are excluded, reducing its value for those outside government. Answer "d" applies if no timetable is made available to the public. As long as a timetable for formulating the Executive's Budget Proposal is released, answer "a," "b," or "c" may be selected, even if the Executive's Budget Proposal is not made publicly available.

Answer:

a. Yes, a detailed timetable is released to the public.

Source:

https://mof.gov.mn/files/uploads/article/2_%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B5%D1%80%D3%A9%D0%BD%D1%85%D0%B8%D0%B9%D0%BB%D3%A9%D0%BD_%D0%B7%D0%B0%D1%85%D0%B8%D1%80%D0%B0%D0%B3%D1%87_%D0%BD%D0%B0%D1%80%D1%82_.pdf
– Letter to general budget governors (line ministers and others)

https://mof.gov.mn/files/uploads/article/1_%D0%90%D0%B9%D0%BC%D0%B0%D0%B3%2C_%D0%BD%D0%B8%D0%B9%D1%81%D0%BB%D1%8D%D0%B%D0%B8%D0%B9%D0%BD_%D0%97%D0%B0%D1%81%D0%B0%D0%B3_%D0%B4%D0%B0%D1%80%D0%B3%D0%B0_%D0%BD%D0%B0%D1%80%D1%82_.pdf
– Letter to local governors

<https://mof.gov.mn/article/entry/2019 – Budget Guidelines>

[https://mof.gov.mn/article/entry/2019-budget-policy – Appendices to the Guidelines \(total of 6\)](https://mof.gov.mn/article/entry/2019-budget-policy – Appendices to the Guidelines (total of 6))

The information is posted on the Ministry of Finance website on July 5, 2018.

Comment:

The executive releases the so-called budget guidelines which contains the guidelines for submitting budget proposals, including general fiscal policies for the budget year, deadlines of submissions of budget proposals, and various budget forms (given in the appendices).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

54. Does the Pre-Budget Statement present information on the macroeconomic forecast upon which the budget projections are based?

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)

GUIDELINES:

Question 54 focuses on the macroeconomic forecast that underlies the Pre-Budget Statement, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

- nominal GDP level;
- inflation rate;
- real GDP growth; and
- interest rates.

Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short- and long-term interest rates; the rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.

To answer "a," the Pre-Budget Statement must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Pre-Budget Statement must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf> – Fiscal Framework Statement for 2019 and Budget Projections for 2020-2021 released to the public on April 30, 2018.

Comment:

"Chapter 1. Macroeconomic Performance for 2017, Outlook for 2018 and Projections for 2019-2021" of the above document contains the following information:

Figure 6 on p. 11 has information on nominal GDP level and real growth rate (actual and projection) for 2014-2021

Figure 4 on p. 8 and discussion on p. 7 and p. 13 on inflation rates (actual on p. 7 and projection on p. 13)

Table 2 on p. 9 detailed labor market data (employment and unemployment rate for 2017) and discussion of unemployment projection for 2018-2021 on p. 13

Table 1 on p. 5 has information on the volume and prices of major export commodities (copper, coal, gold, crude oil, iron ore etc.) and discussion of international trade on p. 5 and p. 10

Figure 2 on p. 6 and Figure 5 on p. 10 provides balance of payment data and related discussion

There are not any information on interest rates. However, since there is information beyond the core, this score is a B.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The researcher is using the draft PBS. The actual PBS is the law passed by the parliament, and contains only limits and estimates of certain macroeconomic and fiscal indicators, so i would choose the answer 'C'. <https://www.legalinfo.mn/law/details/13414?lawid=13414> If the draft is acceptable, i would agree with the researcher.

Government Reviewer

Opinion: Agree

Researcher Response

Since the OBS allows for either draft or approved versions of the PBS, we would like to maintain our original answer.

55. Does the Pre-Budget Statement present information on the government's expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget?

(The core information must include a discussion of expenditure policies and priorities and an estimate of total expenditures.)

GUIDELINES:

Question 55 focuses on the government's expenditure policies and priorities in the Pre-Budget Statement, asking whether "core" information related to these policies is presented. These core components include:

- a discussion of expenditure policies and priorities; and
- an estimate of total expenditures.

Although a Pre-Budget Statement is unlikely to include detailed programmatic proposals (such detailed information is typically only presented in the budget itself), it should include a discussion of broad policy priorities and a projection of at least total expenditures associated with these policies for the budget year.

The Pre-Budget Statement can include some detail, for instance, estimates provided by any of the three expenditure classifications – by administrative, economic, and functional classifications.

To answer “a,” the Pre-Budget Statement must present for the upcoming budget year all of the core information related to the government’s expenditure policies and priorities as well as some additional information beyond the core elements. To answer “b,” the Pre-Budget Statement must present all of the core components noted above for the upcoming budget year. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to the government’s expenditure policies and priorities is presented, but some of the core pieces of information are not included. Answer “d” applies if no information on the government’s expenditure policies and priorities is presented.

Answer:

a. Yes, information beyond the core elements is presented for the government’s expenditure policies and priorities.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf> – Fiscal Framework Statement for 2019 and Budget Projections for 2020-2021 released to the public on April 30, 2018.

Comment:

“Chapter 2. Medium-Term Fiscal Policy Strategies” of the above document contains a brief discussion of expenditure policies for the upcoming years (pp. 16-17).

“Chapter 3. Fiscal Outlook and Projections” has the following information:

Table 5 on p. 17-18 gives fiscal data for 2015-2021 (actual and projections), including total expenditure, fiscal balance and their share in the GDP. More detailed discussion of expenditure policies is given in Section 3.2.2 (pp. 22-25). The document discusses separately current and capital expenditure. Table 10 (p. 22) gives information budget numbers for 2017 by broad economic classification. The categories include wages and salaries, goods and services, subsidies and transfers, interest payment, investment projects, and net borrowing. No information of expenditure is provided by administrative or functional classification.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The researcher is using the draft PBS. The actual PBS is the law passed by the parliament, and contains only limits and estimates of certain macroeconomic and fiscal indicators, so i would choose the answer 'C'. <https://www.legalinfo.mn/law/details/13414?lawid=13414> If the draft is acceptable, i would agree with the researcher.

Government Reviewer

Opinion: Agree

IBP Comment

As per the researcher's response in Section 1, a draft PBS can also be accepted as the PBS document in OBS methodology.

56. Does the Pre-Budget Statement present information on the government’s revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget?

(The core information must include a discussion of revenue policies and priorities and an estimate of total revenues.)

GUIDELINES:

Question 56 focuses on the government’s revenue policies and priorities in the Pre-Budget Statement, asking whether “core” information related to these policies is presented. These core components include:

- a discussion of revenue policies and priorities; and
- an estimate of total revenue.

Although a Pre-Budget Statement is unlikely to include detailed revenue proposals, it should include a discussion of broad policy priorities and a projection of at least the total revenue associated with these policies for the budget year. The Pre-Budget Statement can also include more detail, for instance, with estimates provided by revenue category – tax and non-tax – or some of the major individual sources of revenue, such as the Value Added Tax or the income tax.

To answer “a,” the Pre-Budget Statement must present for the upcoming budget year all of the core information related to the government’s revenue policies and priorities as well as some additional information beyond the core elements. To answer “b,” the Pre-Budget Statement must present all of the core components noted above for the upcoming budget year. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to the government’s revenue policies and priorities is presented, but some of the core pieces of information are not included. Answer “d” applies if no information on the government’s revenue policies and priorities is presented.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf> – Fiscal Framework Statement for 2019 and Budget Projections for 2020-2021 released to the public on April 30, 2018.

Comment:

"Chapter 2. Medium-Term Fiscal Policy Strategies" of the above document contains a brief discussion of revenue policies for the upcoming years (pp. 16-17).

"Chapter 3. Fiscal Outlook and Projections" has the following information:

Table 5 on p. 17-18 gives fiscal data for 2015-2021 (actual and projections), including total revenue, fiscal balance and their share in the GDP. More detailed information on the revenue is given in Section 3.1 (pp. 19-21) of the chapter. Additional information is given on the global prices on the commodities and export projections (Figure 8 on p. 19 and Table 7 on p. 21). Table 6 on p. 20 gives information on tax and non-tax revenue.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The researcher is using the draft PBS. The actual PBS is the law passed by the parliament, and contains only limits and estimates of certain macroeconomic and fiscal indicators, so i would choose the answer 'C'. <https://www.legalinfo.mn/law/details/13414?lawid=13414> If the draft is acceptable, i would agree with the researcher.

Government Reviewer

Opinion: Agree

IBP Comment

As per the researcher's response in Section 1, a draft PBS can also be accepted as the PBS document in OBS methodology.

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

GUIDELINES:

Question 57 asks whether the Pre-Budget Statement includes three key estimates related to borrowing and debt:

- *the amount of net new borrowing needed in the upcoming budget year;*
- *the central government's total debt burden at the end of the upcoming budget year; and*
- *the interest payments on the outstanding debt for the upcoming budget year.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens, banks, and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," the Pre-Budget Statement must present all three estimates of borrowing and debt for at least the upcoming budget year. For a "b" answer, the Pre-Budget Statement must present two of those three estimates. For a "c" answer, the PBS must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the PBS.

Answer:

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

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf> – Fiscal Framework Statement for 2019 and Budget Projections for 2020-2021 released to the public on April 30, 2018.

Comment:

"Chapter 4. Government Debt: Outlook and Strategies" (pp. 28-33) gives information on debt position and outlook of the country. Discussion of interest payment in 2018 is provided on p. 29. Table 15 (p. 29) presents debt numbers for 2018 (expected) and 2019-2021 (projections). Total debt outstanding by the end of 2019 is provided in the same table (column 3). Debt estimates separate foreign and domestic debt (rows I and II). The data on net new borrowing required during the budget year is given in Table 11 (p.25) in the last row.

Peer Reviewer

Opinion: I choose not to review this question

Comments: The researcher is using the draft PBS. The actual PBS is the law passed by the parliament, and contains only limits and estimates of certain macroeconomic and fiscal indicators, so i would choose the answer 'C'. <https://www.legalinfo.mn/law/details/13414?lawid=13414> If the draft is acceptable, i would agree with the researcher.

Government Reviewer

Opinion: Agree

IBP Comment

As per the researcher's response in Section 1, a draft PBS can also be accepted as the PBS document in OBS methodology.

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

GUIDELINES:

Question 58 asks about multi-year expenditure estimates in the Pre-Budget Statement.

To answer "a," expenditure estimates for at least two years beyond the upcoming budget year must be presented. The estimates must be for at least total expenditures, but could include more detail than just the aggregate total.

Answer:

a. Yes, multi-year expenditure estimates are presented.

Source:

<http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf> – Fiscal Framework Statement for 2019 and Budget Projections for 2020-2021 released to the public on April 30, 2018.

Comment:

Table 11 on p. 25 gives total expenditure estimates for 2019-2021, i.e. 2 years beyond the budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 59 asks if expenditure estimates in the Enacted Budget are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," the Enacted Budget must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of the three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications. Answer "d" applies if expenditure estimates are not presented by any of the three classifications.

Answer:

c. Yes, the Enacted Budget presents expenditure estimates by only one of the three expenditure classifications.

Source:

<https://www.legalinfo.mn/law/details/12964> – The Budget Law 2018 (enacted budget) approved on November 14, 2017. Released to the public early 2018.

<https://www.legalinfo.mn/annex/details/8092?lawid=12964> – List of capital expenditure projects by ministerial portfolios (Appendix 2 to the Budget Law 2018).

Comment:

Article 5 of the Budget Law 2018 spells out expenditure by ministerial portfolios (general budget executors). Total of 31 portfolios are presented. Appendix 2 to the Budget law 2018 gives a detailed list of all investment projects to be financed in 2018 by ministerial portfolios (administrative classification). No other classification is given.

Article 5 of the Budget Law 2018 spells out expenditure by ministerial portfolios (general budget executors). Total of 31 portfolios are presented. Appendix 2 to the Budget law 2018 gives a detailed list of all investment projects to be financed in 2018 by ministerial portfolios (administrative classification). No other classification is given.

Comment on source: As per Budget Law (Clause 8.4.6) the MOF releases EBP submitted to the Parliament to public. The Parliamentary Secretariat is in charge of disclosing information of submitted EBP from stages it is under debate by MPs till it is enacted. Therefore, the Parliamentary Secretariat discloses EB through www.legalinfo.mn (central portal of Mongolia's legislation run by the Ministry of Justice).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the Enacted Budget presents expenditure estimates by two of the three expenditure classifications.

Comments: I disagree with the answer of a researcher. EB2019 (<https://www.legalinfo.mn/law/details/13781>) contains administrative classification as it is stated in the comment above. However, within the administrative classification, each ministerial portfolio also contains aggregated economic classifications. (current, capital, net lending)

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018. Disagree with GR and would like to keep the original answer. According to the IMF's Government Finance Statistics Manual 2001 (B. Economic Classification of Expense Appendix 4, p.179) Economic Classification of Expense should include the following expenses at the most aggregate (2 digit) level: 21 Compensation of employees 22 Use of goods and services 23 Consumption of fixed capital 24 Interest 25 Subsidies 26 Grants 27 Social benefits 28 Other expense However, the EB includes only current, capital and net lending for each ministerial portfolio.

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The structure and contents of the 2019 budget are the same as the 2018 budget, however, therefore the researcher's score for this question is confirmed.

59b. Based on the response to Question 59, check the box(es) to identify which expenditure classifications are included in the Enacted Budget:

Answer:

Administrative classification

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

Article 5 of the Budget Law 2018 spells out expenditure by ministerial portfolios (general budget executors). Total of 31 portfolios are presented. Appendix 2 to the Budget law 2018 gives a detailed list of all investment projects to be financed in 2018 by ministerial portfolios (administrative classification). No other classification is given.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Administrative and economic classification.

Comments: EB2019 (<https://www.legalinfo.mn/law/details/13781>) contains administrative classification as it is stated in the comment above. However, within the administrative classification, each ministerial portfolio also contains aggregated economic classifications. (current, capital, net lending)

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018. Disagree with GR and would like to keep the original answer. According to the IMF's Government Finance Statistics Manual 2001 (B. Economic Classification of Expense Appendix 4, p.179) Economic Classification of Expense should include the following expenses at the most aggregate (2 digit) level: 21 Compensation of employees 22 Use of goods and services 23 Consumption of fixed capital 24 Interest 25 Subsidies 26 Grants 27 Social benefits 28 Other expense However, the EB includes only current, capital and net lending for each ministerial portfolio.

IBP Comment

The current/capital/lending breakdown described by the government reviewer does not count as an economic classification under OBS methodology. Regarding the fiscal year, the government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The structure and contents of the 2019 budget are the same as the 2018 budget, however, therefore the researcher's score for this question is confirmed.

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

GUIDELINES:

Question 60 asks if expenditure estimates in the Enacted Budget are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Enacted Budget must present all programs, which account for all expenditures, in the budget year. To answer "b," the Enacted Budget must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Enacted Budget presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Enacted Budget.

Answer:

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

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

However, no information is found on expenditure estimates by programs.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: However, EB2019, does present the outcome indicator in annex 1. <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> PAGE 22-35

IBP Comment

Regarding the fiscal year, the government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. Appendix 2 to the Budget law 2019 gives a detailed list of all investment projects to be financed in 2018 by ministerial portfolios (administrative classification) at <https://www.legalinfo.mn/annex/details/8092?lawid=12964>. As these projects show a greater level of dis-aggregation under the Ministry, they can count as projects according to IBP. Therefore, the score is revised to "c".

61. Does the Enacted Budget present revenue estimates by category (such as tax and non-tax)?

GUIDELINES:

Question 61 asks whether revenue estimates in the Enacted Budget are presented by "category" – that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Enacted Budget must present revenue estimates classified by category.

Answer:

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

Source:

<https://www.legalinfo.mn/law/details/12964> – The Budget Law 2018 (enacted budget) approved on November 14, 2017

Comment:

Article 3 of the Budget Law 2018 lists revenue estimates by ministerial portfolios (general budget executors). Total of 22 portfolios are presented. However, no revenue categories are presented.

Comment on source: As per Budget Law (Clause 8.4.6) the MOF releases EBP submitted to the Parliament to public. The Parliamentary Secretariat is in charge of disclosing information of submitted EBP from stages it is under debate by MPs till it is enacted. Therefore, the Parliamentary Secretariat discloses EB through www.legalinfo.mn (central portal of Mongolia's legislation run by the Ministry of Justice).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The structure and contents of the 2019 budget are the same as the 2018 budget, however, therefore the researcher's score for this question is confirmed. Revenues are presented by administrative unit, not by category or individual source.

62. Does the Enacted Budget present individual sources of revenue?

GUIDELINES:

Question 62 asks whether revenue estimates for individual sources of revenue are presented in the Enacted Budget. The question applies to both tax and non-tax revenue.

To answer "a," the Enacted Budget must present all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Enacted Budget must present individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Enacted Budget presents individual sources of revenue that account for less than two-thirds of revenues. Answer "d" applies if individual sources of revenue are not presented.

Answer:

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

Source:

<https://www.legalinfo.mn/law/details/12964> – The Budget Law 2018 (enacted budget) approved on November 14, 2017

Comment:

Article 3 of the Budget Law 2018 lists revenue estimates by ministerial portfolios (general budget executors). Total of 22 portfolios are presented. However, no individual revenue sources are specified.

Comment on source: As per Budget Law (Clause 8.4.6) the MOF releases EBP submitted to the Parliament to public. The Parliamentary Secretariat is in charge of disclosing information of submitted EBP from stages it is under debate by MPs till it is enacted. Therefore, the Parliamentary Secretariat discloses EB through www.legalinfo.mn (central portal of Mongolia's legislation run by the Ministry of Justice).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: I agree with only following section "Article 3 of the Budget Law 2018 lists revenue estimates by ministerial portfolios (general budget executors). Total of 22 portfolios are presented." Also, in EB, below each 22 portfolios there area corresponding government entity/revenue. <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> PAGE 17-18

Researcher Response

Since we already agreed with the IBP to use 2018 EB, we would like to keep FY 2018. Would like to keep the score as it is. Article 3 of the Budget Law 2018 lists revenue estimates by ministerial portfolios (general budget executors). Total of 22 portfolios are presented. However, no individual revenue sources are specified (It does not include a list of all tax and non-tax revenue by individual sources).

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The structure and contents of the 2019 budget are the same as the 2018 budget, however, therefore the researcher's score for this question is confirmed. Revenues are presented by administrative unit, not by category or individual source.

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

GUIDELINES:

Question 63 asks about three key estimates related to borrowing and debt:

- *the amount of net new borrowing required during the budget year;*
- *the total debt outstanding at the end of the budget year;*
- *the interest payments on the outstanding debt for the budget year.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens, banks, and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," the Enacted Budget must present all three estimates of borrowing and debt. For a "b" answer, the Enacted Budget must present two of those three estimates. For a "c" answer, the Enacted Budget must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the Enacted Budget.

Answer:

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

Source:

<https://www.legalinfo.mn/law/details/12964>

Comment:

Article 13 of the Budget Law 2018 provides the cap for net new borrowing and guarantees for the budget year. No other debt data is available.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

The government reviewer and peer reviewer's comments are correct. The fiscal year that should be assessed in this OBS is 2019. The documents were posted (including the referenced annexes) on November 30, 2018 at <https://www.legalinfo.mn/law/details/13781>. The structure and contents of the 2019 budget are the same as the 2018 budget, however, therefore the researcher's score for this question is confirmed.

64. What information is provided in the Citizens Budget?

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

GUIDELINES:

Question 64 focuses on the content of the Citizens Budget, asking whether "core" information is presented. These core components include:

- expenditure and revenue totals;
- the main policy initiatives in the budget;
- the macroeconomic forecast upon which the budget is based; and
- contact information for follow-up by citizens.

To answer "a," the Citizens Budget or supporting documentation must present all of the above core information as well as some additional information beyond the core elements. To answer "b," the Citizens Budget must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if the Citizens Budget includes some of the core components above, but other core pieces of information are not included. Answer "d" applies if a Citizens Budget is not published.

Answer:

d. The Citizens Budget is not published.

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%932018.pdf – Citizens Budget for 2018 (Enacted budget) made publicly available on June 8, 2018 (the first Citizens Budget to be published in Mongolia) through the executive's website.

<https://mof.gov.mn/article/entry/citizenbudget> – News release on Citizens Budget by the executive (the Ministry of Finance)

Comment:

2018 Citizen's Budget for 2018 (Enacted budget) was published late. It was published 7 months later from the enactment of budget). 2018 budget was enacted on 14 November 2017. CB for 2018 EB was published on June 8, 2018 through the executive's website. The date of publication is found at <https://mof.gov.mn/article/entry/citizenbudget>.

Although the Executives produced Citizen's version of 2019 Consolidated Budget Proposal (in Mongolian: Иргэдийн төсөв-2019: Монгол Улсын нэгдсэн төсвийн төсөл) and published by the MOF in its official websites (https://mof.gov.mn/files/uploads/article/20181217_book_MON_final.pdf) it was published online on 04/02/2019 (after research cut-off date of December 31, 2018). Date of publication is seen from <http://mof.gov.mn/article/entry/irgediin-tusuv-2019>. Moreover, it was published after four months since the EBP was submitted. The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

On the other hand, printed version of CB for 2019 EBP was distributed during 2019 EBP was under debate by the Legislature. The MOF delivered 2 copies of printed CB for 2019 EBP to our office on 10/10/2018. Though, we still consider the CB for 2019 EBP as published "late" since 2019 OBS considers only online sources "as acceptable".

Peer Reviewer

Opinion: Agree

Comments: Citizens budget for 2019 <https://mof.gov.mn/download/citizen-budget> was published too late.

Government Reviewer

Opinion: Agree

Comments: Correction: In the corresponding timeline of 2019 OBS questionnaire, only 2018 EB citizen's budget may apply. However, it was published later than 3 months after EB was approved. Researcher mistaking CB for EB with CB for EBP, which was never produce by MoF.

Researcher Response

The score "d" is kept, as 2018 Citizen's Budget for 2018 (Enacted budget) was published late (months later from the enactment of budget).

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

GUIDELINES:

Question 65 asks how the Citizens Budget is disseminated to the public. Citizens Budgets should be made available to a variety of audiences. Therefore paper versions and an Internet posting of a document might not be sufficient.

To answer "a," the executive must use three or more different types of creative media tools to reach the largest possible share of the population, including those who otherwise would not normally have access to budget documents or information. Dissemination would also be pursued at the very local level, so that the coverage is targeted both by geographic area and population group (e.g., women, elderly, low income, urban, rural, etc.). Option "b" applies if significant dissemination efforts are made through a combination of two means of communications, for instance, both posting the Citizens Budget on the executive's official website and distributing printed copies of it. Option "c" applies if the Citizens Budget is disseminated through only posting on the executive's official website. Option "d" applies when the executive does not publish a Citizens Budget.

Answer:

d. A Citizens Budget is not published.

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%93_2018.pdf – Citizens Budget for 2018 (Enacted budget) made publicly available on June 8, 2018 (the first Citizens Budget to be published in Mongolia) through the executive's website.

<https://mof.gov.mn/article/entry/citizenbudget> – News release on Citizens Budget by the executive (the Ministry of Finance)

Television, newspaper, social media coverage examples:

<https://www.montsame.mn/mn/read/91410> – News release of the Mongolian News Agency Montsame

<https://ikon.mn/n/1ax5> - ikon.mn news with video news release

https://www.facebook.com/pg/MOFMongolia/posts/?ref=page_internal – Social media release (official Facebook page of the Ministry of Finance)

Comment:

2018 Citizen's Budget for 2018 (Enacted budget) was published late. It was published 7 months later from the enactment of budget). 2018 budget was enacted on 14 November 2017. CB for 2018 EB was published on June 8, 2018 through the executive's website. The date of publication is found at <https://mof.gov.mn/article/entry/citizenbudget>.

Although the Executives produced Citizen's version of 2019 Consolidated Budget Proposal (in Mongolian: Иргэдийн төсөв-2019: Монгол Улсын нэгдсэн төсвийн төсөл) and published by the MOF in its official websites (https://mof.gov.mn/files/uploads/article/20181217_book_MON_final.pdf) it was published online on 04/02/2019 (after research cut-off date of December 31, 2018). Date of publication is seen from <http://mof.gov.mn/article/entry/irgediin-tusuv-2019>. Moreover, it was published after four months since the EBP was submitted. The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

On the other hand, printed version of CB for 2019 EBP was distributed during 2019 EBP was under debate by the Legislature. The MOF delivered 2 copies of printed CB for 2019 EBP to our office on 10/10/2018. Information on the Citizens Budget is disseminated through the executive's website (Ministry of Finance website). A printed version is also available. Minister of Finance Mr. Khurelbaatar Chimed held a press conference in May 30, 2018 to launch the first Citizens Budget 2018. The event was widely covered by television and newspapers, and other media sources. Some links are available above. Though, we still consider the CB for 2019 EBP as published "late" since 2019 OBS considers only online sources "as acceptable".

Peer Reviewer

Opinion: Agree

Comments: Citizens budget for 2019 <https://mof.gov.mn/download/citizen-budget> was published too late.

Government Reviewer

Opinion: Agree

Comments: "Information on the Citizens Budget is disseminated through the executive's website (Ministry of Finance website). A printed version is also available. Minister of Finance Mr. Khurelbaatar Chimed held a press conference in May 30, 2018 to launch the first Citizens Budget 2018. The event was widely covered by television and newspapers, and other media sources. Some links are available above"

66. Has the executive established mechanisms to identify the public's requirements for budget information prior to publishing the Citizens Budget?

GUIDELINES:

Question 66 asks whether the executive has established mechanisms to identify the public's requirements for budget information before publishing a Citizens Budget. What the public wants to know about the budget might differ from the information the executive includes in technical documents that comprise the Executive's Budget Proposal or the Enacted Budget; similarly, different perspectives might exist on how the budget should be presented, and this may vary depending on the context. For this reason the executive should consult with the public on the content and presentation of the Citizens Budget.

To answer "a," the executive must have established mechanisms to consult with the public, and these mechanisms for consultation are both accessible and widely used by the public. Such mechanisms can include focus groups, social networks, surveys, hotlines, and meetings/events in universities or other locations where people gather to discuss public issues. In countries where Citizens Budgets are consistently produced and released, it may be sufficient for

the government to provide the public with contact information and feedback opportunities, and subsequently use the feedback to improve its management of public resources.

Option "b" applies if the executive has established mechanisms for consultation that are accessible to the public, but that the public nonetheless does not use frequently. That is, the public does not typically engage with the executive on the content of the Citizens Budget, even though the executive has created opportunities for such consultation. Option "c" applies if the executive has established mechanism for consultation with the public, but they are poorly designed and thus not accessible to the public. Option "d" applies if the executive has not created any mechanisms to seek feedback from the public on the content of the Citizens Budget.

Answer:

d. No, the executive has not established any mechanisms to identify the public's requirements for budget information in the Citizen's Budget.

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%93_2018.pdf – Citizens Budget for 2018 (Enacted budget) made publicly available on June 8, 2018 (the first Citizens Budget to be published in Mongolia) through the executive's website.

<https://mof.gov.mn/article/entry/citizenbudget> – News release on Citizens Budget by the executive (the Ministry of Finance)

Television, newspaper, social media coverage examples:

<https://www.montsame.mn/mn/read/91410> – News release of the Mongolian News Agency Montsame

<https://ikon.mn/n/1ax5> - ikon.mn news with video news release

https://www.facebook.com/pg/MOFMongolia/posts/?ref=page_internal – Social media release (official Facebook page of the Ministry of Finance)

Comment:

2018 Citizen's Budget for 2018 (Enacted budget) was published late. It was published 7 months later from the enactment of budget). 2018 budget was enacted on 14 November 2017. CB for 2018 EB was published on June 8, 2018 through the executive's website. The date of publication is found at <https://mof.gov.mn/article/entry/citizenbudget>.

Although the Executives produced Citizen's version of 2019 Consolidated Budget Proposal (in Mongolian: Иргэдийн төсөв-2019: Монгол Улсын нэгдсэн төсвийн төсөл) and published by the MOF in its official websites (https://mof.gov.mn/files/uploads/article/20181217_book_MON_final.pdf) it was published online on 04/02/2019 (after research cut-off date of December 31, 2018). Date of publication is seen from <http://mof.gov.mn/article/entry/irgediin-tusuv-2019>. Moreover, it was published after four months since the EBP was submitted. The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

On the other hand, printed version of CB for 2019 EBP was distributed during 2019 EBP was under debate by the Legislature. The MOF delivered 2 copies of printed CB for 2019 EBP to our office on 10/10/2018. Information on the Citizens Budget is disseminated through the executive's website (Ministry of Finance website). A printed version is also available. Minister of Finance Mr. Khurelbaatar Chimed held a press conference in May 30, 2018 to launch the first Citizens Budget 2018. The event was widely covered by television and newspapers, and other media sources. Some links are available above. Though, we still consider the CB for 2019 EBP as published "late" since 2019 OBS considers only online sources "as acceptable".

Peer Reviewer

Opinion: Agree

Comments: Citizens budget for 2019 <https://mof.gov.mn/download/citizen-budget> was published too late.

Government Reviewer

Opinion: Agree

67. Are "citizens" versions of budget documents published throughout the budget process?

GUIDELINES:

Question 67 asks if "citizens" versions of budget documents are published throughout the budget process. While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle.

To answer "a," a citizens version of at least one budget document is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit) – for a total of at least four citizens budget documents throughout the process. Option "b" applies if a citizens version of a budget document is published for at least two of the four stages of the budget process. Option "c" applies if a citizens version of a budget document is published for at least one of the four stages of the budget process. Select option "d" if no "citizens" version of budget documents is published.

Answer:

d. No citizens version of budget documents is published.

Source:

https://mof.gov.mn/files/uploads/article/%D0%98%D0%A0%D0%93%D0%AD%D0%94%D0%98%D0%99%D0%9D_%D0%A2%D3%A8%D0%A1%D3%A8%D0%92_%E2%80%93_2018.pdf – Citizens Budget for 2018 (Enacted budget) made publicly available on June 8, 2018 (the first Citizens Budget to be published in Mongolia) through the executive’s website.

<https://mof.gov.mn/article/entry/citizenbudget> – News release on Citizens Budget by the executive (the Ministry of Finance)

CB for 2019 EBP is found at https://mof.gov.mn/files/uploads/article/20181217_book_MON_final.pdf

Date of publication of CB for 2019 EBP is seen from <http://mof.gov.mn/article/entry/irgediin-tusuv-2019>.

Email response from the staff of the Department of Fiscal Policy and Planning sent on April 9, 2019.

Television, newspaper, social media coverage examples:

<https://www.montsame.mn/mn/read/91410> – News release of the Mongolian News Agency Montsame

<https://ikon.mn/n/1ax5> - ikon.mn news with video news release

https://www.facebook.com/pg/MOFMongolia/posts/?ref=page_internal – Social media release (official Facebook page of the Ministry of Finance)

Comment:

A citizens’ version of the budget was published twice in 2018: May 30 – enacted budget for 2018 and October 3 – Budget proposal for 2019. The latter document was distributed both as a hard and soft copy to the general public during the public discussion held by Minister of Finance Mr. Khurelbaatar Chimed at the Economic Club of Mongolia.

The MoF staff members informed in an email that the citizens’ version of the budget proposal was distributed to the general public as a printed brochure. The document was also posted on the www.iltod.gov.mn website of the ministry together with the budget proposal. However, the budget proposal version was later replaced by the enacted budget after the budget was approved by the legislature. Currently the budget proposal version is no longer available online. The existing law obliges the executive to prepare and disseminate the enacted budget and not necessarily the budget proposal.

Peer Reviewer

Opinion: Agree

Comments: Citizens budget for 2019 <https://mof.gov.mn/download/citizen-budget> was published too late.

Government Reviewer

Opinion: Agree

68. Do the In-Year Reports present actual expenditures by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 68 asks if expenditure estimates in In-Year Reports are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above.

Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer “a,” In-Year Reports must present actual expenditures by all three of the expenditure classifications. To answer “b,” actual expenditures must be presented by two of these three classifications. A “c” answer applies if actual expenditures are presented by one of the three classifications. Answer “d” applies if actual expenditures are not presented by any of the three classifications in In-Year Reports.

Answer:

a. Yes, the In-Year Reports present actual expenditures by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government’s glass account portal on budget execution (monthly data for 2018)

https://mof.gov.mn/data_grid/total-budget - Ministry of Finance website

<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government’s glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).

<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

Comment:

The government releases monthly budget execution reports through its glass account portal. Similar information is available through the Ministry of Finance website. The reports present expenditure data by broad economic classification (p. 2), by ministerial portfolios or administrative units (31 in

total, p. 6), and by sectors or functions (p. 7).

In addition to monthly reports, the government releases quarterly reports on government revenue and expenditure outlays and their diversion from the budgeted numbers (last link above is on the third quarter). This a brief three-page document. The report contains expenditure by economic classification. The last document on the quarterly macroeconomic outlook contains broad economic classification of expenditures (Table 5 on p. 6).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

68b. Based on the response to Question 68, check the box(es) to identify which expenditure classifications are included in the In-Year Reports:

Answer:

Administrative classification

Economic classification

Functional classification

Source:

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government’s glass account portal on budget execution (monthly data for 2018)

https://mof.gov.mn/data_grid/total-budget - Ministry of Finance website

<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government’s glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).

<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

Comment:

n/a

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 69 asks if expenditure estimates in In-Year Reports are presented by program. There is no standard definition for the term “program,” and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term “program” to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: “Program” level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer “a,” In-Year Reports must present actual expenditures for all individual programs, accounting for all expenditures. To answer “b,” In-Year Reports must present actual expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A “c” answer applies if In-Year Reports present actual expenditures for programs that account for less than two-thirds of expenditures. Answer “d” applies if actual expenditures are not presented by program in In-Year Reports.

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government’s glass account portal on budget execution (monthly reports)
https://mof.gov.mn/data_grid/total-budget - Ministry of Finance website
<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government’s glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).
<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook
<https://shilendans.gov.mn/orglist/3> - link to the budget execution reports of agencies
<https://shilendans.gov.mn/orglist/4> - link to the budget execution reports of state-owned enterprises
<https://shilendans.gov.mn/orglist/5> - link to the budget execution reports of project and program units
<https://shilendans.gov.mn/orglist/6> - link to the budget execution reports of selected NGOs and individuals (who procured goods and services to public entities)
<https://shilendans.gov.mn/orglist/41> - link to the budget execution reports of government’s special funds

Comment:

The government releases monthly budget execution reports through its glass account portal. Similar information is available through the Ministry of Finance website. The glass account portal has reports of expenditures by general budget executors (i.e., ministerial portfolios) as well as by ministries (as the main administration of the ministerial portfolio), agencies underneath ministries, state-owned enterprises, and project and programs units (including those implemented with donor assistance). Since, these agencies and units are one level below the ministerial portfolio level, the score is 'A'.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 70 asks whether In-Year Reports compare actual expenditures to-date with either the enacted levels or actual expenditures for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date expenditures in a format that allows for a comparison with the budget's forecast expenditures (based on enacted levels) for the same period.

To answer "a," comparisons must be made for expenditures presented in the In-Year Reports

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government’s glass account portal on budget execution (monthly reports)
<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government’s glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).
<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

Comment:

Comparisons for year-to-date expenditures are made both in terms of the same period in the previous year as in column 1 denoted “ӨО-ны мөн үеийн” on p. 4 and original estimates (enacted budget) for the period in column 3 denoted “Төлөв.”. The actual expenditure itself is presented in column 4 named “Гүйцэт.”. Percentages (actual vs. budgeted) are presented in column 5 (ХУВь 4:3). Actual vs. budgeted comparisons are also given for the local government budgets (p. 5) and ministerial portfolios (p. 6).

The government’s quarterly narrative reports on government revenue and expenditure outlays and their diversion from the budgeted numbers (last link above is on the third quarter) give comparisons of this period’s actual data with both previous year’s same period data and enacted budget data. Table on p. 3: column 1 denoted “ӨО-ны мөн үеийн” (same period last year) and column 3 denoted “Төлөв.” (planned) give the relevant data. Column 4 “Гүйцэт.” (actual) provides the actual data for the 3rd quarter. Percentages (actual vs. budgeted) are presented in column 5 (ХУВь 4:3). Quarterly macroeconomic reports have comparisons with the same period last year (Table 5 on p. 6)

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Questions 71 asks whether In-Year Reports present actual revenues by "category" – that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," In-Year Reports must present revenue estimates classified by category.

Answer:

a. Yes, In-Year Reports present actual revenue by category.

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government's glass account portal on budget execution

https://mof.gov.mn/data_grid/total-budget - Ministry of Finance website

<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government's glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).

<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

Comment:

Table on p. 1 of the first document cited above contains revenue data by categories: tax and non-tax and individual sources within these categories.

The government's quarterly narrative reports on government revenue and expenditure outlays and their diversion from the budgeted numbers (last link above is on the third quarter) provides information on revenue by tax and non-tax sources, as well as individual sources of tax revenue.

Quarterly macroeconomic reports have information on tax and non-tax revenues (Table 4 on p. 5).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 72 asks whether In-Year Reports present actual collections of individual sources of revenue (such as income taxes, VAT, etc.). The question applies to both tax and non-tax revenue.

To answer "a," In-Year Reports must present actual collections for all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," In-Year Reports must present actual collections for individual sources of revenue that when combined account for at least two-thirds of all revenue collected, but not all revenue. A "c" answer applies if In-Year Reports present individual sources of actual revenue that account for less than two-thirds of all revenue collected. Answer "d" applies if individual sources of actual revenue are not presented.

Answer:

a. Yes, In-Year Reports present individual sources of actual revenue accounting for all revenue.

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government's glass account portal on budget execution

https://mof.gov.mn/data_grid/total-budget - Ministry of Finance website

<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government's glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).

<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

Comment:

Table on p. 1 of the first document cited above contains revenue data by sources: tax and non-tax and individual sources within these categories.

"Other taxes" (Бусад татвар) amount to less than 0.1 percent of total tax revenue. "Other revenue" (Бусад орлого) account for about 5 percent of total non-tax revenue. Overall, other (both tax and non-tax) revenue account for less than 1 percent of total revenue.

The government's quarterly narrative reports on government revenue and expenditure outlays and their diversion from the budgeted numbers (last link above is on the third quarter) provides information on revenue by tax and non-tax sources, as well as individual sources of tax revenue (see table

on p. 1). "Other taxes" (Бусад татвар, төлбөр, хураамж) account for about 9.7 percent of tax revenue and 7.9 percent of total revenue. There is no detailed information on the individual sources of non-tax revenue. All non-tax revenue (Татварын бус орлого) amount to 9.6 percent of total revenue. Broad individual sources on tax and non-tax revenues are also presented in the quarterly macroeconomic reports (last link above).

Answer "a" chosen is based on the analysis of monthly reports (which are more detailed than quarterly narrative reports).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 73 asks whether In-Year Reports compare actual revenues to-date with either the enacted levels or actual revenues for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date revenues in a format that allows for a comparison with the budget's forecast revenues (based on enacted levels) for the same period.

To answer "a," comparisons must be made for revenues presented in the In-Year Reports.

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?group=3&year=2018> – Government's glass account portal on budget execution
https://mof.gov.mn/data_grid/total-budget - Ministry of Finance website

Comment:

Comparisons for year-to-date revenues are made both in terms of the same period in the previous year as in column 1 denoted "ӨО-ны мөн үеийн" on p. 3 and original estimates (enacted budget) for the period in column 3 denoted "Төлөв.". The actual revenue itself is presented in column 4 named "Гүйцэт.". Percentages (actual vs. budgeted) are presented in column 5 (ХУВЬ 4:3). Actual vs. budgeted comparisons are also given for the local government budgets (p. 5).

The government's quarterly narrative reports on government revenue and expenditure outlays and their diversion from the budgeted numbers (last link above is on the third quarter) makes revenue comparisons with both same period in the previous year and enacted budget. Table on p. 1 has the following information: column 1 denoted "ӨО-ны мөн үеийн" (same period last year) and column 3 denoted "Төлөв." (planned for the period) give the related data. Column 4 "Гүйцэт." (actual) provides the actual data for the 3rd quarter. Percentages (actual vs. budgeted) are presented in column 5 (ХУВЬ 4:3).

Actual revenue data are compared to the same period of the previous year in the quarterly macroeconomic reports (see Table 4 on p. 5). The table has columns "2017 III" and "2018 III" to denote the 3rd quarters of the two years. No comparison is given with the planned numbers.

<https://shilendans.gov.mn/org/408?form=2242895&year=2018&month=4&group=3&task=739> – Government's glass account portal on budget execution – Quarterly narrative report on government budget execution: savings and overflows and their causes (3rd quarter of 2018).
<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

74. Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

GUIDELINES:

Question 74 asks about three key estimates related to borrowing and debt:

- the amount of net new borrowing so far during the year;
- the central government's total debt burden at that point in the year; and
- the interest payments to-date on the outstanding debt.

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.

Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.

To answer "a," In-Year Reports must present all three estimates of borrowing and debt. For a "b" answer, In-Year Reports must present two of those three estimates. For a "c" answer, IYRs must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in In-Year Reports.

Answer:

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

Source:

<https://shilendans.gov.mn/org/408?form=2643053&year=2018&month=9&group=3&task=739> – Quarterly reports on government borrowing and debt. This link is for the 3rd quarter of 2018. Same reports are available for other quarters.

<https://shilendans.gov.mn/org/408?form=2632746&year=2018&month=9&group=3&task=739> – Quarterly reports on government securities issued domestically and internationally. This link is for 3rd quarter. Similar reports are available for other quarters.

<https://shilendans.gov.mn/org/408?form=2635196&year=2018&month=9&group=3&task=739> – Quarterly reports on the use of government foreign loans and grant aid.

<http://shilendans.gov.mn/org/408?form=2108834&year=2018&month=1&group=3&task=739> – Monthly report on budget execution

<https://shilendans.gov.mn/org/408?form=2639910&year=2018&month=9&group=3&task=739> - Quarterly Report on Budget Execution for September 2018

Comment:

The glass account website provides quarterly information on total debt outstanding (the first link above). Quarterly information on outstanding amount of government securities issued domestically and internationally on the second link above. The third link gives information on the amount of multilateral and bilateral loans and grant aid by individual projects and origins (international financial institutions and countries). No information is given on interest rates and interest payments.

Information on the amount of net new borrowing is presented in the monthly report (the fourth link above) on p. 2, the row named "ЭРГЭЖ ТӨЛӨГДӨХ ЗЭЭЛИЙГ ХАССАН ЦЭВЭР ЗЭЭЛ". No information is given on the interest payments on all debt.

The last link on the budget execution for the 3rd quarter has information on net new borrowing and interest payment. The information is given in the table on p. 3. Second last row titled "ЭРГЭЖ ТӨЛӨГДӨХ ЗЭЭЛИЙГ ХАССАН ЦЭВЭР ЗЭЭЛ" - net new borrowing, the 8th row from the bottom "ХҮҮ" – interest payment.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

75. Do In-Year Reports present information related to the composition of the total actual debt outstanding?

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

GUIDELINES:

Question 75 focuses on the composition of government debt, asking whether "core" information related to its composition is presented. These core components include:

- interest rates on the debt;
- maturity profile of the debt; and
- whether the debt is domestic or external.

The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 74, domestic debt is held by a country's citizens and banks and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.

Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.

To answer "a," In-Year Reports must present all of the core information related to the composition of government debt to-date as well as some additional information beyond the core elements. To answer "b," In-Year Reports must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding in In-Year Reports.

Answer:

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

Source:

<https://shilendans.gov.mn/org/408?form=2643053&year=2018&month=9&group=3&task=739> – Quarterly reports on government borrowing and debt. This link is for the 3rd quarter of 2018. Same reports are available for other quarters.

<https://shilendans.gov.mn/org/408?form=2632746&year=2018&month=9&group=3&task=739> – Quarterly reports on government securities issued domestically and internationally. This link is for 3rd quarter. Similar reports are available for other quarters.

<https://shilendans.gov.mn/org/408?form=2635196&year=2018&month=9&group=3&task=739> – Quarterly reports on the use of government foreign loans and grant aid.

<http://shilendans.gov.mn/org/408?form=2108834&year=2018&month=1&group=3&task=739> – Monthly report on budget execution

<https://shilendans.gov.mn/org/408?form=2745038&year=2018&month=9&group=3&task=739> – Quarterly report of macroeconomic outlook

<https://shilendans.gov.mn/org/408?form=2639910&year=2018&month=9&group=3&task=739> - Quarterly Report on Budget Execution for September 2018

Comment:

The glass account website provides quarterly information on total debt outstanding (the first link above). Quarterly information on outstanding amount of government securities issued domestically and internationally on the second link above. The link has information about the maturity of domestic securities (short, medium, and long-term). The list of internationally issued bonds contains the names of the bonds (Chingis, Samurai, etc.) but has no specific information on the maturity profile of these bonds and interest rates.

The third link gives information on amount of multilateral and bilateral loans and grant aid by individual projects and origins (international financial institutions and countries). No information is given on interest rates or maturity dates.

Quarterly information is available on domestic vs foreign debt is given in the quarterly report on government borrowing and debt.

No other information on the maturity profile and interest rates is provided. The last link has information on interest payments paid to date (the above link for the 3rd quarter of 2018). The link does not provide information on the interest rates.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

76. Does the Mid-Year Review of the budget include an updated macroeconomic forecast for the budget year underway?

GUIDELINES:

Question 76 asks whether the Mid-Year Review includes an updated macroeconomic forecast for the budget year, and provides an explanation of the update.

Refer to Question 15 for the components of the macroeconomic forecast presented in the Executive's Budget Proposal.

To answer "a," the Mid-Year Review must include an updated macroeconomic forecast and explain all of the differences between the initial forecast presented in the Executive's Budget Proposal and the updated forecast. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the macroeconomic forecast must be updated, but only some of the differences between the initial and updated forecasts are explained. The explanation would be more limited, such as only a narrative discussion of the

differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes an updated macroeconomic forecast, but does not provide an explanation for the revisions. A "d" response applies if the macroeconomic forecast has not been updated.

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

https://mof.gov.mn/data_grid/total-budget - Mid-year budget execution report on the Ministry of Finance website

<http://shilendans.gov.mn/org/408?form=2457370&year=2018&month=6&group=3&task=739> – Quarterly update on macroeconomic outlook

<https://www.youtube.com/watch?v=rqyFY53ihoA> – YouTube video (4:48 mins long) on mid-year budget review, published July 27, 2018 by the Ministry of Finance

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 77 asks whether the Mid-Year Review includes updated estimates of expenditure for the budget year, and provides an explanation of the update.

To answer "a," the Mid-Year Review must include updated expenditure estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. The expenditure estimates must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated expenditure estimates, but does not provide an explanation for the revisions. A "d" response applies if the expenditure estimates have not been updated.

Answer:

d. No, expenditure estimates have not been updated.

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 78 asks if expenditure estimates in the Mid-Year Review are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," the Mid-Year Review must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of these three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications. Answer "d" applies if expenditure estimates are not presented by any of the three classifications in the Mid-Year Review.

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

78b. Based on the response to Question 78, check the box(es) to identify which expenditure classifications are included in the Mid-Year Review:

Answer:

None of the above

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

79. Does the Mid-Year Review of the budget present expenditure estimates for the budget year underway for individual programs?

GUIDELINES:

Question 79 asks if expenditure estimates in the Mid-Year Review are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Mid-Year Review must present expenditures for all individual programs, accounting for all expenditures. To answer "b," the Mid-Year Review must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Mid-Year Review presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Mid-Year Review.

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 80 asks whether the Mid-Year Review includes updated estimates of revenue for the budget year, and provides an explanation of the update.

To answer "a," the Mid-Year Review must include updated revenue estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the revenue estimates must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated revenue estimates, but no explanation for the revisions is provided. A "d" response applies if the revenue estimates have not been updated.

Answer:

d. No, revenue estimates have not been updated.

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government
<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate revenue estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget revenue estimates data by tax vs non-tax revenue as well as individual sources of both categories of revenue (p. 1). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

81. Does the Mid-Year Review of the budget present revenue estimates for the budget year underway by category (such as tax and non-tax)?

GUIDELINES:

Question 81 asks whether revenue estimates in the Mid-Year Review are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Mid-Year Review must present revenue estimates classified by category.

Answer:

b. No, the Mid-Year Review does not present revenue estimates by category.

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government
<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

82. Does the Mid-Year Review of the budget present individual sources of revenue for the budget year underway?

GUIDELINES:

Question 82 asks whether revenue estimates for individual sources of revenue are presented in the Mid-Year Review. The question applies to both tax and non-tax revenue.

To answer "a," the Mid-Year Review must present all sources of revenue individually, accounting for all revenues, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Mid-Year Review must present individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Mid-Year Review presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented in the Mid-Year Review.

Answer:

d. No, the Mid-Year Review does not present individual sources of revenue.

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

83. Does the Mid-Year Review of the budget include updated estimates of government borrowing and debt, including its composition, for the budget year underway?

GUIDELINES:

Question 83 asks whether the Mid-Year Review includes updated estimates of borrowing and debt, including its composition, for the budget year, and provides an explanation of the update.

Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:

- *The amount of net new borrowing required during the budget year;*
- *The central government's total debt burden at the end of the budget year; and*
- *The interest payments on the outstanding debt for the budget year.*

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

To answer "a," the Mid-Year Review must include an updated estimates of borrowing and debt, including its composition, and explain all of the differences between the initial estimates presented in the Executive's Budget Proposal (or Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the estimates of borrowing and debt must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated estimates, but no explanation for the revisions is provided. A "d" response applies if the estimates of borrowing and debt have not been updated.

Answer:

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

Source:

<http://shilendans.gov.mn/org/408?form=2426937&year=2018&month=6&group=3&task=739> – Half-yearly explanation of differences in the enacted budget and budget estimates on the glass account portal of the government

<http://shilendans.gov.mn/org/408?form=2426946&year=2018&month=6&group=3&task=739> – Mid-year budget execution report on the glass account portal of the government

Comment:

The MYR is not produced.

The executive provides quarterly, half-yearly and annual explanation of the differences between the enacted budget and budget estimates for the

period. The report has a narrative explanation along with updated aggregate expenditure estimates. Explanation is given for some of the discrepancies and not all. The second link above provides detailed information on the budget expenditure estimates data by portfolios, sectors and economic classification (p. 2). There is no explanation of differences in the second report.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 84 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual expenditures for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion. Answer "b" if estimates of the differences for all expenditures are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all expenditures, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report

Answer:

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

Source:

<https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> – Introduction to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018
https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimations to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 4 to the Estimates to the Budget Execution Report 2017 (pp. 8-10) compares the actual outcome for all expenditures for 2017 with the enacted levels. Section 1.2 of the Introduction to the Budget Execution Report 2017 (pp. 2-3) gives a narrative discussion of expenditure outcomes for 2017 comparing them with enacted levels.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 85 asks if expenditure estimates in the Year-End Report are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," the Year-End Report must present expenditure estimates by all three of the expenditure classifications. Answer "b" if expenditure estimates are presented by two of these three classifications. Answer "c" if expenditure estimates are presented by one of the three classifications. Answer "d" if expenditure estimates are not presented by any of the three classifications in the Year-End Report.

Answer:

b. Yes, the Year-End Report presents expenditure estimates by two of the three expenditure classifications.

Source:

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimates to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 4 to the Estimates to the Budget Execution Report 2017 (pp. 8-10) gives expenditure estimates by economic classification. Appendix 7 (pp. 15) to the same document gives classification by ministerial portfolios (i.e., administrative units). No information is provided by functional classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

85b. Based on the response to Question 85, check the box(es) to identify which expenditure classifications are included in the Year-End Report:

Answer:

Administrative classification

Economic classification

Source:

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimates to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 4 to the Estimates to the Budget Execution Report 2017 (pp. 8-10) gives expenditure estimates by economic classification. Appendix 7 to the same document gives classification by ministerial portfolios (i.e., administrative units). No information is provided by functional classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 86 asks if expenditure estimates in the Year-End Report are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Year-End Report must present expenditure estimates for all individual programs, accounting for all expenditures. Answer "b" if the Year-End Report presents expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. Answer "c" if the Year-End Report presents programs that account for only less than two-thirds of expenditures. Answer "d" if expenditures are not presented by program in the Year-End Report.

Answer:

d. No, the Year-End Report does not present expenditure estimates by program.

Source:

n/a

Comment:

No information is found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 87 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual revenues for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all revenues, along with a narrative discussion. Answer "b" if estimates of the differences for all revenues are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all revenues, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report.

Answer:

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

Source:

<https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> – Introduction to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimations to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 5 to the Estimates to the Budget Execution Report 2017 (pp. 11-12) compares the actual outcome for all revenues for 2017 with the enacted levels. Section 1.1 of the Introduction to the Budget Execution Report 2017 (pp. 1-2) gives a narrative discussion of revenue outcomes for 2017 comparing them with enacted levels.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 88 asks whether revenue estimates in the Year-End Report are presented by "category" – that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Year-End Report must present revenue estimates classified by category.

Answer:

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

Source:

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimations to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 5 to the Estimates to the Budget Execution Report 2017 (pp. 11-12) gives revenue estimates by tax (1. Татварын орлого) and non-tax revenue (2. Татварын бус орлого).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

89. Does the Year-End Report present individual sources of revenue?

GUIDELINES:

Question 89 asks whether revenue estimates for individual sources of revenue are presented in the Year-End Report. The question applies to both tax and non-tax revenue.

To answer "a," the Year-End Report must present all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. Answer "b" if the Year-End Report presents individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. Answer "c" if the Year-End Report presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" if individual sources of revenue are not presented in the Year-End Report.

Answer:

a. Yes, the Year-End Report presents individual sources of revenue accounting for all revenue.

Source:

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimations to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 5 to the Estimates to the Budget Execution Report 2017 (pp. 11-12) gives revenue estimates by individual courses of tax and non-tax revenue. Miscellaneous or other sources of tax revenue account for about 0.03 percent of total tax revenue. Other sources of non-tax revenue amount to about 10.1 percent of total non-tax revenue. Overall, other non-specified sources account for almost 1.4 percent of total revenue, which is less than the 3 percent threshold.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 90 asks whether the Year-End Report includes estimates of the differences between the original estimates and the actual outcome for the fiscal year for borrowing and debt, including its composition, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:

- the amount of net new borrowing required during the budget year;
- the central government's total debt burden at the end of the budget year; and
- the interest payments on the outstanding debt for the budget year.

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

- interest rates on the debt;
- maturity profile of the debt; and
- whether the debt is domestic or external.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between some but not all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented.

Source:

<https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> – Introduction to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimations to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Appendix 2 to the Estimates to the Budget Execution Report 2017 (pp. 4-5) provides information on financing the budget deficit, including government's net new borrowing by domestic and foreign sources as well as debt instruments (e.g., bonds vs borrowing). Section 1.3 of the Introduction to the Budget Execution Report 2017 (pp. 3-4) has a narrative discussion of sources of financing the budget deficit.

Chapter 7 of the same document (pp. 20-26) has a detailed discussion of government debt. In particular, Table 19 (p. 20) disaggregates total debt burden by the end of year by domestic and foreign sources and by debt instruments. Table 20 (p. 23) gives information on total amount outstanding, interest rates and maturity profile of international bonds issued by the government. Interest rates and maturity profile information is not available on other debt instruments (such as domestic and international borrowing, domestic bonds and others). The same Chapter 7 gives information on interest payments made in 2017 by all debt instruments. The chapter does not give comparison of the actual outcome with the original estimates, with the exception of net new borrowing in Appendix 2 to the Estimates (as noted above).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90b. Based on the response to Question 90, check the box(es) to identify which estimates of government borrowing and debt, including its composition, have the differences between the original forecast and the actual outcome for the year presented in the Year-End Report:

Answer:

The amount of net new borrowing required during the budget year

Source:

Source:

<https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> – Introduction to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf – Estimations to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

3, 2018

Comment:

Appendix 2 to the Estimates to the Budget Execution Report 2017 (pp. 4-5) provides information on financing the budget deficit, including government's net new borrowing by domestic and foreign sources as well as debt instruments (e.g., bonds vs borrowing). Column 7 (төлөв) shows "planned", Column 8 (Гүйц) shows "actual" and Column 9 (Зөрүү) shows "difference".

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.

To answer "a," the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

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

Source:

Information on the macroeconomic forecast is not reported in the YER.

There is some information in the quarterly report on the macroeconomic outlook, but this is considered an IYR and not a YER..

<http://shilendans.gov.mn/org/408?form=2169262&year=2017&month=12&group=3&task=739> – Quarterly macroeconomic outlook for the last quarter of 2017

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

91b. Based on the response to Question 91, check the box(es) to identify which elements of the macroeconomic forecast have the differences between the original forecast and the outcome for the year presented in the Year-End Report:

Answer:

None of the above

Source:

Information on the macroeconomic forecast is not reported in the YER.

There is some information in the quarterly report on the macroeconomic outlook, but this is considered an IYR and not a YER..

<http://shilendans.gov.mn/org/408?form=2169262&year=2017&month=12&group=3&task=739> – Quarterly macroeconomic outlook for the last quarter of 2017

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: None of the above

Comments: As researcher confirms, the YER does not contain information on inflation forecasts and outcomes.

Government Reviewer

Opinion: Agree

Researcher Response

Agree with the PR and would like to change the answer "None of the Above". In addition, would like to change the source to the following: "- Report for Mongolia's 2017 Budget Execution (Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлийн тайлан): Part 1. Introduction is found at <https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> - Report for Mongolia's 2017 Budget Execution (Монгол Улсын 2017 оны нэгдсэн төсвийн гүйцэтгэлийн тайлан): Part 2. Estimation is found at Төсвийн гүйцэтгэл-2017

(https://mof.gov.mn/files/uploads/article/%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD_%D0%B3%D2%AF%D0%B9%D1%86%D1%8D%D1%82%D0%B3%D1%8D%D0%BB-2017.pdf)"

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

GUIDELINES:

Question 92 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 49 for the nonfinancial data on inputs included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

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

Source:

n/a

Comment:

No information is found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 93 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 92).

Refer to Question 50 for the nonfinancial data on results included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

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

Source:

<http://shilendans.gov.mn/org/15?form=2042543&year=2018&month=12&group=0&task=9> – Non-financial data on performance targets for the Ministry of Education, Culture, Science and Sports (as an example) on the government's glass account portal

Comment:

Although the enacted budget specifies performance targets by ministerial portfolios, the actual implementation is not recorded in the glass account portal.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

94. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

GUIDELINES:

Question 94 asks whether the Year-End Report includes estimates of the differences between the enacted level of funds for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 52 for assistance to the most impoverished populations in the Executive's Budget Proposal.

To answer "a," the Year-End Report must present estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit the country's most impoverished populations and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

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

Source:

n/a

Comment:

No information is found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 95 asks whether the Year-End Report presents estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 33 for estimates of extra-budgetary funds in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented

Answer:

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

Source:

<https://mof.gov.mn/files/uploads/article/%D0%A2%D0%B0%D0%BD%D0%B8%D0%BB%D1%86%D1%83%D1%83%D0%BB%D0%B3%D0%B0-2017.pdf> – Introduction to the Budget Execution Report 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

Section 2.4 on the Government Contingency Fund (p. 16), Chapters 3, 4, and 5 (pp. 17-19) on the Future Heritage Fund, Fiscal Stability Fund, and Social Security Fund, respectively, provide comparative estimates and narrative discussion of the original estimates and the actual outcome of these extra-budgetary funds. No estimates and discussion of other government special funds are presented.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 96 asks whether a financial statement is included as part of the Year-End Report, or whether it is released as a separate report. The financial statement can include some or all of the following elements: a cash flow statement, an operating statement, a balance sheet, and notes on accounting. For purposes of responding to this question, the financial statement in question does not need to be audited. For an example of a financial statement, see the document "Financial Statements of the Government of New Zealand 2013" (<https://treasury.govt.nz/sites/default/files/2013-10/fsgnz-year-jun13.pdf>)

To answer "a," a financial statement must either be included in the Year-End Report or must be released as a separate report. Answer "a" applies if a financial statement is released as a separate report, even if the Year-End Report is not publicly available. Answer "b" applies if no financial statement is released either as part of the Year-End Report or as a separate report.

Answer:

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

Source:

<https://mof.gov.mn/article/entry/2017budgetaccountability> - press release by the Ministry of Finance on public disclosure of the budget execution report for 2017

https://mof.gov.mn/files/uploads/article/%D0%97%D0%93%D0%A1%D0%9D%D0%A2-2017_%D1%85%D1%83%D1%80%D0%B0%D0%B0%D0%BD%D0%B3%D1%83%D0%B9.pdf – Government's Financial Statement 2017, posted on the Ministry of Finance website, posted on July 3, 2018

Comment:

The financial statement of the government is released on the same day as the year-end budget execution report, as a separate document.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

97. What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

GUIDELINES:

Question 97 asks about the types of audits conducted by the Supreme Audit Institution (SAI). There are three basic types of audits:

- Financial audits are intended to determine if an entity's financial information is accurate (free from errors or fraud) and presented in accordance with the applicable financial reporting and regulatory framework. See ISSAI 200 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more detail.
- Compliance audits look at the extent to which the relevant regulations and procedures have been followed. See ISSAI 400 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details.
- Performance audits assess whether activities are adhering to the principles of economy, efficiency, and effectiveness. See ISSAI 300 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details. ≈

Financial and compliance audits are more common than performance audits, which usually occur only once a performance framework has been agreed upon. In some countries, the SAI's mandate limits the type of audit it can conduct.

To answer "a," the SAI must have conducted all three types of audit – financial, compliance, and performance – and made all of them available to the public. A "b" response applies if the SAI has conducted two of the three audit types, and a "c" applies if it has conducted only one type of audit. Answers "b" and "c" may be selected even if the Audit Report is not publicly available, as long as the SAI has conducted compliance or performance audits and made them available to the public. A "d" response applies if the SAI has not conducted any of the three types of audits, or has not made them available to the public.

Answer:

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

Source:

<https://www.legalinfo.mn/law/details/491> - Law on State Audit

<http://shilendans.gov.mn/org/15?form=2305640&year=2017&month=12&group=0&task=9> – Financial audit report of the Ministry of Education, Culture, Science and Sports for 2018 (as an example of financial audit)

https://archive.audit.mn/?page_id=1240 – List of selected audit reports on the National Audit Office website (old website, information is archived)

<https://archive.audit.mn/wp-content/uploads/2018/03/UAG-Uil-ajillagaani-tailan-2017.pdf> - Annual Report of the National Audit Office for 2017 (posted on March 28, 2018)

The NAO website has been renewed and is currently available on <https://www.audit.mn/>

Comment:

Articles 5, 18, and 19 of the Law on State Audit above specify that the National Audit Office (NAO) shall conduct financial, compliance and performance audits of entities within its mandate. Chapter 5, Articles 23-25 provide that the National Audit Office can make audit reports publicly available, with the exception of confidential information related to organizations or persons, as specified by law. The NAO website contains selected audit reports. The forms of public dissemination of financial audit reports include websites of audit organizations (NAO and its local subsidiaries) and the government's glass account portal where individual public entities (ministries, agencies, departments, etc.) are required to disclose the audit reports of their finances. The second source above provides the link to the financial audit report of the Ministry of Education, Culture, Science and Sports for 2017 as an example.

Compliance and performance audit reports are made publicly available through the websites of the audit organizations (NAO and its local subsidiaries). The third link above to the archived information on https://archive.audit.mn/?page_id=1240 contains audit reports by all three types. Links to Financial audit reports (Санхүүгийн аудитын тайлан), Performance audit reports (Гүйцэтгэлийн аудитын тайлан), Compliance audit reports (Нийцлийн аудитын тайлан), and Other audit reports (Бусад аудитын тайлан) are available on the website. For instance, in 2017 the NAO conducted 3556 audits, including 3179 financial audits, 210 performance audits, and 167 compliance audits (p. 9 of the Annual Report for 2017 linked above).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 98 focuses on the coverage of audits by the Supreme Audit Institution (SAI), asking what percentage of expenditures within the SAI's mandate has been audited.

The SAI's mandate is typically defined in statute. Only expenditures related to budgetary central government (ministries, departments, and agencies) that are within the SAI's mandate should be considered for this question. (Question 99 addresses audits of extra-budgetary funds.) Further, the question does not apply to "secret programs" (for example, security-related expenditures that are confidential). Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.

Only the Audit Report identified in Section 1 should be used to answer this question. Financial audits and compliance audits, or a hybrid of the two, can be taken into account to answer this question. Performance audits should not be considered for this question.

To answer "a," all expenditures within the SAI's mandate must be audited. A "b" response applies if at least two-thirds, but not all, expenditures within the SAI's mandate have been audited. A "c" response is appropriate when less than two-thirds of expenditures within the SAI's mandate have been audited. A "d" response applies when no expenditures have been audited.

Answer:

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

Source:

Source:

<https://archive.audit.mn/?p=25130> – List of financial and budget execution audit reports on the 2017 financial statements by ministerial portfolios on the National Audit Office website (old website, information is archived, released on May 10, 2018)

<https://archive.audit.mn/?p=24304> – List of financial and budget execution audit reports on the 2017 financial statements by aggregated agencies on the National Audit Office website (old website, information is archived, released on April 6, 2018)

<https://archive.audit.mn/?p=23745> – List of financial and budget execution audit reports on the 2017 financial statements by individual agencies on the National Audit Office website (old website, information is archived, released March 15, 2018)

<https://archive.audit.mn/?p=25342> – News release by the National Audit Office on completion of audit reports on financial statements and budget execution statements of 31 ministerial portfolio (posted on May 23, 2018 on the NAO website)

Telephone interview with staff member of the Strategic Management Department of the NAO held on March 27, 2019

Email response sent by the IT staff of the NAO (proof of dates of public release of audit reports) on April 25, 2019

Comment:

The NAO audited financial statements of all of central government ministries, departments, and agencies. The links above provide the audit reports for all ministerial portfolios, aggregated agencies (e.g., the National Tax Office as aggregation of all tax offices), and individual agencies (e.g., individual tax offices). Thus, 100 percent of expenditures allocated to these entities are audited.

Note: The audit reports posted on the NAO website do not have release date. Based on the interview with a staff member of the Strategic Management Department of the NAO, the last audit report to be released is on the consolidated financial statement and budget execution statement of the government. These two reports were discussed and approved by the legislature on July 4, 2018. This is the last date when any audit report is released. Most of the reports released before this date.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

For this question, FY 2017 is assessed instead of FY 2016 - however the researcher's responses all refer to FY 2017, therefore they are all confirmed.

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

GUIDELINES:

Question 99 focuses on audits of extra-budgetary funds, asking what percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited. These funds, although technically outside the budget, are governmental in nature and thus should be subject to the same audit requirement as other government programs.

The SAI's mandate is typically defined in statute. Only expenditures related to extra-budgetary funds within the SAI's mandate should be considered for this

question. (Question 98 addresses audits of budgetary central government.) Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.

To answer "a," all extra-budgetary funds within the SAI's mandate must be audited. A "b" response applies if extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited. A "c" response applies if extra-budgetary funds accounting for less than two-thirds of expenditures associated with extra-budgetary funds within the SAI's mandate have been audited. A "d" response applies if extra-budgetary funds have not been audited.

Answer:

b. Extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited.

Source:

<https://www.legalinfo.mn/law/details/491> - Law on State Audit

<http://shilendans.gov.mn/org/698?form=2750469&year=2017&month=12&group=0&task=2814> – Audit report of the Government Contingency (Reserve) Fund (as an example)

<https://archive.audit.mn/?p=25044> – List of financial and budget execution audit reports on the 2017 financial statements by special government funds on the National Audit Office website (old website, information is archived, released on May 3, 2018)

<https://archive.audit.mn/wp-content/uploads/2018/05/NIIGMIIN-DAATGALIIN-SAN.pdf> - Financial audit report for the Social Security Fund for 2017

<https://www.legalinfo.mn/law/details/278> - Law on Government Special Funds (approved June 29, 2006)

Telephone interview with staff member of the Strategic Management Department of the NAO held on March 27, 2019

Email response sent by the IT staff of the NAO (proof of dates of public release of audit reports) on April 25, 2019

Comment:

Pursuant to clause 15.1.4, the NAO shall audit statements of special government funds (i.e. extra-budgetary funds). The NAO website disclosed audit reports on 2017 financial statements of 13 special government funds. There are 29 in total, in accordance with the Law on Government Special Funds, including the Social Security Fund. Therefore, not all funds are audited. The expenditures of the Social Security Fund amount to about 2/3 of all expenditures of extra-budgetary funds. The audit report is provided above.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

For this question, FY 2017 is assessed instead of FY 2016 - however the researcher's responses all refer to FY 2017, therefore they are all confirmed.

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

GUIDELINES:

Question 100 asks whether the annual Audit Report includes an executive summary. Only the Audit Report identified in Section 1 should be used to answer this question. The Audit Report can be a fairly technical document, and an executive summary of the report's findings can help make it more accessible to the media and the public.

To answer "a," the Audit Report must include at least one executive summary summarizing the report's content. Answer "b" applies if the Audit Report does not include an executive summary, or the Audit Report is not made publicly available.

Answer:

a. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.

Source:

AR of Mongolia's 2016 Consolidated Budget Execution (МОНГОЛ УЛСЫН 2016 ОНЫ НЭГДСЭН ТӨСВИЙН ГҮЙЦЭТГЭЛД ХИЙСЭН АУДИТ) at <https://archive.audit.mn/wp-content/uploads/2017/11/LAST-2017-FA-NegdsenTusuv-last.pdf>

Comment:

AR of Mongolia's 2016 Consolidated Budget Execution doesn't have an Executive Summary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.

Comments: I disagree with the answer. Even though, National Audit posted the report on their website beyond the cut-off date, the report also can be found from the Parliament website. Mongolia's 2017 consolidated budget execution was published in 19th of June.

(forum.parliament.mn/files/39545). In addition, Parliament also posted following information through their website.

(<http://www.parliament.mn/n/dijo>). Therefore, FY2017 should be used for the AR evaluation in the Open Budget Survey questionnaire. Please see PAGE 5 of the PDF file as a executive summary. (ҮНДСЭН МЭДЭЭЛЭЛ). The section was updated from 2016 report.

Researcher Response

Has been advised by the IBP that for Audit Reports, IBP actually is accepting, in some exceptional cases, Audit Reports published on the legislature's website (this is on the advice of INTOSAI), as Parliaments also have a role in Audit Oversight, and often are the 'requestors' of the report, by law. So we include the legislature link. Therefore, agree with GR to change the score to "a". FY2017 has an executive summary (ҮНДСЭН МЭДЭЭЛЭЛ) on PAGE 5 of the PDF file.

IBP Comment

For this question, FY 2017 is assessed instead of FY 2016 - see AR questions in Section 1.

101. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

GUIDELINES:

Question 101 asks whether the executive reports to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution (SAI). The ultimate purpose of audits is to verify that the budget was executed in a manner consistent with existing law, and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the SAI's audit reports.

To answer "a," the executive must report publicly on the steps it has taken to address all audit findings. A "b" response applies if the executive reports publicly on the steps it has taken to address most, but not all, audit findings. A "c" response applies if the executive reports publicly on the steps it has taken to address only some audit findings. As long as the executive reports publicly on the steps it has taken to address audit finding, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if the executive does not report at all on its steps to address audit findings.

Answer:

b. Yes, the executive reports publicly on most audit findings.

Source:

- Audit Report for Mongolia's 2016 Consolidated Budget Execution (In Mongolian: Монгол Улсын 2016 оны нэгдсэн төсвийн гүйцэтгэлд хийсэн аудитын тайлан). (Mongolian National Audit Office) at <https://archive.audit.mn/wp-content/uploads/2017/11/LAST-2017-FA-NegdsenTusuv-last.pdf>

MOF's report on steps it has taken to address audit findings on 2016 Year-end Financial Report (Сангийн яамны аппаратын 2016 оны жилийн эцсийн санхүүгийн тайлан) at

<https://www.shilendans.gov.mn/pdfview?file=e56a1e590a0265a739e24680d95ddb2.pdf>

Ministry of Construction and Urban Development's report on steps it has taken to address audit findings on 2016 Year-end Financial Report at <https://shilendans.gov.mn/pdfview?file=7e73a9c00a0265a74ae84e8ccf1e56d4.pdf>

Date of publication of Ministry of Construction and Urban Development's report on steps it has taken to address audit findings on 2016 Year-end Financial Report is seen at <https://shilendans.gov.mn/org/419?form=1741144&year=2017&month=12&group=2&task=736>

Ministry of Ministry of Road and Transport's report on steps it has taken to address audit findings on 2016 Year-end Financial Report at

<https://www.shilendans.gov.mn/pdfview?file=241f94e40a0265a701cc8559dee4ca83.pdf> .

Date of publication of Ministry of Road and Transport's report on steps it has taken to address audit findings on 2016 Year-end Financial Report is seen at <https://www.shilendans.gov.mn/org/418?form=1814260&year=2017&month=12&group=2&task=738>.

Ministry of Road and Transport report on steps it has taken to address audit findings on 2017 Year-end Financial Report at

<https://www.shilendans.gov.mn/org/418?form=2446234&year=2018&month=12&group=2&task=738>.

Comment:

Executives sometimes report publicly on what steps it has taken to address audit findings.

For example, MOF's report on steps it has taken to address audit findings on its 2016 Year-end Financial Report was published. Date of publication of MOF's report on steps it has taken to address audit findings on 2016 Year-end Financial Report (Сангийн яамны аппаратын 2016 оны жилийн эцсийн санхүүгийн тайлан) is seen at

<https://www.shilendans.gov.mn/org/408?form=1771809&year=2017&month=12&group=2&task=739>.

However, the MOF did not publish report on steps it has taken to address audit findings on 2017 Year-end Financial Report as seen from <https://www.shilendans.gov.mn/org/408?group=2&year=2018>.

-As seen from Audit Report for Mongolia's 2016 Consolidated Budget Execution (p32), NAO gave 5 recommendations to Prime Minister and 4 recommendations to Minister of Finance. However, MOF did not publish report on steps it has taken to address audit findings on Mongolia's 2016 Consolidated Budget Execution.

-Ministry of Construction and Urban Development (MoCUD):

Ministry of Construction and Urban Development's report on steps it has taken to address audit findings on 2016 Year-end Financial Report at <https://shilendans.gov.mn/pdfview?file=7e73a9c00a0265a74ae84e8ccf1e56d4.pdf>

Date of publication of MoCUD's report on steps it has taken to address audit findings on 2016 Year-end Financial Report is seen at <https://shilendans.gov.mn/org/419?form=1741144&year=2017&month=12&group=2&task=736>,

However, the MoCUD did not publish report on steps it has taken to address audit findings on 2017 Year-end Financial Report as seen from <https://shilendans.gov.mn/org/419?year=2018&month=12&group=2&task=736>.

-Ministry of Road and Transport:

Ministry of Road and Transport's report on steps it has taken to address audit findings on 2016 Year-end Financial Report at <https://www.shilendans.gov.mn/pdfview?file=241f94e40a0265a701cc8559dee4ca83.pdf>.

Date of publication of Ministry of Road and Transport's report on steps it has taken to address audit findings on 2016 Year-end Financial Report is seen at <https://www.shilendans.gov.mn/org/418?form=1814260&year=2017&month=12&group=2&task=738>.

However, Ministry of Road and Transport did not publish report on steps it has taken to address audit findings on 2017 Year-end Financial Report as seen from <https://www.shilendans.gov.mn/org/418?form=2446234&year=2018&month=12&group=2&task=738>.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: b. Yes, the executive reports publicly on most audit findings.

Comments: I disagree with the answer. Even though, National Audit posted the report on their website beyond the cut-off date, the report also can be found from the Parliament website. Mongolia's 2017 consolidated budget execution was published in 19th of June.

(forum.parliament.mn/files/39545). In addition, Parliament also posted following information through their website.

(<http://www.parliament.mn/n/dijo>). Therefore, FY2017 should be used for the AR evaluation in the Open Budget Survey questionnaire. Moreover, MoF officially responded to the previous actions on audit finding for AR2016 report on 30/03/2018.

Researcher Response

According to Open Budget Survey Guidelines on the Public Availability of Budget Documents (January 2019), to be accepted in the Open Budget Survey, budget documents must meet a set of criteria regarding their availability: 1. Budget documents must be published on the official website of the government body that produces it. 2. Budget documents must be available free of charge. Therefore, the Audit report must be published on the official website of the National Audit Office (NAO) that produces it, not by the Parliament. Although Mongolia's 2017 Consolidated Budget Execution was audited in June 2018, AR was published beyond the research cut-off date of 31 Dec, 2018. The 2017 AR was published on 25/01/2019 as seen at <https://www.audit.mn/content?i=5c4aec7e854f5521c4268381>. Therefore, we are assessing 2016 AR for the 2019 OBS as per survey guideline and advice by IBP staff. Agree with GR to change score to "b".

102. Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

GUIDELINES:

Question 102 asks whether the Supreme Audit Institution (SAI) or the legislature track actions by the executive to address audit recommendations. After audit results and recommendations are discussed and validated by the legislature, the executive is normally asked to take certain actions to address the audit findings. For accountability purposes, the public needs to be informed about the status of those actions, and steps the executive has taken to address audit recommendations. In addition to the executive reporting on its actions (see Question 101), the SAI and legislature – as the key oversight institutions – have a responsibility to keep the public informed by tracking the executive's progress in addressing audit recommendations.

To answer "a," the SAI or legislature must report publicly on what steps the executive has taken to address all audit findings. A "b" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address most, but not all, audit findings. A "c" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address only some audit findings. As long as the SAI or legislature reports publicly on the steps the executive has taken, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if neither the SAI nor the legislature reports on the executive's steps to address audit findings.

Answer:

b. Yes, the SAI or legislature reports publicly on most audit recommendations.

Source:

https://archive.audit.mn/?page_id=1248 – general link to the recommendations of the National Audit Office and actions taken by public entities

<https://archive.audit.mn/wp-content/uploads/2018/09/2018-onii-ehni-hagas-akt-alban-shaardlaga-biylelt.pdf> - List of recommendations and the action taken by the individual government agencies and public corporations with regard to these recommendations, based on the audits of financial statements for 2017 of these entities.

<https://archive.audit.mn/?p=31412> – the National Audit Office news release on the recommendations and follow-up action for the Ministry of

Finance portfolio (released on December 24, 2018)

Comment:

The NAO releases a report on the recommendations and actions taken by public entities. The second link above gives the list of recommendations and follow-up actions taken in the first half of 2018. The NAO also holds series of meetings on recommendations and follow-up actions taken by ministerial portfolios. The last link above gives an example of such a meeting for the Ministry of Finance (total of 10 entities within the portfolio). The news release gives the number of recommendations and amount of penalties imposed, as well as the degree compliance with these recommendations. Similar meetings were held for other portfolios as well.

The legislature does not report publicly on audit recommendations.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

103. Is there an Independent Fiscal Institution (IFI) that conducts budget analyses for the budget formulation and/or approval process?

GUIDELINES:

Question 103 examines whether an Independent Fiscal Institution (IFI) exists that contributes budget analyses to the budget formulation and/or approval process. According to the Principles for Independent Fiscal Institutions, adopted by the OECD Council in 2014, "independent fiscal institutions are publicly funded, independent bodies under the statutory authority of the executive or the legislature which provide non-partisan oversight and analysis of, and in some cases advice on, fiscal policy and performance", and with "a forward-looking ex ante diagnostic task". In practice, they come in two main forms:

- *Parliamentary budget offices (also known as PBOs) such as the Congressional Budget Office in the United States (<https://www.cbo.gov/>), the Parliamentary Budget Office in South Africa (<https://www.parliament.gov.za/parliamentary-budget-office>), and the Center for Public Finance Studies in Mexico (Centro de Estudios de las Finanzas Públicas, <http://www.cefp.gob.mx/>); or*
- *Fiscal councils such as the Office for Budget Responsibility in the United Kingdom (<https://obr.uk/>), the Fiscal Policy Council in Sweden (Finanspolitiska Rådet, <http://www.finanspolitiskaradet.com/>), and the High Council for Public Finances in France (Haut Conseil des finances publiques, <https://www.hcfp.fr/>).*

For more information, see von Trapp et al. 'Principles for Independent Fiscal Institutions and Case Studies', OECD Journal on Budgeting 15:2 (special issue, 2016), <https://doi.org/10.1787/budget-15-5jm2795tv625>.

To answer "a," there must be an IFI, and its independence must be set in law. In addition, it must have sufficient staffing and resources, including funding, to carry out its tasks. Answer "b" applies if an IFI exists, but either its independence is not set in law or its staffing and resources are insufficient to carry out its tasks. Answer "c" applies if an IFI exists, but its independence is not set in law and it lacks sufficient staffing and resources. Answer "d" applies if no IFI exists.

If the answer is "a," "b," or "c," please specify in the comments the name and type of IFI that exists (e.g., parliamentary budget office or fiscal council). If the answer is "a" or "b," identify the law that guarantees its independence, and provide evidence in support of the assessment of the adequacy of its staffing and resources. This can include the IFI's total budget allocation over recent years, any press reports that discuss perceived funding shortfalls, assessments by international organizations, and/or information from interviews with staff of the IFI.

Answer:

b. Yes, there is an IFI, but either its independence is not set in law or its staffing and resources, including funding, are insufficient to carry out its tasks.

Source:

Correspondence with Fiscal Stability Council (FSC) (official letter#10 of 25 Feb 2019) and Budget Analysis Unit (BAU) under Parliamentary Secretariat (official letter#16/309 of 4 Mar 2019)

Comment:

There are Fiscal Stability Council (FSC) and Budget Analysis Unit (BAU) under Parliamentary Secretariat. The BSC was just established in October, 2018. It has authority to communicate externally in written on letter (with its own letterhead). On the other hand, BAU (which was established under State Great Khural (Parliament) Secretariat in 2016) can only make external communication via telephone only.

Information on Budget Stability Council

The State Great Khural Resolution #69 of 2017 (at <https://www.legalinfo.mn/law/details/12963?lawid=12963>), ordering to form the Fiscal Stability Council (FSC), first had a provision with regard to ensuring the independent functioning of the FSC. The same Resolution states the functions of the FSC as "...to carry out independent and unbiased monitoring and

evaluation on the implementation of the Fiscal Stability Law, Government annual budget proposals submitted to the SGKh...".

The State Great Khural

Resolution #83 of 2017 (at <https://www.legalinfo.mn/law/details/13058>) approved the Fiscal Stability Council bylaw and laid the legal basis for the operations of the Council. The Article of 2.1. of the bylaw states that "The Council shall carry out independent, unbiased and expertise review and analysis on budget policies and make conclusions and issue recommendations to support the operations of the Budget Standing Committee of the State Great Khural".

As per the abovementioned bylaw, Fiscal Stability Council shall comprise of a chair and 8 non-permanent members. /Article 8.1 of the bylaw/ (at <https://www.legalinfo.mn/annex/details/8152?lawid=13058>)

Budget analysis unit shall support the Fiscal Stability Council of the State Great Khural by providing necessary information and reviews. The Budget analysis unit consists of 9 staff, specialized in finance and economics /Article 6.4 of the bylaw/ (at <https://www.legalinfo.mn/annex/details/8152?lawid=13058>)

- With regard to the independent functioning of the BAU, the Article 39.3 of the Law on State Great Khural (at <https://www.legalinfo.mn/law/details/354>) stipulates that "an independent unit shall operate under the Budget Standing Committee to prepare for deliberation of the budgets at the State Great Khural; to improve the oversight on budget performance; to provide support towards increasing the impact; issue policy level recommendations and carry out relevant analysis; the Article 39.4 of the same law states that "...the unit stated in the Article 39.3 shall be positioned in the structure of the Secretariat of the State Great Khural". <https://www.legalinfo.mn/additional/details/617?lawid=354>

- As per the Order #651 of the General Secretary of the State Great Khural Secretariat (2016), the unit was comprised of 7 staff and in 2018 upon the establishment of the Budget Stability Council, by the Order #580 of the General Secretary of the State Great Khural Secretariat (2018), 2 staff of the Council were added to the BAU thus making a total of 9 staff /as stipulated in the Article 11 of the Budget Stability Council Charter, which was approved by the State Great Khural Resolution #83 of 2017 <https://www.legalinfo.mn/law/details/13058?lawid=13058>, the unit shall have not more than 2 staff/. As of now, the unit is functioning with 9 staff, who are specialized in budget and financial fields.

- It claims that staffing is sufficient for conducting analysis.

- SGKh Secretariat had its staff participate in short trainings 5 times between 2016-2019. There is a need to strengthen the capacity.

- It claims that it has sufficient funding.

- BAU does not use research and analysis software in its daily operations. Research and analysis software programs such as SPSS, E-views are used to perform special tasks and services and it is fully possible to continue using them.

- BAU is authorized to contact with government and state bodies via phones and if deemed necessary, the management of the SGKh Secretariat can communicate through official letters.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, there is an IFI, but either its independence is not set in law or its staffing and resources, including funding, are insufficient to carry out its tasks.

Comments: The researcher focused on Budget Analysis Unit, but the BAU is part of the parliament secretariat, which in turn 'provides professional, methodological, technical and organizational assistance to the members, standing, sub, and temporary committees of the parliament' by the law on State Great Hural (article 38.2), as such, the BAU cannot be considered independent. The Fiscal Stability Council, on the other hand, is supposed to be independent, but its role was limited to providing assistance to the Budget Standing Committee of the parliament (report on its performance to the Budget Standing Committee 6.2 of the bylaws of the fiscal stability council; provide assistance to the activities of the Budget Standing Committee of the parliament 1.2 of the same bylaws). Also, as of now, the FSC has not provided any public reports on its conclusions or recommendations on the state of fiscal affairs. As such I would consider the FSC set up as an independent institution (to a limited extent), but has not been sufficiently staffed or resourced to carry out its work.

Government Reviewer

Opinion: Agree

Researcher Response

Agree with the PR to change score to "b" and add the following comments: "The Fiscal Stability Council, on the other hand, is supposed to be independent, but its role was limited to providing assistance to the Budget Standing Committee of the parliament (report on its performance to the

Budget Standing Committee 6.2 of the bylaws of the fiscal stability council; provide assistance to the activities of the Budget Standing Committee of the parliament 1.2 of the same bylaws). Also, as of now, the FSC has not provided any public reports on its conclusions or recommendations on the state of fiscal affairs. As such I would consider the FSC set up as an independent institution (to a limited extent), but has not been sufficiently staffed or resourced to carry out its work. "

IBP Comment

IBP confirms a B score based on the independence and mandate of the Fiscal Stability Council (FSC) recognizing that it is recently established and as of the end of the OBS research period, had yet to produce the reports published by an IFI, therefore a B score is appropriate.

104. Does the Independent Fiscal Institution (IFI) publish macroeconomic and/or fiscal forecasts?

GUIDELINES:

Question 104 assesses whether an Independent Fiscal Institution (IFI) has a role in producing the macroeconomic forecast (e.g., GDP growth, inflation, interest rates, etc.) and/or the fiscal forecast (revenues, expenditure, deficits, and debt), and if so, what kind of role it has. Macroeconomic and/or fiscal forecasting is a typical core function across IFIs, but their role in forecasting takes several forms (von Trapp et al. 2016, p. 17 and Table 2). Some IFIs produce just a macroeconomic forecast, while others produce a complete fiscal forecast (which also typically requires an underlying macroeconomic forecast). In some cases, the fiscal forecast reflects continuation of current budget policies; such forecasts can be used by the legislature, the media, or the public to assess the projections in the executive's budget reflecting the government's policy proposals.

Some IFIs produce the official macroeconomic and fiscal forecasts used in the executive's budget. In other cases, IFIs do not prepare their own independent forecasts, but rather produce an assessment of the official estimates, or provide an opinion on, or endorsement of, the government's forecasts. Some others have no role at all in forecasting.

To answer "a", there must be an IFI that publishes both its own macroeconomic AND fiscal forecasts. Answer "b" applies if an IFI publishes its own macroeconomic OR fiscal forecast (but not both). Answer "c" applies if the IFI does not publish a macroeconomic or fiscal forecast, but rather publishes an assessment of the official forecasts produced by the executive and used in the budget. Choose option "d" if there is no IFI; or if there is an IFI that neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts for the budget.

Macroeconomic forecasts may include indicators relating to economic output and economic growth, inflation, and the labor market, amongst others. Fiscal forecasts may include estimates of revenues, expenditures, the budget balance, and debt. If the answer is "a" or "b," please specify which indicators and estimates are included in the forecasts and whether the forecast is used by government as the official forecast. If the answer is "c," please describe the nature and depth of the assessment (e.g., the length of the commentary, or whether it covers both economic and fiscal issues).

Answer:

d. No, there is no IFI; or the IFI neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts produced by the executive.

Source:

Correspondence with Budget Stability Council (BSC) (official letter#10 of 25 Feb 2019) and Budget Analysis Unit (BAU) under Parliamentary Secretariat (official letter#16/309 of 4 Mar 2019)

Comment:

Information on Fiscal Stability Council

- Fiscal Stability Council does not carry out stand-alone macroeconomic reviews. Data, studies and information, issued by the Budget analysis unit of the SGKh are used for the official use.

o Fiscal Stability Council undertakes an assessment of the official macroeconomic forecasts produced by the executive. After 3 days upon submitting the conclusion and recommendations to the relevant

Standing committees of the State Great Khural, the Council can disclose them to the public and provide explanations /Article 3.2 of the bylaw/ (at <https://www.legalinfo.mn/annex/details/8152?lawid=13058>).

o Fiscal Stability Council carries out analysis on annual budgets of Mongolia, its framework, medium-term budget framework proposals and drafts of the socio-economic development guidelines of

Mongolia. /Article 3.1.1 of the bylaw/ (at <https://www.legalinfo.mn/annex/details/8152?lawid=13058>).

o Within the scope of the Fiscal stability law, enforcement status of budget principles and special provisions is analyzed based on budget performance statement and reports. /Article 3 of the SGKh Resolution #69 (at <https://www.legalinfo.mn/law/details/12963?lawid=12963>) and Article 3.1.1. of FSC bylaw/

(at <https://www.legalinfo.mn/annex/details/8152?lawid=13058>).

FSC presented its recommendations on 2019 EBP during a workshop organized by us (Open Society Forum of Mongolia, a NGO) on 30 October 2018.

Information and Interview with Head of the FSC can be found at website of Bloomberg Mongolia TV

(<http://bloombergtv.mn/%D1%82%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD-%D1%82%D0%BE%D0%B3%D1%82%D0%B2%D0%BE%D1%80%D1%82%D0%BE%D0%B9-%D0%B1%D0%B0%D0%B9%D0%B4%D0%BB%D1%8B%D0%BD-%D0%B7%D3%A9%D0%B2%D0%BB%D3%A9%D0%BB-2019-%D0%BE%D0%BD%D1%8B-%D1%82%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD-%D0%B0%D0%BB%D0%B4%D0%B0%D0%B3%D0%B4%D0%BB%D1%8B%D0%B3-1-3-%D0%B8%D1%85-%D0%BD%D0%B0%D1%8F%D0%B4-%D1%82%D3%A9%D0%B3%D1%80%D3%A9%D0%B3%D1%82-%D1%82%D0%BE%D0%B3%D1%82%D0%BE%D0%BE%D1%85-%D1%81%D0%B0%D0%BD%D0%B0%D0%BB%D1%82%D0%B0%D0%B9-%D0%B1%D0%B0%D0%B9%D0%BD%D0%B0/?cid=58>)

Information on Budget Analysis Unit

- Budget Analysis Unit does not carry out stand-alone macroeconomic analysis. However, it publishes quarterly Macroeconomic reviews using the data and information of the state bodies in charge and provides this information to the management of SGKh Secretariat, the Budget Standing Committee and the Fiscal Stability Council (FSC) The information is posted on the official website of the SGKh Secretariat open to the public. www.parliament.mn

- Budget Analysis Unit does not undertake an assessment of the official macroeconomic forecasts produced by the executive.

- Budget Analysis Unit analyses monthly budget performance and a summarized review

thereon is prepared and distributed to Members of SGKh and posted on the official website of the SGKh Secretariat. Expenditure of each Budget General managers are analyzed by Budget Analysis Unit in detail by economic classifications and detailed information related to investment is provided to the members of the relevant Standing committees. The Fiscal Stability Council is also provided with such information. The most recent review prepared is "A Short summary on the performance of Consolidated Budget of Mongolia for the January of 2019" which was published on 22nd January 2019 / <http://parliament.mn/n/ufcv/>

- Annual budgets of Mongolia, its adjustment proposals, medium-term fiscal framework, draft for the socio-economic development guideline of Mongolia, which are submitted to the SGKh, are reviewed and analyzed by Budget Analysis Unit. A summary and proposals thereon are prepared and delivered to the relevant Standing and sub-standing committees and Working groups.

- Performance and Government financial consolidated reports are reviewed and analyzed by Budget Analysis Unit and summary thereon is prepared and delivered to the Budget Standing committee and the Sub-Standing committee on Expenditure oversight.

For the purposes of this question, because reports published online are required to score above a D, because there were not yet any reports published as of the cut-off date of December 31, 2018, this question is scored D for now, but this score may hopefully increase in the future as the BSC begins its reporting activities.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

105. Does the Independent Fiscal Institution (IFI) publish its own costings of new policy proposals, to assess their impact on the budget?

GUIDELINES:

Question 105 assesses whether an Independent Fiscal Institution (IFI) has a costing function that involves assessing the budgetary implications of new policy proposals for both revenues and expenditures, and if so, what kind of role it has. Many IFIs have a costing role, but with substantial diversity in the nature and extent of this work (von Trapp et al 2016, pp. 17-18 and Table 2). Some assess virtually all new policy proposals, while others cost only a selection of new policy proposals. Others only publish opinions on, or scrutinize the costings of, budget measures produced by the executive.

To answer "a," the IFI must publish its own costings of all (or virtually all) new policy proposals. Answer "b" applies if the IFI publishes its own costings, but only for major new policy proposals – for instance, only those proposals that cost or save above a certain amount. Answer "c" applies if the IFI publishes its own costings, but only on a limited number of proposals. This could occur, for instance, if the IFI lacked the capacity to assess proposals dealing with certain sectors. Instead of producing a cost estimate, it can also publish an assessment of the estimates produced by the executive. Answer "d" applies if there is no IFI; or if the IFI does not publish its own costings of new policy proposals or provide an assessment of the official costings of new policy proposals.

Answer:

d. No, there is no IFI; or the IFI does not publish its own costings of new policy proposals.

Source:

Correspondence with Budget Stability Council (BSC) (official letter#10 of 25 Feb 2019) and Budget Analysis Unit (BAU) under Parliamentary Secretariat (official letter#16/309 of 4 Mar 2019)

http://www.forum.mn/index.php?sel=project&menu_id=30&obj_id=5498 -News on Meeting on 2019 EBP of Mongolia at which the Fiscal Stability Council presented its opinions (meeting is organized by the Open Society Forum of Mongolia)

http://www.forum.mn/res_mat/2018/2019%20Budget_Proposal-PPT_%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD%20%D1%82%D0%BE%D0%B3%D1%82%D0%B2%D0%BE%D1%80%D1%82%D0%BE%D0%B9%20%D0%B1%D0%B0%D0%B9%D0%B4%D0%BB%D1%8B%D0%BD-PP%20%D0%B7%D3%A9%D0%B2%D0%BB%D3%A9%D0%BB.pdf - Presentation on

2019 EBP of Mongolia by Fiscal Stability Council

Comment:

Regular expenditure assessments are made by Budget Analysis Unit as needed to follow-up the inquiries from Members of SGKh. In 2018, expense related reviews for the draft amendments to the Constitution of Mongolia, draft law on Presidential elections, draft law on elections of Citizens' Representative Khural of aimag, the capital city and soums and districts were done according to the methodology to assess the expenses, stated in the Law on Legislation. These draft laws, along with the expense assessments, will be posted on the website forum.parliament.mn before the submission of these draft laws to get public opinions thereon.

For Fiscal Stability Council, Article 3 of the SGKh Resolution #69 stipulates that "... it shall make independent, un-biased monitoring and evaluation on budget proposals and socio-economic development guideline drafts and other draft laws and regulations and issue conclusion and recommendation thereon".

Fiscal Stability Council presented its opinions on 2019 EBP of Mongolia at the meeting is organized by the Open Society Forum of Mongolia on 5 Nov 2018. PPT is found at http://www.forum.mn/res_mat/2018/2019%20Budget_Proposal-PPT_%D0%A2%D3%A9%D1%81%D0%B2%D0%B8%D0%B9%D0%BD%20%D1%82%D0%BE%D0%B3%D1%82%D0%B2%D0%BE%D1%80%D1%82%D0%BE%D0%B9%20%D0%B1%D0%B0%D0%B9%D0%B4%D0%BB%D1%8B%D0%BD-PP%20%D0%B7%D3%A9%D0%B2%D0%BB%D3%A9%D0%BB.pdf.

For the purposes of this question, because reports published online are required to score above a D, because there were not yet any reports published as of the cut-off date of December 31, 2018, this question is scored D for now, but this score may hopefully increase in the future as the BSC begins its reporting activities.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

106. In the past 12 months, how frequently did the head or a senior staff member of the Independent Fiscal Institution (IFI) take part and testify in hearings of a committee of the legislature?

GUIDELINES:

Question 106 concerns the interaction between two important oversight actors and assesses how frequently the Independent Fiscal Institution (IFI) made high-level inputs to the work of legislative committees. Almost all IFIs interact with the legislature in some form (von Trapp et al 2016, p. 18), but the intensity of the interaction varies. This question assesses this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the IFI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the IFI staff member in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). As evidence to support your answer, you can refer to official records of legislative committees, websites and annual reports of the IFI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; and "c" for once or twice. Answer "d" should be selected if the head or a senior staff member of the IFI never took part and testified in hearings of a committee of the legislature, or if there is no IFI.

Answer:

d. Never, or there is no IFI.

Source:

Correspondence with Budget Stability Council (BSC) (official letter#10 of 25 Feb 2019, email dated 3 June 2019 from altan@parliament.mn)
Correspondence with Budget Analysis Unit (BAU) under Parliamentary Secretariat (official letter#16/309 of 4 Mar 2019)

Comment:

In the last 12 months, Budget Analysis Unit took part in the deliberations of proposal for the budget framework statement, budget performance, budget issues by the Budget Standing committee; deliberations by the Standing Committee on Economics on draft laws such as implementation of socio-economic development guidelines, draft law on Money; each deliberation on the SGKh resolutions and it provides necessary clarifications in case of raised inquiries, related to BAU issued reviews. In February, 2019 together with the Budget Standing committee, it successfully organized discussion workshops on draft package laws on Taxation and draft law on amendments to the Law on procurement of goods, works and services with state and local funds.

Fiscal Stability Council (FSC) was established in October, 2018 and since then, it submitted comments on proposal for the 2019 Consolidated Budget Proposal of Mongolia to the Budget Standing committee for its deliberation. In addition, it can take part in discussions and other events organized by the Budget Standing committee. For example (according to email from FSC of 3 June 2019),

1. FSC submitted its opinion on 2019 EBP to Budget Standing Committee on 24 October 2018 but did not attend the discussion.
2. FSC attended discussion of draft of Package Law of Tax on 18 Feb 2019. FSC submitted its opinion on draft Law to MP (Battumur.B), a head of the working group of the draft law on 25 Feb 2019.
3. FSC attended discussion draft of Law on Amendment to Procurement by State and Local Properties on 19 Feb 2019. FSC submitted its opinion on draft Law to MP (Oyunkhorol.D), a head of the working group of the draft law on 15 March 2019.

Because the only meetings they attended started in 2019, however, because the OBS 2019 cut-off date was December 31, 2018, these meetings cannot be counted for this OBS round, and for now the score will remain D. As the BSC continues activities in future years, this score may increase.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

107. Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal?

GUIDELINES:

Question 107 asks whether the legislature debates budget policies prior to the tabling of the Executive's Budget Proposal. In general, prior to discussing the Executive's Budget Proposal for the coming year, the legislature should have an opportunity to review the government's broad budget priorities and fiscal parameters. Often times this information is laid out in a Pre-Budget Statement, which the executive presents to the legislature for debate. (See Questions 54-58.)

A number of countries conduct a pre-budget debate in the legislature around six months before the start of the budget year. In some cases, they adopt laws that guide the upcoming budget, for example the Budget Guidelines Law in Brazil and the Spring Fiscal Policy Bill in Sweden. A pre-budget debate can serve two main purposes: 1) to allow the executive to inform the legislature of its fiscal policy intentions by presenting updated reports on its annual and medium-term budget strategy and policy priorities; and 2) to establish "hard" multi-year fiscal targets or spending ceilings, which the government must adhere to when preparing its detailed spending estimates for the upcoming budget year.

To answer "a," the full legislature must debate budget policy prior to the tabling of the Executive's Budget Proposal and approve recommendations for the upcoming budget.

Answer "b" applies if a legislative committee (but not the full legislature) debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the budget. Option "b" also applies if, in addition to the action by the committee, the full legislature also debates budget policy in advance of the budget, but does not approve recommendations.

Answer "c" applies if the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but does not approve recommendations for the budget. Answer "d" applies if neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

In your comment, please indicate the dates of the budget debate, and if both the full legislature and a legislative committee held a debate. Note that a debate does not need to be open to the public, but a public record of the meeting or a public notice that the meeting occurred is required. In addition, please indicate whether the budget debate was focused on a Pre-Budget Statement published by the Executive. If the Executive did not publish a Pre-Budget Statement, then please indicate what served as the focus of the legislature's debate (for instance, a report released by an IFI or some other institution).

Answer:

a. Yes, the full legislature debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the upcoming budget.

Source:

-Draft 2019 PBS is found at <http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>.

-Enacted PBS for 2019 (25 May 2018) is found at <https://www.legalinfo.mn/law/details/13414>.

-Law on 2019 Principles for Socio-Economic Development of Mongolia ("МОНГОЛ УЛСЫН ЭДИЙН ЗАСАГ, НИЙГМИЙГ 2019 ОНД ХӨГЖҮҮЛЭХ ҮНДСЭН ЧИГЛЭЛ БАТЛАХ ТУХАЙ" at <https://www.legalinfo.mn/law/details/13451>

Comment:

Draft of 2019 PBS was debated by the Parliament and then was enacted. According to Budget Law, draft PBS should be submitted by the Government to the Parliament no later than the 1st of May of each year and expected to be approved by the Parliament no later than the 1st of June of each year (around six months before the start of the budget year).

The Ministry of Finance published draft 2019 PBS submitted to the Legislature on 30 April 2018 as seen at <http://www.iltod.gov.mn/?p=4546> (budget information portal run by the MOF).

Draft 2019 PBS is found at <http://www.iltod.gov.mn/wp-content/uploads/2019/01/%D0%A3%D0%98%D0%A5-%D0%B4-%D3%A9%D1%80%D0%B3%D3%A9%D0%BD-%D0%B1%D0%B0%D1%80%D0%B8%D1%85-%D0%B1%D0%B0%D0%B3%D1%86-2018.04.30-1628.pdf>.

-Enacted PBS for 2019 (25 May 2018) is found at <https://www.legalinfo.mn/law/details/13414> (government data portal of legal documents run by the MOF).

-The Law on Budget requires the Parliament to debate and enact Law on Principles for Socio-Economic Development of Mongolia by every 1 June. This Law sets indicators to be achieved for the next year and some of activities are funded from public budget.

Law on 2019 Principles for Socio-Economic Development of Mongolia was approved on 24 May 2018 as seen at <https://www.legalinfo.mn/law/details/13451>.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

108. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

GUIDELINES:

Question 108 examines how far in advance of the start of the budget year the legislature receives the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be submitted to the legislature far enough in advance to allow the legislature time to review it properly, or at least three months prior to the start of the fiscal year. (See, for instance, Principle 2.2.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>)).

For the purposes of responding to this question, if – and only if – the most recent budget submission occurred later than usual as a result of a particular event, such as an election, please use a more normal year as the basis for the response. If, however, delays have been observed for more than one budget year, and the legislature has not received the Executive's Budget Proposal in a timely manner on more than one occasion in the last three years, then "d" will be the appropriate answer.

To answer "a," the legislature must receive the Executive's Budget Proposal at least three months in advance of the start of the budget year. Answer "b" applies if the legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year. Answer "c" applies if the legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year. Answer "d" applies if the legislature does not receive the Executive's Budget Proposal at least one month prior to the start of the budget year, or does not receive it at all.

Answer:

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

Source:

Budget Law (Төсвийн тухай хууль) (2011) at <https://www.legalinfo.mn/law/details/12254>

<http://www.iltod.gov.mn/?p=4501>

Comment:

By Article 8.4.5 of the Budget Law, Executives submit the proposal for the next year by October 1 of each year (3 months before the start of the budget year).

The Executives submitted 2019 EBP to the Legislature on 28 September, 2018. The date of submission can be proven by <http://www.iltod.gov.mn/?p=4501>.

2019 EBP is found at <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> and

<http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>.

Web portal <http://www.iltod.gov.mn> is run by Department of Fiscal Policy of the Ministry of Finance.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

GUIDELINES:

Question 109 examines when the legislature approves the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be approved by the legislature before the start of the fiscal year the budget proposal refers to. This gives the executive time to implement the budget in its entirety, particularly new programs and policies.

In some countries, the expenditure and revenue estimates of the Executive's Budget Proposal are approved separately; for purposes of this question, at least the expenditure estimates must be approved. Further, approval of the budget implies approval of the full-year budget, not just a short-term continuation of

spending and revenue authority.

To answer "a," the legislature must approve the Executive's Budget Proposal at least one month before the start of the budget year. Answer "b" applies if the legislature approves the Executive's Budget Proposal less than one month in advance of the start of the budget year, but at least by the start of the budget year. Answer "c" applies if the legislature approves the Executive's Budget Proposal less than one month after the start of the budget year. Answer "d" applies if the legislature approves the Executive's Budget Proposal more than one month after the start of the budget year, or does not approve the budget.

Answer:

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

Source:

Budget Law (Төсвийн тухай хууль) (2011) at <https://www.legalinfo.mn/law/details/12254>

<https://www.legalinfo.mn/law/details/12964>

Comment:

By Clause 8.4.8 of the Budget Law, the Parliament approves the budget by 15 November of each year.

2018 EB was approved on 14 November 2017 as shown at <https://www.legalinfo.mn/law/details/12964>, which is central system of legal information run by the Ministry of Justice.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 110 examines the legislature's power to amend—as opposed to simply accept or reject—the budget proposal presented by the executive. This question is about legal authority rather than actions the legislature takes in practice. The legislature's powers to amend the budget can vary substantially across countries.

The "a" response is appropriate only if there are no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus. The "b" response would be appropriate if, for instance, the legislature is restricted from changing the deficit or surplus, but it still has the power to increase or decrease funding and revenue levels. The more limited "c" response would apply if, for instance, the legislature can only re-allocate spending within the totals set in the Executive's Budget Proposal or can only decrease funding levels or increase revenues. Finally, response "d" would apply if the legislature may not make any changes (or only small technical changes), or if amendments must first be approved by the executive. In these cases, the legislature is essentially only able to approve or reject the budget as a whole. If the answer is "b" or "c", please indicate the nature of the amendment powers available to the Parliament and how they are limited.

Answer:

c. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, but its authority is very limited.

Source:

Budget Law (Төсвийн тухай хууль) (2011) at <https://www.legalinfo.mn/law/details/12254>

Comment:

According to Budget Law, no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus.

Article 9 on the authorities of State Great Khural is provided below.

CHAPTER THREE

Authorities and Responsibilities of state institutions and officials on budget

Article 9. Authorities of State Great Khural

9.1. The State Great Khural has the following authorities and responsibilities:

9.1.1. Approve the Medium-term Fiscal Framework Statement as stated in provision 9.1.1 of the Fiscal Stability Law;

9.1.2. Approve the State General Guidelines for Socio-economic Development, state budget, Social Insurance Fund Budget, Human Development Fund Budget and their amendments prepared in conformity with the Medium-term Fiscal Framework Statement;

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:

b. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.
Comments: In November 2017, change in the Budget Law that limits the authority of the legislatures on certain points.
<https://www.legalinfo.mn/law/details/12254> CHAPTER 2, 6. Adopting budget principles: 6.2.6.a, 6.2.6.b were added.

Researcher Response

Agree with the GR to change score to "b" and add the following comments: "Changes in the Budget Law made in November 2017 limits the authority of the legislatures on certain points (CHAPTER 2, Article 6. Adopting budget principles: 6.2.6.a, 6.2.6.b were added). The legal provisions are as below: 6.2.6. If the State Ikh Khural and the local self-governing body make amendments to the budget proposal submitted by the Government and the Governor, they shall make the following arrangement: 6.2.6.a. any increase in expenditures for projects, programs and measures should be compensated with decrease in expenditures for other projects, programs and measures, not to increase total amount of expenditure. 6.2.6.b. any decrease in taxes and fees to be collected to budget should result a same amount of decrease in expenditure. (Source: <https://www.legalinfo.mn/law/details/12254?lawid=12254>)" (Mongolian version: 6.2.6.Улсын Их Хурал, нутгийн өөрөө удирдах байгууллага нь Засгийн газар, Засаг даргын өргөн мэдүүлсэн төсвийн төсөлд өөрчлөлт оруулахаар бол доор дурдсан зохицуулалт хийнэ: 6.2.6.a.тодорхой төсөл, хөтөлбөр, арга хэмжээний зарлагыг нэмэгдүүлэхээр бол бусад төсөл, хөтөлбөр, арга хэмжээний зардлыг мөн хэмжээгээр бууруулж, нийт зарлагын хэмжээг нэмэгдүүлэхгүй байх; 6.2.6.b.төсөвт төвлөрүүлэх татвар болон төлбөрийн хэмжээг бууруулах бол мөн хэмжээгээр зардлыг бууруулах.)

IBP Comment

Based on the feedback of the government reviewer, and confirmation of the relevant section of the law from the researcher, the score for this question is revised to C. A C score applies in cases where there are limits on the legislature in making changes that increase total expenditures (and not just the deficit). This means that the legislature can only reallocate funding within the totals set by the executive, which is a C score for this question.

111. During the most recent budget approval process, did the legislature use its authority in law to amend the Executive's Budget Proposal?

GUIDELINES:

Question 111 assesses whether any formal authority of the legislature to amend the Executive's Budget Proposal is used in practice. The responses to this question should be determined based on action by the legislature related to the Enacted Budget used in the OBS. Choose answer "a" if the legislature used its authority in law to amend the Executive's Budget Proposal during the most recent budget approval process, and amendments were adopted (all, or at least some of them). Answer "a" also applies if the legislature used its authority in law to amend the Executive's Budget Proposal, but the amendments were rejected by executive veto. Answer "b" applies if the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but none of these amendments were adopted. Answer "c" applies if the legislature has the authority in law to amend the budget, but no amendments were proposed during its consideration. Answer "d" applies when the legislature does not have any authority to amend the budget (that is, Question 110 is answered "d").

If the answer is "a" or "b", please specify in the comments the number of amendments introduced by the legislature (and in the case of an "a" response, the number adopted, or if applicable, information about an executive veto) and describe their nature. For example, did the amendments result in an increase or decrease of the deficit? What were the most significant amendments to revenues and to expenditures in terms of the sums involved? How did amendments affect the composition of expenditures? If the answer is "a", please specify which amendments were adopted, and provide evidence for it.

Answer:

a. Yes, the legislature used its authority in law to amend the Executive's Budget Proposal, and (at least some of) its amendments were adopted.

Source:

2019 EBP or 2019 Consolidated Budget is found at <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf> and <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-2.pdf>.
2019 EB is found at <https://www.legalinfo.mn/law/details/13781?lawid=13781>.

Comment:

The legislature used its authority in law to amend the Executive's Budget Proposal, and some amendments were made. The Parliament debated draft 2019 EBP and amended it as can be found in 2019 EB. For instance, the Parliament amended revenue from proposed 7,303,575.7 mln tugrug to 7,353,673.5 mln tugrug and expenditure from proposed 9,357,150.7 mln tugrug to 9,406,581.7 mln tugrug as can be found from Article 4 and 6 of Law on 2019 EB at <https://www.legalinfo.mn/law/details/13781?lawid=13781> and pdf page 18 and 19 of Part of EBP at <http://www.iltod.gov.mn/wp-content/uploads/2018/10/Bagts-1.pdf>.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

112. During the last budget approval process, did a specialized budget or finance committee in the legislature examine the Executive's Budget Proposal?

GUIDELINES:

Question 112 assesses the role of a specialized budget or finance committee during the budget approval stage. Effective committee involvement is an essential condition for legislative influence in the budget process. Specialized committees provide opportunities for individual legislators to gain relevant expertise, and to examine budgets and policy in depth. Yet, the involvement of committees differs across legislatures. Some legislatures have separate committees to examine spending and tax proposals, while others have a single finance committee. Not all legislatures have a specialized budget or finance committee to examine the budget. In addition, there can be differences in the time available for the committee's analysis of the budget.

A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, therefore it must be published before the legislature has adopted the budget.

Response "a" requires that, in the last budget approval process, a specialized budget or finance committee had one month or more to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted. Response "b" applies where such a committee examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if a committee examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where a specialized budget or finance committee did not examine the Executive's Budget Proposal.

Please specify in your comment the name of the committee and the number of days it had available to examine the budget and to publish a report. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a copy of the report. Please note also if a report is published, but only after the budget has been adopted.

Answer:

a. Yes, a specialized budget or finance committee had at least one month to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted.

Source:

<http://parliament.mn/files/43171>

Comment:

The Budget Standing Committee of the Parliament of Mongolia had at least one month to examine the Executive's Budget Proposal, and it published a note with findings and recommendations prior to the budget being adopted. Discussion of 2019 EBP can be found at the Minutes of Meeting of the Budget Standing Committee of the Parliament of Mongolia dated 2 November, 2018, during the Parliamentary Session of Fall, 2018 (Монгол Улсын Их Хурлын 2018 оны намрын ээлжит чуулганы Төсвийн байнгын хорооны 11 дүгээр сарын 02-ны өдөр /Баасан гараг/-ийн хуралдааны товч тэмдэглэл) at <http://parliament.mn/files/43171>.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

113. During the last approval process, did 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?

GUIDELINES:

Question 113 assesses the role of committees of the legislature that are responsible for particular sectors (e.g., health, education, defense, etc.) during the budget approval stage. The role of sectoral committees differs across legislatures. Some legislatures do not involve them in the budget approval process, while others do. In addition, the time available for committee analysis differs.

A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, so therefore must be published before the legislature has adopted the budget. Response "a" requires that sector committees had one month or more to examine the Executive's Budget Proposal, and published a report with findings and recommendations prior the budget being adopted. Response "b" applies where such committees examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if sectoral committees examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where sectoral committees did not examine the Executive's Budget Proposal.

Please provide in the comments a brief overview of the committee structure and specify the number of days that sectoral committees had available to examine the budget and to publish their reports. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the

question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a sample copy of at least one of the reports. Please note if a report is published, but only after the budget has been adopted.

For purposes of responding to this question, use those sectoral committees that are best performing – that is, the ones that examine the budget the longest and that publish reports.

Answer:

b. Yes, sector committees had less than one month to examine the Executive's Budget Proposal, and they published reports with findings and recommendations prior to the budget being adopted.

Source:

<http://forum.parliament.mn/files/42493>
<http://forum.parliament.mn/projects/445>

Comment:

Information package of 2019 EBP, including discussion at the Parliament is found at <http://forum.parliament.mn/files/42493>. As seen from <http://forum.parliament.mn/projects/445>, 2019 EBP was discussed by 6 Parliamentary Standing Committees. Opinions by respective Committees are published as well. For instance, Committee on Environment, Food and Agriculture and Committee on Social Policy, Education, Culture and Science discussed the EBP and made their opinion on 23 October 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

114. In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

GUIDELINES:

Question 114 is about legislative oversight of budget execution. It assesses whether and how often a committee examined the implementation of the budget during the budget execution period (i.e., financial year) for which it was approved, and whether this resulted in an official report with findings and recommendations. This question does not apply to the ex post review of implementation following the end of the budget year as part of the audit stage, which is assessed separately. Nor does it apply to the legislature's review of the budget that it may undertake as part of the process of considering a supplemental budget during the year. In-year monitoring by the legislature will be affected by the frequency that the executive publishes In-Year Reports.

To answer "a," a committee must have examined in-year implementation of the Enacted Budget at least three times during the course of the relevant budget year and published reports with findings and recommendations. Answer "b" applies where this occurred only once or twice during the year.

Exception: If a legislature is in session only twice during the year, and it examines the implementation of the budget during both sessions, then it would be eligible for an "a" response.

Choose "c" if a committee examined in-year implementation (without regard to frequency), but did not publish any report with findings and recommendations. Answer "d" applies where no committee examined in-year implementation.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed budget implementation, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation.

For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.

Answer:

d. No, a committee did not examine in-year implementation.

Source:

Meeting Minutes of Budget Committee of the Parliament for 1 Jan-30 Dec, 2018 are found at <http://parliament.mn/n?cid=365>; <http://parliament.mn/n?cid=365&page=2>;
<http://www.parliament.mn/n?cid=170&page=3>.

Comment:

A total of 26 Meeting Minutes of Budget Committee of the Parliament are published. However, there none of them are on examination of in-year implementation of 2018 Enacted Budget by the Budget Committee of the legislature.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:

c. Yes, a committee examined in-year implementation, but it did not publish any report with findings and recommendations.
Comments: During FY2018, Budget Committee of the Parliament along with MoF and IMF did hold a 3-4 meetings, regarding the implementation of "Extended Facility Fund" program on the Enacted Budget. The outcomes of the meeting was published as a overall review of the program on IMF website. <https://www.imf.org/en/Publications/CR/Issues/2018/11/02/Mongolia-Fifth-Review-Under-the-Extended-Fund-Facility-Arrangement-and-Request-for-46323>

Researcher Response

In the report from the IMF meetings, Table 2a. Mongolia: Summary Operations of the General Government, 2015–23 on p28, Table 2b. Mongolia: Summary Operations of the General Government, 2015–23 on p29 and Section "Fiscal Policy" on pp50-52 provides information on budget indicators and fiscal policy. However, we do not find any statement on whether a committee of the legislature was involved in the examination of the in-year budget implementation. On p3, we just find that "... The mission met Finance Minister Ch. Khurelbaatar, Bank of Mongolia Governor N. Bayartsaikhan, and other senior officials as well as private sector representatives." Therefore, I still would consider a committee did not examine in-year implementation and would like to keep the score "d".

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

GUIDELINES:

Question 115 examines whether the executive seeks approval from the legislature prior to shifting funds between administrative units, and whether it is legally required to do so.

In some countries, the executive has the power in law to adjust funding levels for specific appropriations during the execution of the budget. This question examines rules around shifting funds between administrative units (ministries, departments, or agencies) or whatever funding unit (or "vote") is specified in the Enacted Budget.

The conditions under which the executive may exercise its discretion to shift funds should be clearly defined in publicly available regulations or law. In addition, the amount of funds that the executive is allowed to transfer between administrative units should not be so excessive as to undermine the accountability of the executive to the legislature.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before shifting funds between administrative units, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before shifting funds between administrative units, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before shifting funds, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to shift funds between administrative units and the executive does not obtain legislative approval in practice. Answer "d" also applies if the executive is authorized to shift an amount considered so excessive as to undermine accountability (roughly equal to 3 percent of total budgeted expenditures). A "d" response applies if the legislature only approves the shifting of funds after it has already occurred.

In the comments, please indicate any law or regulation that provides the executive with standing authority to shift funds between administrative units and, if so, describe that authority. Similarly, legislative approval for shifting funds between administrative units typically occurs with the adoption of legislation such as a supplemental budget. But if other formal procedures for gaining approval from the legislature exist, then please provide information about that approval process.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to shifting funds between administrative units, and in practice the executive shifts funds between administrative units before obtaining approval from the legislature.

Source:

Budget Law of Mongolia (2011)
<http://www.legalinfo.mn/law/details/504>

Comment:

According to Budget Law, a general budget governor shall be entitled to shift funds between say two of the agencies under his portfolio without legislature's approval. But shifts between the budgets of two general budget governors, or shifts between capital and recurrent expenditures are prohibited by law.

Legal provisions are provided below.

Article 34 Supplementary budget

34.1 For the following circumstances the Government shall formulate and submit a supplementary budget for the particular fiscal year to the State Great Khural (Parliament):

34.1.4. Adjustment of budgets between general budget governors

Article 42 Adjustment to the Budget of Budget Governor

42.1 Budget adjustments between general budget governors can be done only through the supplementary budget of the particular year.

(4.1.36. "general budget governor" means an official who is authorized to plan budgets for the area within his authority and allocate, oversee, manage and report on the execution of the approved budgets in accordance with legislation; Article 14 defines officials that shall act as General budget governors and their authorities. Clause 14.1.8 states that Cabinet Member shall act as General budget governor in relation to the budget of the respective State Central Administrative Body and the budget of other organisations within his/her Portfolio specified by Law)

"Articles 34 and 42 of Budget Law (2011) refer to supplementary budget and adjustment to the Budget of Budget Governor. According to Article 34.1.4 the Government shall formulate and submit a supplementary budget for the particular fiscal year to the State Great Khural (Parliament) for adjustment of budgets between general budget governors.

Definition of Budget Governors

Article 4.1.35. "budget governor" means general, central and direct budget governors;

Article 4.1.36. "general budget governor" means an official who is authorized to plan budgets for the area within his authority and allocate, oversee, manage and report on the execution of the approved budgets in accordance with legislation; Article 14 defines officials that shall act as General budget governors and their authorities. Clause 14.1.8 states that Cabinet Member shall act as General budget governor in relation to the budget of the respective State Central Administrative Body and the budget of other organizations within his/her Portfolio specified by Law.

Article 4.1.37. "central budget governor" means an official who is authorized to plan budget for functions assigned by the general budget governor, re-allocate it to a direct budget governor, oversee and manage budget resources and report on budget execution in accordance with legislation;

Article 4.1.38. "direct budget governor" means an official who is authorized to plan budget resources for functions assigned by a general budget governor or central budget governor, and manage the budget resources and report on its execution in accordance with legislation;

According to Article 42 PM as a general budget governor shall be entitled to shift funds between say two of the agencies under his portfolio without legislature's approval. But shifts between the budgets of two general budget governors, or shifts between capital and recurrent expenditures are prohibited by law.

Legal provisions are as below:

Article 42 Adjustment to the Budget of Budget Governor

42.1 Budget adjustments between general budget governors can be done only through the supplementary budget of the particular year.

42.2 Budget governors can make adjustment in the budget in the following ways:

42.2.1. General budget governors:

42.2.1.a. between programs of his/her portfolio;

42.2.1.b. between budgets of central budget governors under his supervision and responsibility;

42.2.1.c. between budgets of central budget governors and direct budget governors;

42.2.1.d. between budgets of direct budget governors under his supervision and responsibility;

42.2.2. central budget governors, between budgets of direct budget governors under his supervision and responsibility;

42.2.3. direct budget governors, only between his/her recurrent expenditures.

42.3. Adjustment in the budget of direct budget governors shall be resolved as described below:

42.3.1. Budget governor shall present his/her proposal on adjustment for the budget to the respective central budget governor, if he/she does not report to central budget governor then to general budget governor;

42.3.2. Central budget governor shall present the proposal to the respective general budget governor;

42.3.3. if an adjustment proposal pertains to the state budget, the Human Development Fund budget and the Social Insurance Fund budget, the general budget governor shall present the proposal to the State Administrative Body Responsible for Budget and Finance Matters and if it pertains to the local budget, present the proposal to aimag, capital city, soum or district governors.

42.3.4. An organization or an official specified in provision 42.3.3 of this Law shall resolve adjustments by making changes in monthly and quarterly allotment schedules upon the review and approval of the general budget governor's proposal specified in provision 42.2 of this Law.

42.4. Permission shall be obtained from the upper level budget governor for making budget adjustments specified in 42.2 of this Law.

42.5. Central budget governors specified in Provision 15.2 of this Law can resolve adjustments to budgets for his/her subordinate direct budget governors by making changes in his/her approved budget's monthly and quarterly allotment schedule.

42.6. The Cabinet Member in Charge of Finance and Budget Matters shall approve limits, terms and conditions and procedures for making adjustments to budgets.

42.7. Budget adjustments shall not be made between capital and recurrent expenditures and it is prohibited to finance new programs and activities that are not already included in the budget."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: I want to add a comment. Although, general budget governor shall be entitled to shift funds between say two of the agencies UNDER his portfolio without legislature's approval, they must get approval from the MoF. Because, Minister of Finance approves annual budget allocation and any shift in the governor's budget must get approval from the Minister of Finance.

Researcher Response

Agree to add the GR's comment: "Although, general budget governor shall be entitled to shift funds between say two of the agencies UNDER his portfolio without legislature's approval, they must get approval from the MoF. Because, Minister of Finance approves annual budget allocation and any shift in the governor's budget must get approval from the Minister of Finance."

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

GUIDELINES:

Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.

Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

Answer:

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

Source:

Budget Law of Mongolia (2011)

<http://www.legalinfo.mn/law/details/504>

2017 EB at <https://www.legalinfo.mn/law/details/12249>.

Revisions to 2017EBP at <https://www.legalinfo.mn/additional/?lawid=12249>.

Discussions on the revision to 2017 EB by the Parliament at <http://www.parliament.mn/n/1pfo>.

Comment:

The executive seek input from the legislature prior to spending excess revenue only if the total government revenue exceeds the anticipated amount.

The executive is not allowed to spend excess earmarked /ring fenced revenue.

Related legal provisions in Budget Law are given below.

Article 6.2.3. If fiscal deficits increase due to a decrease in budget revenues or an increase in budget expenditures caused by unforeseen circumstances, balance the budget by amending the particular year's budget by decreasing budget expenditures or increasing revenue sources.

6.3.4. Any revenues, loans, donations, and grants made newly available during the budget year and expenditures financed by them shall be part of budgets.

47.1 Budget governors can spend the following types of additions to the budget for relevant projects and activities:

47.1.1 Donations and aid given by a non-state and locally owned body.

47.1.2 Bilateral government agreements ratified by the State Great Khural or concessional loans obtained from international organizations during a fiscal year;

47.1.3 Resources allocated to a particular budget governor based on relevant legal parties' decisions from the Government reserve fund, Governor's reserves or similar unclassified reserve fund;

47.1.4 Resources allocated from the budget of an upper level budget governor to a lower level budget governor;

47.1.5. Additional revenue collected within the framework of core functions of budgetary entity; and

47.2 Additions to the budget and their related activities shall be part of financial statements and budget execution reports as the budget.

47.3. Revenues stated in Provision 47.1.2 and 47.1.5 of this Law shall be spent only within the approved budget.

No revision was made to 2018 EB.

2017 EB is found at <https://www.legalinfo.mn/law/details/12249>. Revisions to 2017EBP is found at <https://www.legalinfo.mn/additional/?lawid=12249>. 2017 EB was revised twice (on 26 Oct 2017 and 14 Apr 2017).

Discussions on the revision to 2017 EB by the Parliament can be seen from <http://www.parliament.mn/n/1pfo>.

Peer Reviewer

Opinion: Agree

Comments: It should be noted that Article 47.1.5 of the Budget Law which the researcher quotes allows the budget governor spend additional revenue without legislature approval, but this is limited to the revenue arising from core functions.

Government Reviewer

Opinion: Agree

Researcher Response

Agree to add Peer Reviewer's comment to our response (Article 47.1.5 of the Budget Law allows the budget governor spend additional revenue arising from core functions without legislature approval).

117. Does the executive seek approval from the legislature prior to reducing spending below the levels in the Enacted Budget in response to revenue shortfalls (that is, revenues lower than originally anticipated) or other reasons during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 117 examines whether the executive receives approval from the legislature prior to cutting spending below the levels in the Enacted Budget in response to revenue shortfalls or for any other reason, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if less revenue is collected unexpectedly during the year, the legislature should approve or reject any proposed reductions in expenditures that are implemented as a result. If such requirements are not in place, the executive might substantially change the composition of the budget at the executive's discretion, with no legislative control.

Typically, legislative approval of proposals to reduce spending below the levels reflected in the Enacted Budget would occur as part of the supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before implementing spending cuts in response to revenue shortfalls or for other reasons, and it does so in practice. Answer "b" applies if the executive received legislative approval before implementing such cuts, but is not legally required to do so. Answer "c" applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to implement such cuts and the executive does not obtain such approval in practice. A "d" response applies if the legislature only approves the spending cuts after they have already occurred.

Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.

Source:

Budget Law of Mongolia (2011)

<http://www.legalinfo.mn/law/details/504>

2017 EB at <https://www.legalinfo.mn/law/details/12249>.

Revisions to 2017EBP at <https://www.legalinfo.mn/additional/?lawid=12249>.

Discussions on the revision to 2017 EB by the Parliament at <http://www.parliament.mn/n/1pfo>.

Comment:

The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice. According to Budget Law, executives should abide budget principles and it submits budget revision proposal. Related legal provisions are provided below.

Article 6. Applying budget principles

6.2.3. If fiscal deficits increase due to a decrease in budget revenues or an increase in budget expenditures caused by unforeseen circumstances, balance the budget by amending the particular year's budget by decreasing budget expenditures or increasing revenue sources.

Article 34 Supplementary budget

34.1 For the following circumstances the Government shall formulate and submit a supplementary budget for the particular fiscal year to the State Great Khural:

34.1.2 Due to unforeseen circumstances, budget revenue has decreased, expenditure has increased and the Unified Budget deficit has increased by 3% or more of GDP.

No revision was made to 2018 EB.

2017 EB is found at <https://www.legalinfo.mn/law/details/12249>. Revisions to 2017EBP is found at <https://www.legalinfo.mn/additional/?lawid=12249>. 2017 EB was revised twice (on 26 Oct 2017 and 14 Apr 2017).

Discussions on the revision to 2017 EB by the Parliament can be seen from <http://www.parliament.mn/n/1pfo>.

Peer Reviewer

Opinion: Agree

Comments: The audit report for 2016 budget, for example, identifies shortfall in spending of many budget governors from the enacted levels, but this is not related to revenue shortfall. (section 3.2 of the Audit Report for 2016). This probably would be considered as the indicator of effectiveness rather than the avoidance of the legal requirement to go through the supplemental budget process (amendments) for changing the expenditures.

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the reviewer for the comment.

118. Did a committee of the legislature examine the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI)?

GUIDELINES:

Question 118 is about ex post oversight following the implementation of the budget. It probes whether a committee examined the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI), and whether this resulted in an official report with findings and recommendations. A key issue is how soon after the SAI releases the report does it legislature review it. This question does not apply to the legislative scrutiny of in-year implementation of the Enacted Budget during the relevant budget execution period, which is assessed separately. Also, the question is asking specifically about the SAI's annual report on the execution of the budget, not about other audit reports that the SAI may produce. (This is the Audit Report used for responding to Question 98.)

To answer "a," a legislative committee must have examined the annual Audit Report within three months of it being released by the SAI, and then published a report (or reports) with findings and recommendations. (Note that the three-month period should only take into account time when the legislature is in session.)

Answer "b" applies when the committee examines it within six months of it being released (but more than three months), and then published a report with its findings and recommendations. Choose "c" if a committee examined the annual Audit Report more than six months after it became available or it did not publish any report with findings and recommendations. Answer "d" applies where no committee examined the annual Audit Report.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed the Audit Report, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation. Answers "a," "b," or "c" may be selected if the Audit Report is produced by the SAI but not made publicly available.

Answer:

a. Yes, a committee examined the Audit Report on the annual budget within three months of its availability, and it published a report with findings and recommendations.

Source:

<http://forum.parliament.mn/projects/174>

Comment:

- Audit Report for Mongolia's 2016 Consolidated Budget Execution was under discussion by the Parliament as part of package for draft of Parliament Resolution for 2016 Budget Execution ("Монгол Улсын 2016 оны төсвийн гүйцэтгэлийг батлах тухай" Улсын Их Хурлын тогтоолын төсөл) as found at <http://forum.parliament.mn/projects/174> (in Part 3. Судалгаа, лавлагаа, тооцоо, бусад мэдээлэл).

Under Heading 4 "Opinion by Party, Coalition Group and other Standing Committees (4 . Нам, эвслийн бүлэг, бусад Байнгын хорооны дүгнэлт)", an Opinion by Committee on Environment, Food and Agriculture (БОХХААБХ-ны санал, дүгнэлт файлыг татах) (dated 30 June 2017) can be found.

The information package was published on 15 June 2017.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

A comment on the citation for this response: The section in the researcher's reference is Heading 5, not Heading 4.

119. Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

GUIDELINES:

Question 119 concerns the appointment process of the current head of the Supreme Audit Institution (SAI). Appointment procedures vary greatly across countries, as well as across different types of SAIs. Moreover, conventions and informal practices can greatly affect the de facto independence of the head of the SAI. While these factors make it difficult to devise a single metric against which all SAIs can be assessed with regard to this particular aspect, this question focuses on whether the legislature or judiciary must appoint or approve the appointment of the head of the SAI as a way to ensure the SAI's independence from the executive. However, if the appointment is carried out in another way that nonetheless ensures the independence of the SAI head, then that approach could be also considered.

To answer "a," the legislature or judiciary must appoint (or re-appoint) the head of the SAI, or approve the recommendation of the executive, as a way that ensure his or her independence from the executive. (As noted above, alternative approaches may also be acceptable.) Choose "b" if the appointment process does not ensure the independence of the head of the SAI, e.g. the executive may appoint the head of the SAI without the final consent of the legislature or

judiciary.

Irrespective of which answer you selected, provide a description of how the head of the SAI is appointed.

Answer:

a. Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.

Source:

Law on State Audit (Төрийн аудитын тухай хууль) (2003) at <http://www.legalinfo.mn/law/details/491?lawid=491>

Comment:

According to Clauses 13.1 and 13.9 of Law on State Audit, the Head of SAI is appointed and removed from office only by the Parliament.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 120 covers the manner in which the head or senior members of the SAI may be removed from office. This question draws on best practices identified in the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>), including measures intended to guarantee the office's independence from the executive.

To answer "a," the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before the head of the SAI is removed. For example, the legislature or judiciary may give final consent following a certain external process, such as a criminal proceeding. So while the executive may initiate a criminal proceeding, the final consent of a member of the judiciary – or a judge – is necessary to render a verdict of wrongdoing that may lead to the removal from office of the head of the SAI. Answer "b" applies if the executive may remove the head of the SAI without the final consent of the judiciary or legislature.

Answer:

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

Source:

Law on State Audit (Төрийн аудитын тухай хууль) (2003) at <http://www.legalinfo.mn/law/details/491?lawid=491>

Comment:

According to Article 13.9 of Law on State Audit, the Head of SAI can be removed from office only by the Parliament.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 121 asks who determines the budget of the Supreme Audit Institution (SAI). To ensure objective audits of government budgets, another important

component of the SAI's independence from the executive is the extent to which the SAI's budget is determined by a body other than the executive, and whether the SAI has adequate resources to fulfill its mandate.

Answer "a" applies if the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate, AND either the SAI determines its own budget and then submits it to the executive (which accepts it with little or no change) or directly to the legislature, or the budget of the SAI is determined directly by the legislature or judiciary (or some independent body). Answer "b" applies if the SAI's budget is determined by the executive (absent a recommendation from the SAI), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. Answer "c" applies if the legislature or judiciary (or some independent body) determines the SAI's budget, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Answer "d" applies if the executive determines the SAI's budget, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Please provide evidence in support of the assessment that the funding level is or is not broadly consistent with the resources the SAI needs to fulfill its mandate.

Answer:

a. The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

Source:

Law on State Audit (Төрийн аудитын тухай хууль) (2003) at <http://www.legalinfo.mn/law/details/491?lawid=491>

Comment:

The SAI submits its own budget proposal to the executive and its budget is included in EBP.

According to Article 8.1 of the Law on State Audit, the budget of SAI is submitted to the Parliament for approval and the funding level should be consistent with the resources the SAI needs to fulfill its mandate.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 122 explores the scope of the investigative powers of the Supreme Audit Institution (SAI) as prescribed in law.

Question 97 asks which of the three types of audits – financial, compliance, and performance – the SAI conducts. This question asks if the SAI is constrained by law (rather than by a lack of capacity or an inadequate budget) from undertaking any form of audit or investigating irregularities in any program or activity.

There are numerous examples of limitations. For instance, some SAIs are not permitted by their legal mandate to audit joint ventures or other public-private arrangements. Others are only allowed to undertake financial audits, precluded from conducting performance or value-for-money audits. The SAIs in some countries do not have the legal mandate to review arrangements involving oil or stabilization funds, or other types of special or extra-budgetary funds. The SAI may also not have the ability to audit commercial projects involving the public and private sector.

To answer "a," the SAI must have full discretion in law to decide which audits to undertake. Answer "b" applies if some limitations exist, but the SAI enjoys significant discretion to undertake those audits it wishes to. Answer "c" applies if the SAI has some discretion, but significant legal limitations exist. Answer "d" applies if the SAI has no power at all to choose which audits to undertake

Consulting the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>) may be useful in answering this question as its provisions serve to define the appropriate scope of a SAI's legal mandate and jurisdiction.

Answer:

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

Source:

Law on State Audit (Төрийн аудитын тухай хууль) (2003) at <http://www.legalinfo.mn/law/details/491?lawid=491>

Audit reports at <http://www.audit.mn/documents?d=true&c=5>

Official letter from National Audit Office (#04/1112 dated 3 June 2019)

Comment:

The SAI has full discretion to decide which audits it wishes to undertake. Clause 15 of the Law on State Audit defines audit jurisdiction. Reports of three types of audits – financial, compliance, and performance – the SAI conducts are posted at their website.

Official letter from National Audit Office (NAO) (#04/1112 dated 3 June 2019) states the following:

The NAO undertakes audits of operation organisations, entities and legal bodies that are state-owned or with state-ownership which receive funding from public budget or which generate revenues under its mandate specified by Article 15.1.2 of Law on State Auditing.

According to the 8.9.8 of Article 8 of the Budget law of Mongolia, a financial audit is conducted on the year-end financial statements issued by fully state or locally-owned legal entities and legal entities partly-owned by the state or local ownership and audit opinions are submitted to the respective upper-level authorities.

The NAO planned and conducted a financial audit on the 2018 annual year-end financial statements of 669 partly state and locally owned legal entities according to the Order No.A/156 issued by the Auditor General of Mongolia.

The website of the NAO is being updated and the process of classification and publication of the audit reports and opinions on the website in a citizen-friendly way is at the final stage now.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

123. Are the audit processes of the Supreme Audit Institution (SAI) reviewed by an independent agency?

GUIDELINES:

Question 123 assesses whether and to what extent the audit processes of the Supreme Audit Institution (SAI) are subject to review by an independent agency. The latter could be a peer SAI, an international organization, an academic institution with relevant expertise, or an independent domestic agency with quality assurance functions in the area of financial reporting.

To answer "a," an independent agency must conduct and publish a review of the audit processes of the SAI on an annual basis. Answer "b" applies if a review was carried out within the past five years, and published, but it is not conducted annually, but. Choose answer "c" if the SAI has an internal unit that reviews the audit processes of the SAI on a regular basis, but an independent agency does not conduct such a review. Answer "d" applies if the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.

If the answer is either "a" or "b," please specify the name of the independent agency and when last it conducted such a review, and provide a copy of the published report. If the answer is "c," please specify the name of the unit within the SAI that is tasked with conducting such reviews.

Answer:

c. No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

Source:

Law on State Audit (Төрийн аудитын тухай хууль) (2003) at <http://www.legalinfo.mn/law/details/491?lawid=491>

Procedure on Internal Auditing and Monitoring of SAI at http://city.audit.mn/index.php?option=com_content&view=article&id=88&Itemid=511 (under No.30).

Comment:

The Law on State Audit does not include provision on the review of audit processes of the SAI either by an independent agency or by a unit within the SAI. However, the Procedure on Internal Auditing and Monitoring of SAI includes provision (Chapter 4. Article 13.1 and 13.2) on the monitoring.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: I wish to add a clarification to the comment of a researcher. In the Law on State Audit (<https://www.legalinfo.mn/law/details/491>) Article. 27.1 it is stated that "the annual financial statements of the SAI shall be examined by the independent auditor appointed by the Speaker of the SGKh and the results must be presented to the relevant Standing Committee of the SGKh."

124. In the past 12 months, how frequently did the head or a senior staff member of the Supreme Audit Institution (SAI) take part and testify in hearings of a committee of the legislature?

GUIDELINES:

Question 124 concerns the interaction between two important oversight actors and assesses how frequently the Supreme Audit Institution (SAI) made high-level inputs to the work of legislative committees. Many SAIs interact with the legislature in some form, but the nature and intensity of the interaction varies. This question probes this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the SAI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the SAI representative in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). You can refer to official records of legislative committees, websites and annual reports of the SAI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; "c" for once or twice, and "d" for never.

Answer:

a. Frequently (i.e., five times or more).

Source:

-Official Response from the SAI (Letter#04/660 dated 2 April 2019)
Meeting minutes of various committees of the legislature found at:

<http://parliament.mn/n/gf8o> (Meeting minutes of the Standing Committee on Budget).
<http://www.parliament.mn/files/36977> (Meeting minutes of the Standing Committee on Budget).
<http://www.parliament.mn/n/c3jo> (Meeting minutes of the Standing Committee on Budget)
<http://www.parliament.mn/n/37jo> (Meeting minutes of the Standing Committee on Economy)
<http://www.parliament.mn/n/ujjo> (Meeting minutes of the Standing Committee on Social policy, Education, Culture and Science)
<http://www.parliament.mn/n/wijo> (Meeting minutes of the Standing Committee on State Structure)
<http://www.parliament.mn/files/37600> (Meeting minutes of the Standing Committee on Economy)
<http://www.parliament.mn/files/40177> (Meeting minutes of the Standing Committee on Budget).
<http://www.parliament.mn/files/41881> (Meeting minutes of the Standing Committee on Budget).
<http://www.parliament.mn/n/zfko> (Meeting minutes of the Standing Committee on Budget).
<http://www.parliament.mn/files/43206> (Meeting minutes of the Standing Committee on Claims).
<http://www.parliament.mn/n/ejcy> (Meeting minutes of the Standing Committee on Environment, Food and Agriculture).
<http://forum.parliament.mn/projects/405> (State Great Hural Resolution draft on the Approval of the Budget execution of Mongolia in 2017 and the Government's consolidated financial statement).
<http://forum.parliament.mn/projects/304> (Discussion of Report on activity of National Audit Office in 2017.)
<http://forum.parliament.mn/projects/397> (Approval of State Policy on National Auditing).
<http://forum.parliament.mn/projects/335> (Discussion of the implementation of main directions to develop the economy and society of Mongolia in 2017).

Comment:

Official Response from the SAI states that 2 to 12 staff members attended more than 10 discussions by various committees of the legislature in 2018. Meeting minutes are found at sources listed.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

GUIDELINES:

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and revenue levels, and macro-fiscal planning.

To answer "a," the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism

should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Facebook page with public invitation to participate in the public discussion of the 2019 budget proposal to be presented by the Minister of Finance Mr. Chimed Khurelbaatar (the page administrator is Ms. Munkhsoyol Baatarjav, Executive Director of the Institute for National Strategy of Mongolia (a non-governmental organisation))

<https://www.facebook.com/photo.php?fbid=10156810920813474&set=gm.611113239286361&type=3&theater&ifg=1>

Comment:

The executive engaged in public discussion of the 2019 budget proposal using the venue of a public club called The Economics Club of Mongolia. The Minister of Finance Ch. Khurelbaatar (together with his budget staff members) held an open discussion of the budget proposal with the club members on October 4, 2018. The club itself is open to the general public, but only members who joined the club could sign up for the event. The public discussion is not structured and is organized on ad hoc basis. Announcement was made through the Facebook page of the club.

The MoF used the public venue provided by the so-called Economic Club of Mongolia to discuss the 2019 budget proposal. The Economic Club of Mongolia is an open public forum where some economic and social issues are discussed. Although the club is open to the public, there is a self-selection issue related to the participants of these discussions, including the discussion of the 2019 budget proposal. Those who attended the discussion are likely to be professionals or the ones specifically interested in the fiscal and related issues. The facebook page of the Economic Club of Mongolia - the main information distribution channel - is administered by Ms. Munkhsoyol Baatarjav.

The above method seems to be a rather weak implementation of the Budget Law. The law includes budget openness and transparency as one of its key principles (clause 5.1.4). Clause 6.5 of the law specifies the ways the government has to ensure the openness. These ways include, among others, public involvement in the process of budget proposal discussion (clause 6.5.2).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP, the score for this question is revised from C to D. From the invitation at the FB link it is found that an NGO (named Mongol Zorilgo) invited the MoF to attend a meeting that they organized. This does not, therefore, count as an opportunity organized by the MoF where they invite others to participate. In addition, the meeting was held after the budget proposal was submitted to Parliament already, as the budget is tabled on September 28, and this meeting was held only October 4. Therefore, we cannot count the meeting because it was after the budget was already submitted to Parliament and it was not organized by the MOF. This leads us to change the score to "d".

126. With regard to the mechanism identified in question 125, does the executive take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on the executive's efforts to seek out the views of members of the public from socially vulnerable groups and/or who are underrepresented in the process.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented communities and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives of vulnerable/underrepresented groups.

Answer "b" applies if the executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

n/a

Comment:

There is no evidence that the executive takes any concrete steps to ensure the participation of the vulnerable and underrepresented groups.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

127. During the budget formulation stage, which of the following key topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the formulation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget formulation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Presentation slides by the Minister of Finance Mr. Chimed Khurelbaatar
<https://www.facebook.com/bmunkhsoyol/posts/10156819874588474> (the page administrator is Ms. Munkhsoyol Baatarjav, Executive Director of the Institute for National Strategy of Mongolia (a non-governmental organisation))

Comment:

The discussion of the Minister of Finance included all of the topics listed above (above is the link to the publicly disseminated presentation by the minister which covers the points). In addition, the discussion covered other issues such as public financing of mortgage and small and medium-sized enterprises as well as use of foreign aid.

The MoF used the public venue provided by the so-called Economic Club of Mongolia to discuss the 2019 budget proposal. The Economic Club of Mongolia is an open public forum where some economic and social issues are discussed. Although the club is open to the public, there is a self-selection issue related to the participants of these discussions, including the discussion of the 2019 budget proposal. Those who attended the discussion are likely to be professionals or the ones specifically interested in the fiscal and related issues. The facebook page of the Economic Club of Mongolia - the main information distribution channel - is administered by Ms. Munkhsoyol Baatarjav.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

See the response to Q125. Therefore, we cannot count the meeting because it was after the budget was already submitted to Parliament and it was not organized by the MOF. This leads us to revise the score from A to D.

128. Does the executive use participation mechanisms through which the public can provide input in monitoring the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in monitoring the implementation of the annual budget. If the executive has designated a central coordinating agency to implement participation mechanisms throughout the national budget process, researchers may consider these mechanisms. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the implementation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenue administration, public service delivery, public investment project implementation, including procurement, and the administration of social transfer schemes.

To answer "a," the executive must use open participation mechanisms that involve the public in the implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings, online, deliberative exchanges, procurement complaint mechanisms, and social monitoring and dialogue.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input on the implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include public hearings, surveys, focus groups, report cards, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to provide input on budget implementation, but:

1) *The mechanisms are not structured, happen only on ad-hoc basis, or not regularly.*

and/or

2) *The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the*

selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", the researcher must have evidence that the government is holding participation mechanisms that have some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples include hotlines, Facebook announcements, one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

b. Yes, the executive uses open participation mechanisms through which members of the public provide their inputs on budget implementation.

Source:

The executive's "glass account" portal with information on budget execution is given below. Ministry of Finance's page is given as an example below. Pages of other ministerial portfolios and individual ministries, agencies as well as SOEs are also available on the webpage.

<http://www.shilendans.gov.mn/org/408?group=0&year=2018> – Ministry of Finance budget execution page

<https://www.shilendans.gov.mn/org/408?form=2742492&year=2018&month=11&group=0&task=739> – this link is for budget execution of the Ministry of Finance for the month of November.

Law on the Public Hearing <https://www.legalinfo.mn/law/details/11225>

Parliament decree on organizing public hearing <https://www.legalinfo.mn/annex/details/7618?lawid=12449>

Meetings with staff from the Department of Fiscal Policy and Planning and Treasury Department of the Ministry of Finance held on March 4, 2019.

Comment:

Revised Comment:

The executive provides monthly information on the budget financing and execution through the so-called "glass account" portal as prescribed by the Glass Account Law. The page provides information on budget/execution (Төсөв/гүйцэтгэл); Investment, tender, and procurement (Хөрөнгө оруулалт, тендер, худалдан авалт); and Other (Бусад) including number of employees, audit statements etc. As of end of 2018, information on a total of 7314 public entities (source <http://www.shilendans.gov.mn>), were available through the portal, of which, 54 are ministerial and local government portfolios (source: <http://www.shilendans.gov.mn/orglist/1>) <https://www.shilendans.gov.mn/org/408?form=2742492&year=2018&month=11&group=0&task=739> – this link is for example is budget execution for the month of November for the Ministry of Finance. The comment box is a blue box in the lower right corner which says "САНАЛ ХҮСЭЛТ ИЛГЭЭХ". The box is available for every report (monthly etc.) on budget execution. Generally, it is available for every entry on the glass account portal.

In addition to the regular information as an individual entity, the Ministry of Finance page contains additional information (Сангийн яамны мэдээлэл) on aggregate national budget issues, such as national budget execution, macroeconomic policies, national debt, foreign aid etc.

The website has a "send a comment" ("САНАЛ ХҮСЭЛТ ИЛГЭЭХ") button in the bottom right corner, where citizens can send their inputs. The information about the number and type of comments and the process after the comments are received is not clear from the website. After speaking with the MoF staff, we were informed that the comments go to the glass account administrator of the entity (the head of the organization or an IT staff member) and then distributed internally to the relevant units and persons responsible within the entity. Feedback to the public is given by the relevant staff.

The Law on Public Hearing (effective January 1, 2016, clause 9.3) specifies that annual public hearings be held on the issues of budget execution both at the national and local level. The subsequent Parliament Decree 12 of January 12, 2017 outlines the specific procedure of organizing public hearing. It was expected that the first budget public hearing should have taken place in 2018, after the government budget implementation report for 2017 is prepared and audit report is issued. However, there is no evidence that the hearing took place.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

129. With regard to the mechanism identified in question 128, does the executive take concrete steps to receive input from vulnerable and underrepresented parts of the population on the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on national government's efforts to obtain input from members of the

public who are from socially vulnerable groups and/or underrepresented in national processes during the implementation of the annual budget.

To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented community and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives from vulnerable/underrepresented groups.

Answer "b" applies if the national executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

n/a

Comment:

There is no evidence that the executive takes any concrete steps to ensure the participation of the vulnerable and underrepresented groups.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

130. During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels
6. Implementation of public investment projects

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the implementation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget implementation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be ONLY the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

c. The executive's engagement with citizens covers at least one (but less than three) of the above-mentioned topics.

Source:

Source: The links below are from government's official "glass account" portal on the budget execution for the year 2018:

Budget of the MoF and its execution <http://www.shilendans.gov.mn/org/408?group=0&year=2018>

Investment, tender and procurement of the MoF <http://www.shilendans.gov.mn/org/408?group=1&year=2018>

Other info on the MoF <http://www.shilendans.gov.mn/org/408?group=2&year=2018>

Info on the national budget execution <http://www.shilendans.gov.mn/org/408?group=3&year=2018>

Portfolio budget for the Minister of Finance <http://www.shilendans.gov.mn/org/11?form=2044494&year=2018&month=12&group=0&task=29>

Meeting with the staff member of the Financial Information Technology Division of the Administration Department of the Ministry of Finance on March 4, 2019.

Comment:

The executive provides information on budget execution on a monthly, quarterly, half-early and annual basis. In terms of coverage, 5 topics with the exception of information on the delivery of public services is provided for individual entities. All 6 topics are included in the ministerial and local government portfolios. However, the delivery of public services is covered only in terms of targets put forward in the approved budget. No information is given on its actual execution (i.e. level achieved and its deviation from the budgeted levels).

Other topics covered in the budget execution information include: number of public servants (by ministries and agencies), audit reports, procurement, transactions (other than payment of salaries) in the amount above MNT 5 million (equivalent of USD2,000), executive decisions that have financial implications such as issuance of bonds, concession agreements with private entities, deviations from the approved budget, use of foreign aid, government debt, and some others.

As mentioned earlier, the "glass account" portal has a "send a comment" button, where citizens can send their inputs. The MoF staff informed that the comments are received by the account administrator and distributed internally within the entity for feedback.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP consistency check, this score is revised from B to C. This mechanism is an e-participation mechanism that suggests that citizens can write about "any" topic. IBP only scores "C" for such cases, unless there is strong evidence that there were indeed submissions/ discussions on all topics. As that is not the case for this webportal in Mongolia, the score for this question is revised to C.

131. When the executive engages with the public, does it provide comprehensive prior information on the process of the engagement, so that the public can participate in an informed manner?

Comprehensive information must include at least three of the following elements:

1. Purpose
2. Scope
3. Constraints
4. Intended outcomes
5. Process and timeline

GUIDELINES:

This question relates to the GIFT principle of "Openness," and addresses whether the executive provides relevant information on the process of the engagement before public participation takes place, in order to help citizens engage effectively. The question addresses whether the "rules of the public engagement" are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. This question does not cover the substance of the engagement, which is covered by questions 127 and 130.

Non-comprehensive information means that the government provides information that includes at least one but less than three of the elements listed above.

Purpose refers to a brief explanation of why the public engagement is being undertaken, including the executive's objectives for its engagement with the public.

Scope refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include how a current policy is administered but exclude the specifics of the policies themselves.

Constraints refers to whether there are any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.

Intended outcomes refers to what the executive hopes to achieve as a result of the engagement. Examples of intended outcomes could be revising a policy to better reflect citizen or service-user views or to improve the way in which a particular program is administered.

Process refers to the methods by which the public engagement will take place and the discrete steps in the process. For example, the process may simply be a one-off Internet-based consultation, with a summary published of public inputs and the official response. The process may involve simultaneous or overlapping steps, and may be conducted in one round or in two or more rounds of engagement.

Timeline refers to the specific dates on which the discrete steps in the process will take place, or during which they will be completed, and clear start and end dates for the overall engagement.

Answer "d" applies if the executive does not use public participation mechanisms during the budget implementation or formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

<https://www.facebook.com/photo.php?fbid=10156810920813474&set=gm.611113239286361&type=3&theater&ifg=1>

The administrator of the Facebook page is Ms. Munkhsoyol Baatarjav, Executive Director of the Institute for National Strategy of Mongolia (a non-governmental organisation)

Comment:

The public discussion on budget proposal led by Minister of Finance on October 3, 2018 began with briefly stating the purpose of the discussion. Other than that, no other evidence on the process of engagement.

The MoF used the public venue provided by the so-called Economic Club of Mongolia to discuss the 2019 budget proposal. The Economic Club of Mongolia is an open public forum where some economic and social issues are discussed. Although the club is open to the public, there is a self-selection issue related to the participants of these discussions, including the discussion of the 2019 budget proposal. Those who attended the discussion are likely to be professionals or the ones specifically interested in the fiscal and related issues. The facebook page of the Economic Club of Mongolia - the main information distribution channel - is administered by Ms. Munkhsoyol Baatarjav.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP review, this question is revised from C to D. See the response in Q125. The meeting is organized by an NGO, not the MoF - therefore, we cannot count the meeting because it was after the budget was already submitted to Parliament and it was not organized by the MOF. This leads us to change the score to "d".

132. With regard to the mechanism identified in question 125, does the executive provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received, which ones are used in the formulation of the annual budget, and how/why.

By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.

Answer "a" applies when the executive provides a written document with:

- *The inputs (e.g., a written transcript) received from the public and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)*

Answer "b" applies when the executive provides a written document that includes:

- *The inputs (e.g., a written transcript) received from the public and*
- *A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used.*

Answer "c" applies when the executive provides a written document that includes:

- *The inputs (e.g., a written transcript) received from the public or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

<https://www.legalinfo.mn/law/details/12254> (Budget Law in Mongolian)
<http://www.iltod.gov.mn/?p=2403> (Budget Law in English)

Comment:

No written record of the inputs provided by the public and their use could be found. The Budget Law (clause 6.5.6) states that the executive should "inform the public on how comments and opinions of citizens and non-governmental organizations are reflected in its decisions and how its actions ensure public participation in budget activities". However, these requirements are not currently met by the existing budget procedures.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

133. With regard to the mechanism identified in question 128, does the executive provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received during the implementation of the annual budget, which ones are taken into account to improve budget monitoring, and how/why.

By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.

Answer "a" applies when the executive provides a written document with:

- *The inputs (e.g., a written transcript) received from the public and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)*

Answer "b" applies when the executive provides a written document that includes:

- *The inputs received (e.g., a written transcript) from the public and*
- *A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were or were not taken into account by the executive during budget monitoring.*

Answer "c" applies when the executive provides a written document that includes:

- *The inputs (e.g., a written transcript) received from the public or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

<https://www.legalinfo.mn/law/details/12254> (Budget Law in Mongolian)
<http://www.iltod.gov.mn/?p=2403> (Budget Law in English)

Comment:

No written record of the inputs provided by the public and their use could be found. The Budget Law (clause 6.5.6) states that the executive should "inform the public on how comments and opinions of citizens and non-governmental organizations are reflected in its decisions and how its actions ensure public participation in budget activities". However, these requirements are not currently met by the existing budget procedures.

Peer Reviewer
Opinion: Agree

Government Reviewer

Opinion: Agree

134. Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

GUIDELINES:

This question reflects the GIFT principles on "Sustainability," "Timeliness" and "Complementarity" and addresses whether the executive is able to link participation mechanisms to the administrative processes that are used to create the annual budget.

Please note that "timetable" refers to a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. This document is sometimes referred to as the budget calendar and is the same document referenced in Question 53.

Answer "a" applies if the national executive establishes a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget. For answer choice "a", the timetable must be available to the public prior to the budget preparation process beginning.

Answer "b" applies if the executive does not establish a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget or if the executive does not use public participation mechanisms during the budget formulation or implementation stage.

Answer:

b. The requirements for an "a" response are not met.

Source:

Budget Law in English <http://www.iltod.gov.mn/?p=2403> (look at the clauses 5.1.4, 6.5, 8.4, 10.2-10.4, 12.1.4, and article 63)

Comment:

The Budget Law specifies fiscal transparency as one of the five budget principles (clauses 5.1.4 and 6.5 of the Budget Law) and specifies the need to ensure public participation in the formulation of the budget proposal. However, the budget preparation calendar (clause 8.4 of the same law) does not include participation as one of its stages.

There are several other provisions in the law – clauses 10.2-10.4 on establishing an independent national council on the budget, finance and economy to discuss and provide written opinion on the executive's budget proposal – which should provide greater participation of the public in budget affairs. However, these are not supported by the subsequent decisions of the relevant agencies (e.g., MoF and the executive) and not included in the timetable for budget formulation. The MoF annual guidelines for developing budget proposal (clause 12.1.4) is distributed every year to all budget entities, which contains detailed information on the budget timetable. However, again, there is no guidance on public discussion of the budget proposal.

The one exception is public deliberation in the form of general citizens' meeting (Article 63 of the Budget Law) to be conducted for the investment projects to be financed by the Local Development Fund.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

135. Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

GUIDELINES

While questions 125 – 135 focus only on participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency currently use to allow the public to participate in the national budget process, this question asks about participation mechanisms used by line ministries to allow the public to participate in national budget processes. Thus, participation mechanisms used by the Ministry of Finance, lead budget agency, or central coordinating agency should not be used to answer this question. If there is more than one mechanism used by a line ministry or if multiple line ministries use participation mechanisms, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation and/or implementation of the annual budget.

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See: https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf

To answer "a," a line ministry must use open participation mechanisms that involve the public in the formulation or implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation or implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which a line ministry seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if a line ministry has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) A line ministry consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the line ministry determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

The researcher must present evidence to support selection of a "c" response.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Glass account website of the Ministry of Education, Culture, Science and Sports <http://www.shilendans.gov.mn/org/412?group=0&year=2018>

Comment:

The government's glass account portal has information on budget implementation of all line ministries. It has an open "send a comment" link, where citizens can send their inputs. As the MoF staff informed, the comments are received by the account administrator and distributed internally within the ministry for feedback. For instance, the Ministry of Education, Culture, Science and Sports posts monthly, quarterly, semi-annual and annual reports on the budget implementation. The reports include information on the budget allocated, the actual budget spent, explanation of the discrepancy between the budgeted and spent amount, funds spent on investment and procurement of goods and services, all transactions in the amount greater than MNT 5 million (equivalent of USD 2000) with the exception of payment of salaries. The general public can view the above information and send comments on each entry. After receiving comments, the Ministry staff distributes the information internally for feedback. Thus far, this open source is used minimally, if at all, by the line ministries. The portal does not provide information about the feedback given to the public with regard to comments. Similar information is available for all line ministries.

No evidence of public participation during the budget formulation period is found.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. The requirements for a "c" response or above are not met.

Comments: I would choose answer 'd' because while the possibility to comment online exists, it is not a 'dialogue' as the government does not have to and there is not evidence any ministry has responded to any comments.

Government Reviewer

Opinion: Agree

IBP Comment

During an IBP review, the Peer Reviewer's comment is confirmed. As the website is not actively managed by a Line Ministry, and instead is managed by the MoF, this is considered a participation mechanism of the executive assessed in Q128. Even though there may be information provided about line ministry budget execution, this does not mean that the line ministry is either collecting or using the feedback on budget implementation from this

site as part of their work. The score is revised from B to D.

136. 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)?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.

Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) has put in place and is using to allow the public to participate in their deliberations on the annual budget. This includes deliberations during the pre-budget phase (i.e., when the executive is still in the process of formulating the draft budget) and the budget discussions after the budget has been tabled to parliament and before it is approved. In the comment box, please specify during which stage of the budget cycle the legislature has put in place a public participation mechanism.

Mechanisms through which members of the public reach out to individual Members of Parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.

If there is more than one mechanism, please select a mechanism that best shows/reflects the legislature's efforts to incorporate citizens into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenues, policy selection, and macro-fiscal planning (please note that the issue of coverage is covered in a subsequent question).

To answer "a," the legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs; but*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

Answer "c" should be selected if the following applies:

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs;*
- *No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, but*
- *The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget

Answer:

b. Yes, public hearings are held. No testimony from the public is provided during the public hearings, but contributions from the public are received through other means.

Source:

Link to pre-budget document (Fiscal framework statement for 2019 and budget forecast for 2020-2021) online forum posted on April 30, 2018
<http://forum.parliament.mn/projects/334>

Link to 2019 budget deliberation online forum posted on September 28, 2018 <http://forum.parliament.mn/projects/445>

Comment:

The forum portal is designed to receive input from the general public on ongoing discussions of laws and other parliamentary decisions as well as give feedback on how the inputs have been used (or not) in the decision-making process. The link <http://forum.parliament.mn/m/eefy> link describes the objective and terms of use of the forum portal. The forum is interactive and is used both at the pre-budget and budget discussion phase.

We found that the discussion on the of the pre-budget statement (the Fiscal Framework Statement for 2019 and Budget Estimates for 2020-2021) has a direct link for comments (input) while the budget proposal did not have a direct link. However, citizens can provide input on the discussions by registering and signing in with a personal account. The current links show the number of views as 2478 views of pre-budget documents and 5192 for the 2019 budget proposal. The number of comments received is 0 (zero) for both documents. It looks like the formal process has been established but in fact is not used actively by the public. It is used for viewing the documents and not giving comments, yet.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. The requirements for a "c" response or above are not met.

Comments: Given the evidence presented, i would choose answer D. the parliament does not actively promote or organize any formal hearings using this online tool. It is just a tool rather than a hearing.

Government Reviewer

Opinion: Agree

IBP Comment

Thank you to the Peer Reviewer for the comment. While the online tool may be a limited form of engagement with the public around the budget, it still provides open access to all those with internet an ability to comment and provide input on the proceedings. For that reason, under OBS methodology the score of B is appropriate. The researcher's response is confirmed.

137. During the legislative deliberations on the annual budget (pre-budget or approval stages), which of the following key topics does the legislature's (or relevant legislative budget committee) engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider the range of mechanisms currently used by the legislature to promote public participation during legislative deliberations on the annual budget.

Please note that while the public engagement can/may cover other topics, for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the legislature's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

<http://forum.parliament.mn/m/erfy>

<http://forum.parliament.mn/m/eefy>

Comment:

The forum portal is designed to receive input from the general public on ongoing discussions of laws and other parliamentary decisions as well as give feedback on how the inputs have been used (or not) in the decision-making process. The link <http://forum.parliament.mn/m/eefy> link describes the objective and terms of use of the forum portal. The forum is interactive and is used both at the pre-budget and budget discussion phase.

The link <http://forum.parliament.mn/m/erfy> informs that users registered to the system can review drafts of decisions and give feedbacks. Although we tried to provide our feedback on drafts of decisions with our account, we were not able to do it. Therefore, the score here is D.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- *The inputs received from the public (e.g., a written transcript) and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).*

Answer "b" applies when the legislature provides a written document that includes:

- *The inputs received from the public (e.g., a written transcript) and*
- *A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).*

Answer "c" applies when the legislature provides a written document that includes:

- *The inputs received from the public (e.g., a written transcript) or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

<http://forum.parliament.mn/projects/445>

<http://forum.parliament.mn/m/eefy>

Comment:

Although the stated purpose of the parliamentary portal is to collect input and give feedback how the input has been used, there is no evidence that such a report is being produced. The forum website on the 2019 budget proposal showed that no comments were given ('0 comments'), there was no report on this finding or any other link that showed how the public comments were used.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

139. Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.

A key constitutional role of the legislature in almost all countries is to oversee the government's management of public resources. While the Supreme Audit Institution is responsible for checking the government's accounts and publishing the outcome of their audits, for accountability purposes it is essential that the legislature reviews and scrutinizes those reports, and checks on whether the executive is taking the appropriate corrective actions based on the Supreme Audit Institution's recommendations.

Holding public hearings to review audit findings allows the public to learn more about how the government has managed its resources for the budget years that have ended, and demand accountability in case of mismanagement and irregularities. Reviewing and discussing those reports in public is therefore a key

responsibility of a legislature.

Please note that by "Audit Report" we refer to the same audit report assessed in the transparency section of this Survey, i.e., one of the eight key budget documents that all governments (in this case, the Supreme Audit Institution) must produce, according to best practice.

Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) have put in place and using to allow the public to participate in their deliberations on the Audit Report.

Mechanisms through which members of the public reach out to individual members of parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.

To answer "a," the national legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).

Answer "b" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- No testimony is allowed from the public; BUT
- There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.

Answer "c" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- No testimony is allowed from the public;
- No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, BUT
- The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the Audit Report.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

<http://forum.parliament.mn/projects/405>

Comment:

The 2017 budget execution report together with the audit report was discussed in June 2018 (the documents were posted on the parliamentary forum portal on June 19, 2018. Again, the general public could post some comments after registering and getting an account. The portal is interactive. However, there were no comments posted. Both the budget execution report and the executive's annual financial report were audited and audit reports posted above. Thus, there is a formal process which is not yet used in practice.

Since only comments can be sent over a website, this means that the portal only allows access for those who have internet.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. The requirements for a "c" response or above are not met.

Comments: Again, online tool is not actively promoted by the parliament itself, and it is just a tool rather than a hearing. There is no public hearing organized by the parliament, only the official session of the standing committees and the plenary.

Government Reviewer

Opinion: Agree

Researcher Response

Agree with the Peer Reviewer to change answer to "d" and add suggested comment: "Online tool is not actively promoted by the parliament itself, and it is just a tool rather than a hearing. There is no public hearing organized by the parliament, only the official session of the standing committees and the plenary." to our response.

IBP Comment

The peer reviewer's and researcher's comments and confirmed. As per OBS methodology, this question asks about ways that citizens can interact with the parliament on public deliberations of the audit report. The tool mentioned allows comments on the website, but does not clearly show that inputs submitted on the website will be considered during Parliamentary debates on the audit report. The score of D is confirmed.

140. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

GUIDELINES:

This question assesses whether the Supreme Audit Institution (SAI) has established mechanisms through which the public can provide suggestions on issues/topics to be included in its audit program. When deciding its audit agenda, the SAI may undertake audits for a sample of agencies, projects, and programs in the country; and such a selection could be based on complaints and suggestions made by members of the public. To receive such suggestions, the SAI may create formal mechanisms, like setting up a website, hotline, or office (or assigning staff to liaise with the public).

Answer:

a. Yes, the SAI maintains formal mechanisms through which the public can suggest issues/topics to include in its audit program.

Source:

<https://docs.google.com/forms/d/e/1FAIpQLSdGXy9WeRTJG9vOef5EnvGnK-FtxfaRVoJ0bklk-PsJwAU9ew/viewform> - Link on the National Audit Office website where citizens can suggest audit topics

<https://archive.audit.mn/wp-content/uploads/2018/04/irgenii-tanhim-last.pdf> - Appendix to the Auditor General's decree on the activities of the Citizens' Audit Hall and Citizens Audit Group (dated December 12, 2017)

Comment:

The National Audit Office has an online link on its website about the topic to be suggested in the upcoming year (currently it is collecting suggestions for the 2020 audit). In addition, the National Audit Office established the Citizens' Audit Hall with the NAO, a representative body of 9 members which discusses audit topics, among other things. Citizens Audit Groups have been established in the local branches of the NAO with the similar mission.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

141. Does the Supreme Audit Institution (SAI) provide the public with feedback on how citizens' inputs have been used to determine its audit program?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the Supreme Audit Institution provides information to citizens on which public inputs were received, which ones are used to determine the Supreme Audit Institution's audit program. By "written record" in this question, we mean a document that is produced and released by the Supreme Audit Institution.

Answer "a" applies when the Supreme Audit Institution provides a written document with:

- The inputs received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).

Answer "b" applies when the SAI provides a written document that includes:

- The inputs received from the public and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used to determine the SAI's annual audit program.

Answer "c" applies when the SAI provides a written document that includes:

- The received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if requirements for a "c" response or above are not met or if maintain formal mechanisms through which the public can suggests issues/topics to include in the SAI's audit program.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Official written response (Letter #02/463) from the National Audit Office dated March 15, 2019.

Comment:

No evidence could be found. The National Audit Office informed in an official response that in 2018 they received 4 suggestions on audit topics. These were not included in the audit program for 2019 as the NSO did not consider the suggestions to qualify as audit topics. No formal feedback was given to the citizens who suggested the topics.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

This question mirrors question 140, but instead of covering public assistance in formulating the SAI's audit program, it focuses on whether the Supreme Audit Institution has established mechanisms through which the public can participate in audit investigations. In addition to seeking public input to determine its audit agenda, the SAI may wish to provide formal opportunities for the public and civil society organizations to participate in the actual audit investigations, as witnesses or respondents.

Answer:

b. The requirements for an "a" response are not met.

Source:

n/a

Comment:

No evidence could be found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree