Country Questionnaire: Italy

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:**
FY 2021

**Source:**


**Comment:**
The Government Accounting and Public Finance Act is Law No. 196 of 31 December 2009. The current text of this law (https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2009-12-31;196) incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by more recent Legislative Decrees (e.g., No. 116/2018). The PFM law defines, among other things, the publication time frame, content and purpose of the "DEF-Documento di Economia e Finanza" (the Italian PBS).

**Peer Reviewer**
Opinion: Agree

**Government Reviewer**
Opinion: Agree

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:**


**Comment:**
The Government Accounting and Public Finance Act is Law No. 196 of 31 December 2009. The current text of this law (https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2009-12-31;196) incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by more recent Legislative Decrees (e.g., No. 116/2018). The PFM law defines, among other things, the publication time frame, content and purpose of the "DEF-Documento di Economia e Finanza" (the Italian PBS). The PBS must be presented to the Parliament by the 10th of April (art. 7, paragraph 2, letter a) and, in addition to this, “an Update of the DEF is presented to the Parliament by the 27th of September each year” (art. 7, paragraph 2, letter b) in preparation for the Executive Budget Proposal. It is important to highlight that in accordance with the provisions of the above cited Law No. 196/2009, the Section III of the Italian PBS (“Piano Nazionale di Riforma”, “National Reform Program”) must be submitted at the same time as the Stability Programme (Section I of the PBS) and the document...
containing the analysis and trends of public finance (Section II of the PBS). In 2020, instead, the Section III of the Italian PBS was at a later date deliberated by the Government (6 July), sent to the Parliament (8 July) and approved by the Parliament (29 July), due to the health and economic crisis resulting from the Covid-19 pandemic. The Government justified indeed this decision by pointing out the need to focus primarily on measures to support families and businesses and the resulting financial needs; to have a broader vision of the evolution of the epidemic in Italy; to await the outcome of the EU institutions’ work (European Commission and Council of the European Union) on the response to the pandemic, on which some of the Government’s programs depend; and to relate the Government’s programs and reform initiatives not only to the specific EU Recommendations approved in 2019, but also to the 2020 Recommendations. See here: https://www.camera.it/leg17/522?tema=il-programma-nazionale-di-riforma-2020.

PeerReviewer
Opinion: Agree

GovernmentReviewer
Opinion: Agree

Comments: The Update to the DEF for FY 2021 was deliberated on 5th October 2020 and published on 7th October 2020.

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.

Answer: 24/4/2020

Source:

Comment:
The Government Accounting and Public Finance Act is Law No. 196 of 31 December 2009. The current text of this law (https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2009-12-31;196) incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by more recent Legislative Decrees (e.g., No. 116/2018). The PFM law defines, among other things, the publication time frame, content and purpose of the “DEF-Documento di Economia e Finanza” (the Italian PBS). The PBS must be presented to the Parliament by the 10th of April (art. 7, paragraph 2, letter a), therefore a 2-weeks delay occurred in 2020. It is important to highlight also that in accordance with the provisions of the above cited Law No. 196/2009, the Section III of the Italian PBS (“Piano Nazionale di Riforma”, “National Reform Program”) must be submitted at the same time as the Stability Programme (Section I of the PBS) and the document containing the analysis and trends of public finance (Section II of the PBS). In 2020, instead, the Section III of the Italian PBS was at a later date deliberated by the Government (6 July), sent to the Parliament (8 July) and approved by the Parliament (29 July), due to the health and economic crisis resulting from the Covid-19 pandemic. The Government justified indeed this decision by pointing out the need to focus primarily on measures to support families and businesses and the resulting financial needs; to have a broader vision of the evolution of the epidemic in Italy; to await the outcome of the EU institutions’ work (European Commission and Council of the European Union) on the response to the pandemic, on which some of the Government’s programs depend; and to relate the Government’s programs and reform initiatives not only to the specific EU Recommendations approved in 2019, but also to the 2020 Recommendations. See here: https://www.camera.it/leg17/522?tema=il-programma-nazionale-di-riforma-2020.

PeerReviewer
Opinion: Agree

GovernmentReviewer
Opinion: Agree

Comments: The Update to the DEF for FY 2021 was deliberated on 5th October 2020 and published on 7th October 2020.
**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."*

<table>
<thead>
<tr>
<th>Answer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>The date is determined by the press release published onto the Ministry of Economy and Finance (MEF) website.</td>
</tr>
</tbody>
</table>

**Source:**

**Comment:**
It is important to highlight that in accordance with the provisions of the above cited Law no. 196/2009 (https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2009-12-31;196), the Section III of the Italian PBS ("Piano Nazionale di Riforma", "National Reform Program") must be submitted at the same time as the Stability Programme (Section I of the PBS) and the document containing the analysis and trends of public finance (Section II of the PBS). In 2020, instead, the Section III of the Italian PBS was at a later date deliberated by the Government (6 July), sent to the Parliament (8 July) and approved by the Parliament (29 July), due to the health and economic crisis resulting from the Covid-19 pandemic. The Government justified indeed this choice by pointing out the need to focus primarily on measures to support families and businesses and the resulting financial needs; to have a broader vision of the evolution of the epidemic in Italy; to await the outcome of the EU institutions’ work (European Commission and Council of the European Union) on the response to the pandemic, on which some of the Government’s programs depend; and to relate the Government’s programs and reform initiatives not only to the specific EU Recommendations approved in 2019, but also to the 2020 Recommendations. See here: https://www.camera.it/leg17/522?tema=il-programma-nazionale-di-riforma-2020.

**Peer Reviewer**

**Opinion:** Agree

**Government Reviewer**

**Opinion:** Agree

**Comments:** The Update to the DEF for FY 2021 was deliberated on 5th October 2020 and published on 7th October 2020.


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**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.*

<table>
<thead>
<tr>
<th>Answer:</th>
</tr>
</thead>
</table>

**Source:**
DEF - Section 1 (Italy’s Stability Program):

DEF - Section 2 (Analysis and Trends of Public Finance):

DEF - Section 3 (National Reform Program):

**Comment:**
At the link above (https://www.mef.gov.it/inevidenza/Approvato-il-DEF-2020-ripartire-dopo-lemergenza/) it is possible to find all PBS sections, annexes and methodology.

It is important to highlight that in accordance with the provisions of the above cited Law no. 196/2009 (https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2009-12-31;196), the Section III of the Italian PBS ("Piano Nazionale di Riforma", "National Reform Program") must be submitted at the same time as the Stability Programme (Section I of the PBS) and the document containing the analysis and trends of public finance (Section II of the PBS). In 2020, instead, the Section III of the Italian PBS was at a later date deliberated by the Government (6 July), sent to the Parliament (8 July) and approved by the Parliament (29 July), due to the health and economic crisis resulting from the Covid-19 pandemic. The Government justified indeed this choice by pointing out the need to focus primarily on measures to support families and businesses and the resulting financial needs; to have a broader vision of the evolution of the epidemic in Italy; to await the outcome of the EU institutions’ work (European Commission and Council of the European Union) on the response to the pandemic, on which some of the Government’s programs depend; and to relate the Government’s programs and reform initiatives not only to the specific EU Recommendations approved in 2019, but also to the 2020 Recommendations. See here: https://www.camera.it/leg17/522?tema=il-programma-nazionale-di-riforma-2020.
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, Word (.doc/.docx) or HTML 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 publicly available, therefore its machine readability cannot be assessed.

Answer:
c. No

Source: /

Comment:
They’re published as PDF. This is a stepback with respect to the previous edition of the PBS. See for example the fourth line at the link https://www.mef.gov.it/invidenza/Approvato-il-DEF-2019-riforme-per-lo-sviluppo/: “Tavole di sintesi del quadro macroeconomico, dei conti economici e di cassa di consuntivo e di previsione della PA e dei relativi sottosettori in formato csv (ZIP, 43 KB)”, where numerical data contained in the PBS were available in a machine readable format for most tables of the Section II of the PBS “Analysis and Trends of Public Finance” (even if not at all for Sections I and III).

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

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."

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 2021 State Budget” or “Guidelines for the Preparation of Annual Plan and Budget for 2020/21.”

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

Documento di Economia e Finanza 2020 (DEF 2020)

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: https://www.internationalbudget.org/publications/citizens-budgets/
Comment:
It is important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790&tipo=) were deleted during the Chamber of Deputies' November 20th session, leading to the presentation of the Act no. 2790-bis (https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790-bis&tipo=), which in turn was transmitted to the Senate House on 27 December, and definitely approved on 30 December (http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm).

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.

Answer:
18/11/2020

Source:
http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2790-bis.18PDL0121880.pdf

http://www.camera.it/leg18/126?tab=1&leg=18&idDocumento=2790&sede=&tipo=

http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm

Comment:
Law 163/2016 amending previous Law 196/2009 - as changed by Law 39/2011 - states that the EBP has to be submitted to the Legislature by the 20th of October. It is of utmost importance to note that in 2020 the Government has not respected at all this deadline. Indeed, the EBP has been submitted to the Parliament only on 18 November, 28 days after the cut-off date.

It is also important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790&tipo=) were deleted during the Chamber of Deputies' November 20th session, leading to the presentation of the Act no. 2790-bis (https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790-bis&tipo=), which in turn was transmitted to the Senate House on 27 December, and definitely approved on 30 December (http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm).

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; or
- 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:

c. Less than two months in advance of the budget year, but at least in advance of the budget being approved by the legislature

Source:
http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2790-bis.18PDL0121880.pdf
https://www.camera.it/leg18/126?tab=1&leg=18&idDocumento=2790&sede=&tipo=
http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm

Comment:
The EBP was made public on 18 November, less than two months in advance of the budget year. It is important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790&sede=&tipo=) were deleted during the Chamber of Deputies’ November 20th session, leading to the presentation of the Act no. 2790-bis (https://www.camera.it/leg18/1267tab=2&leg=18&idDocumento=2790-bis&sede=&tipo=), which in turn was transmitted to the Senate House on 27 December, and definitely approved on 30 December (http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm).

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 2020 should be entered as 05/09/2020. 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:

18/11/2020

Source:
https://www.camera.it/leg18/1267tab=1&leg=18&idDocumento=2790&sede=&tipo=
http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2790-bis.18PDL0121880.pdf

Comment:
It is important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/1267tab=2&leg=18&idDocumento=2790-bis&sede=&tipo=) were deleted during the Chamber of Deputies’ November 20th session, leading to the presentation of the Act no. 2790-bis (https://www.camera.it/leg18/1267tab=2&leg=18&idDocumento=2790-bis&sede=&tipo=), which in turn was transmitted to the Senate House on 27 December, and definitely approved on 30 December (http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm).
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 is referred to the publication by the branch of the Italian Parliament in charge of the first parliamentary scrutiny of the EBP, i.e. the Chamber of Deputies.


**Comment:**
It is important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790&tipo=) were deleted during the Chamber of Deputies’ November 20th session, leading to the presentation of the Act no. 2790-bis (https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790-bis&tipo=), which in turn was transmitted to the Senate House on 27 December, and definitely approved on 30 December (http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm).

**Peer Reviewer**
Opinion: Agree

**Government Reviewer**
Opinion: Agree

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:**
Volume I: Relazione illustrativa e Relazione tecnica (Explanatory and Technical Relations); Volume II: Disegno di Legge (Bill); Volume III: Stati di previsione (Estimates)

*Source:* Chamber of Deputies link: http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2790-bis.18PDL0121910.pdf


**Comment:**
It is important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790&tipo=) were deleted during the Chamber of Deputies’ November 20th session, leading to the presentation of the Act no. 2790-bis (https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790-bis&tipo=), which in turn was transmitted to the Senate House on 27 December, and definitely approved on 30 December (http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm). This has led to the fact that the Technical Report and the Illustrative Report which usually are included in the EBP Volume I are not available for the
Act no. 2790-bis of the Chamber of Deputies (whereas they are available for the Act no. 2790: http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2790.18PDL0121770.pdf). The Technical Report is available among the documents that are part of the EBP discussion by the Senate House (Senate Act no. 2054) related to the transmission of the Chamber of Deputies' Act no. 2790-bis: http://www.senato.it/service/PDF/PDFServer/BGT/01187694.pdf; http://www.senato.it/leg/18/BGT/Schede/Ddliter/testi/53613_testi.htm

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree


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, Word (.doc/.docx) and HTML 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 publicly available, therefore its machine readability cannot be assessed.

Answer:
a. Yes, all of the numerical data are available in a machine readable format

Source:
https://bdap-opendata.mef.gov.it/catalog/?h=search0
https://bdap-opendata.mef.gov.it/content/2021-disegno-legge-di-bilancio-presentato-elaborabile-entrate-articolo
https://bdap-opendata.mef.gov.it/content/2021-disegno-legge-di-bilancio-presentato-elaborabile-spese-capitolo
https://bdap-opendata.mef.gov.it/content/2021-disegno-legge-di-bilancio-presentato-elaborabile-spese-piano-di-gestione
https://bdap-opendata.mef.gov.it/content/2021-disegno-legge-di-bilancio-triennio-g8-od-action-plan-capitolo

Comment:
All numerical data contained in the EBP are available in a machine readable format on the OpenBDAP web portal implemented by the General Accounting Office of the Ministry of Economy and Finance.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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: /

Comment:
EBP is publicly available.

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 2020-21, 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:

Bilancio di Previsione dello Stato per l'anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023

Source:
Main document: http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2790-bis.18PDL0121880.pdf
General landing page to the EBP 2021 package: https://www.camera.it/leg18/126?tab=2&leg=18&idDocumento=2790&sede=&tipo=

Comment:

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: https://www.internationalbudget.org/publications/citizens-budgets/

Answer:

b. No

Source:
/

Comment:

Peer Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: There is a "citizen" version of the various budget documents during the budget cycles, delivered through an open APP developed by the
General Accounting Office. It is explicitly aimed to inform citizens: https://www.mef.gov.it/inevidenza/Al-via-Bilancio-Aperto-iApp-della-RGS-per-facilitare-laccesso-ai-dati-a-tutti-i-cittadini/http://bilancioaperto.mef.gov.it/landing.html See in the APP "Disegno di Legge di Bilancio 2021-23 - Approvato dal Consiglio dei Ministri e in discussione alla Camera"). Financial data are available for the last five years, data are summarised through infographics and technical terms are explained through a glossary. Financial data updated within 48 hours from the transmission of each budget document to the Parliament. I would suggest this tool is aligned with the logic of the Citizen Budget (CB), also because according to the OBS Methodology a CB can take many forms, but its distinguishing feature is that it is designed to reach and be understood by as large a segment of the population as possible.

Government Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: Please note that App BILANCIO APERTO also made information easily available (data, tables, graphs, glossary, explanatory note, contacts, etc.) to all citizens for the Executive's Budget Proposal. It can be considered a Citizen Budget itself. See our comment on Section 1 - Citizens Budget. https://www.rgs.mef.gov.it/VERSIONE-I/news/ispettorati/2020/news_31_dicembre_2020/index.html

IBP Comment
We welcome the government reviewer's comment. However, upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged. The application "Bilancio Aperto" provides a wealth of data and figures on budget items, it is very easy and fast to navigate and allows to go quite deep in the estimates of each document. However, no proper explanation of such information is included that allows lay actors and the general public to frame this kind of information into a coherent narrative, resulting in a huge array of data rather than in an effort to summarize and to decline data within an understandable and single framework. In other words, the amount of data is not matched by some level of narrative information that could help the general public make sense of it. By definition and design, a citizens budget should explain in a clear and catchy way to the user what a budget document is, simplify its structure, and highlight the most relevant information and data therein included, guiding him/her in the search for and contextualization of the desired information in the budget document. From the App, at the moment we find the 2022 EBP, 2020 YER and the 2021 Supplementary budget (Disegno di legge, Rendiconto e Assestamento). But one really needs to know quite a bit about the budget process and its documents to be able to use this App fully and make the most out of the data presented. A layman would not know where to start. A separate note is about the fact that the app is only available for smartphones and tablets, therefore limiting - to a certain extent - full access to the information.

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: FY 2021

Source: https://www.gazzettaufficiale.it/atto/serie_generale/caricaDettaglioAtto/originario?atto.dataPubblicazioneGazzetta=2020-12-30&atto.codiceRedazionale=20G002&elenco30giorni=false

Comment: /

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.

Answer: 30/12/2020

Source: http://www.senato.it/3381?comunicato=257501
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:

http://www.senato.it/3381?comunicato=257501

https://www.gazzettaufficiale.it/do/atto/vediLavoriPreparatori?atto.dataPubblicazioneGazzetta=2020-12-30&atto.codiceRedazionale=20G00202

Comment:
The EB was approved on 30 December 2020 and posted online on the same day. The "Wayback machine" archive system shows that the Gazzetta Ufficiale's website already included the document on December 31, 2020 (https://web.archive.org/web/20201231110308/https://www.gazzettaufficiale.it/atto/serie_generale/caricaDettaglioAtto/originario?atto.dataPubblicazioneGazzetta=2020-12-30&atto.codiceRedazionale=20G00202&elenco30giorni=false).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.
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:
We refer to the date of publication of the EB in the Official Gazette of the Italian Republic, i.e. "Gazzetta Ufficiale".

Source:

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

Source:

Comment:
/
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, Word (.doc/.docx) and HTML files do not qualify as machine readable. See more at: [http://opendatahandbook.org/glossary/en/terms/machine-readable/](http://opendatahandbook.org/glossary/en/terms/machine-readable/)

Option "d" applies if the EB is not publicly available, therefore its machine readability cannot be assessed.

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:
https://bdap-opendata.mef.gov.it/catalog/?h=search0&search1&search2&search3
https://bdap-opendata.mef.gov.it/content/2020-legge-di-bilancio-pubblicata-triennio-g8-od-action-plan-capitolo
https://bdap-opendata.mef.gov.it/catalog/?h=search0&search1&search2

Comment:
All numerical data contained in the EB are available in a machine readable format on the OpenBDAP web portal implemented by the General Accounting Office of the Ministry of Economy and Finance.

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: /
The document is publicly available.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

Comment:

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:

Bilancio di previsione dello Stato per l’anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023

Source:

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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: [https://www.internationalbudget.org/publications/citizens-budgets/](https://www.internationalbudget.org/publications/citizens-budgets/)

<table>
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<th>Answer:</th>
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<td>b. No</td>
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Comment:
By the present date (end of January 2021) the most resembling document to a citizens version of the EB 2021 (i.e., the document entitled "La legge di Bilancio in breve") was not published yet. We're thus considering here "La Legge di Bilancio per il 2020-2022 in breve", that is the 2020 edition. In any case, since no changes or improvements occurred with respect to the previous editions of "La Legge di Bilancio in breve", we confirm hereby the same evaluation provided for the OBS 2019: the document "La Legge di Bilancio per il 2020-2022 in breve" (link above) is a sort of "budget in short", i.e. an abstract of the EB that can't be defined altogether as a "citizens version" of the EB. The structure, the language and the explanations of technical issues makes the "Bilancio in breve" an unsatisfactory "citizens version" of the EB.

Peers Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: There is a "citizen" version of the various budget documents during the budget cycles, including the EB, delivered through an open APP developed by the General Accounting Office and it is explicitly aimed to inform citizens: [https://www.mef.gov.it/inevidenza/Al-via-Bilancio-Aperto-IApp-della-RGS-per-facilitare-laccesso-ai-dati-a-tutti-i-cittadini/](https://www.mef.gov.it/inevidenza/Al-via-Bilancio-Aperto-IApp-della-RGS-per-facilitare-laccesso-ai-dati-a-tutti-i-cittadini/) [http://bilancioaperto.mef.gov.it/landing.html](http://bilancioaperto.mef.gov.it/landing.html) Financial data are available for the last five years, data are summarised through infographics and technical terms are explained through a glossary. Financial data updated within 48 hours from the transmission of each budget document to the Parliament. Besides its effectiveness towards lay actors, I would suggest this tool is aligned with the logic of the Citizen Budget (CB), also because according to the OBS Methodology a CB can take many forms, but its distinguishing feature is that it is designed to reach and be understood by as large a segment of the population as possible.

Government Reviewer
Opinion: Disagree
Suggested Answer: a. Yes

IBP Comment
We welcome the reviewers' comments. However, upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged. The application "Bilancio Aperto" provides a wealth of data and figures on budget items, it is very easy and fast to navigate and allows to go quite deep in the estimates of each document. However, no proper explanation of such information is included that allows lay actors and the general public to frame this kind of information into a coherent narrative, resulting in a huge array of data rather than in an effort to summarize and to decline data within an understandable and single framework. In other words, the amount of data is not matched by some level of narrative information that could help the general public make sense of it. By definition and design, a citizens budget should explain in a clear and easy to the way user what a budget document is, simplify its structure, and highlight the most relevant information and data therein included, guiding him/her in the search for and contextualization of the desired information in the budget document. From the App, at the moment we find the 2022 EBP, 2020 YER and the 2021 Supplementary budget (Disegno di legge, Rendiconto e Assestamento). But one really needs to know quite a bit about the budget process and its documents to be able to use this App fully and make the most out of the data presented. A layman would not know where to start. A separate note is about the fact that the app is only available for smartphones and tablets, therefore limiting - to a certain extent - full access to the information.

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/references to, and the fiscal year.

| Answer: |
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 in 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:

Comment:
The document is publicly available.
IBP Comment
In light of the information provided by the government reviewer, on the date of publication of the 2020 Citizens budget, in question CB-3, and in agreement with the researcher, the document is therefore considered “not publicly available” because it was published too late compared to the relevant acceptable time frame. The response is changed, from “e” to “a.”

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:
If the document is not published at all, researchers should mark this question “n/a.”
As said in the previous answer it is impossible to know the date of publication of the document, since it doesn’t contain any indication on this. Please note that the same holds true for the previous edition of the Bilancio in breve (http://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_in_breve/2019/LLDBIB-2019-2021.pdf), whereas for what concerns the 2018 edition (http://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_in_breve/2018/LLDBIB-2018-2020.pdf), we only find the vague reference “March 2018”. For this reason, we have indicated an absolutely tentative and provisional “2 March 2020” date that needs to be checked and validated.


Comment: /
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 2020 People’s Guide" or "2021 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:**
La Legge di Bilancio per il 2020-2022 in breve

**Source:**

**Comment:**
in short, "Bilancio in Breve"

**Peer Reviewer**
Opinion: Disagree
Suggested Answer: A more appropriate answer could be "Bilancio Aperto": http://bilancioaperto.mef.gov.it/landing.html

**Government Reviewer**
Opinion: Agree

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:**
The CB ("Bilancio in breve") corresponds to the Enacted Budget.

**Source:**

**Comment:**
/

**Peer Reviewer**
Opinion: Disagree
Suggested Answer: The answer should be as follows: The CB ("Bilancio Aperto") corresponds to the EBP, the EB, Mid-year Review, Year-End Report. (see my comment to CB-3a).

**Government Reviewer**
Opinion: Agree
Comments: App BILANCIO APERTO made information easily available to all citizens (data, tables, graphs, glossary, explanatory text, contacts, etc.)
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:
FY 2020

Source:

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

Comments:
Please note that the Ministry of Economy and Finance (MEF) publishes a monthly report on the consolidated cash account of the general government. See for example the publication of the report for February 2020: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/previsione/contabilita_e_finanza_pubblica/rapporto_mensile_sul_contoconsolidato_di_cassa_del_settore_statale_e_delle_amministrazioni_centrali/2020/02_2020/index.html Moreover, as part of the control and monitoring of public accounts, MEF monitors, through the Department of Finance and the Department of State General Accounting, respectively, the trend of tax and contribution revenues and publishes a monthly report on this trend. https://www.finanze.gov.it/opencms/it/entrate-tributarie/monitoraggio-entrate-tributarie/?u=1495814105 See for example the publication of the report for January 2020: https://www.finanze.gov.it/export/sites/finanze/goalleries/Documents/entrate_tributarie/RETeC-2020-1.pdf Please note that in addition to the quarterly report, monthly data on budget commitments and payments are provided on a detailed basis, by administrative, economic and functional classification (mission), on the open data portal and on the institutional website within one month of the period covered. https://bdap-opendata.mef.gov.it/catalog/PBS_SPE_M

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:

Comment:
IYRs are regulated by art. 14, paragraph 4, of Law no. 196/2009, as amended by art. 1, paragraph 9, letter a) of Law no. 163/2016. By 31 May, 30 September and 30 November, the Ministry of Economy and Finance - Department of the General Accounting Office of the State - publishes a report setting out the results of the cash management of General Government referring, respectively, to the first quarter, first half and first nine months of the year. In 2020, one out of the three quarterly reports was published late (i.e., more than three months after the end of the reporting period). Hence, a “c” response.
IYRs: 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 2020 should be entered as 05 September 2020. If the document is not published or not produced, please mark this question “n/a.”

Answer:

Source:
Answer:
IYRs are regulated by art. 14, paragraph 4, of Law no. 196/2009, as amended by art. 1, paragraph 9, letter a) of Law no. 163/2016. By 31 May, 30 September and 30 November, the Ministry of Economy and Finance - Department of the General Accounting Office of the State - publishes a report setting out the results of the cash management of General Government referring, respectively, to the first quarter, first half and first nine months of the year. The date of publication is reported in the IYRs documents.

Source:


Comment:
If the document is not published at all, researchers should mark this question "n/a."
In 2020, one out of the three quarterly reports was published late (i.e., more than three months after the end of the reporting period). It has to be highlighted that the same holds true also for the IYRs of 2019 (http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/previsione/contabilita_e_finanza_pubblica/trimestrale_di_cassa/2019/index.html):


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:

Source:
General link to the 2020 IYRs: http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/previsione/contabilita_e_finanza_pubblica/trimestrale_di_cassa/

Comment:
/
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, Word (.doc/.docx) and HTML 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 publicly available, therefore their machine readability cannot be assessed.

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

Comments: see also: https://bdap-opendata.mef.gov.it/catalog/PBS_SPE_M

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:


**Comment:**

IYRs are regulated by art. 14, paragraph 4, of Law no. 196/2009, as amended by art. 1, paragraph 9, letter a) of Law no. 163/2016. By 31 May, 30 September and 30 November, the Ministry of Economy and Finance - Department of the General Accounting Office of the State - publishes a report setting out the results of the cash management of General Government referring, respectively, to the first quarter, first half and first nine months of the year. In 2020, one out of the three quarterly reports was published late (i.e., more than three months after the end of the reporting period). Hence, an "a" response: see also the answer to questions IYRs-2 and IYRs-3a.

**Peer Reviewer**  
Opinion: Agree

**Government Reviewer**  
Opinion: Agree  
Comments: In addition to the quarterly report, monthly reports are published. In 2020, as regard the monthly report on the trend of tax and contribution revenues (Rapporto mensile sull'andamento delle entrate tributarie e contributive) January report was published on 16th March; February report on 15th April; March report on 15th May; April report on 15th June; May report on 15th July; June report on 17th August; July report on 15th September; August report on 15th October; September report on 16th November; October report on 15th December. To the quarterly report, monthly data on budget commitments and payments are provided on a detailed basis, by administrative, economic and functional classification (mission), on the open data portal and on the institutional website within one month of the period covered. https://bdap-opendata.mef.gov.it/catalog/PBS_SPE_M

**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: Agree  
Comments: N/A

**Government Reviewer**  
Opinion: Agree

**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 2020."

*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:**  
Relazione sul conto consolidato di cassa delle amministrazioni pubbliche al 31 marzo 2020 (art. 14 della legge 31 dicembre 2009, n. 196)  
Relazione sul conto consolidato di cassa delle amministrazioni pubbliche al 30 giugno 2020 (art. 14 della legge 31 dicembre 2009, n. 196)  
Relazione sul conto consolidato di cassa delle amministrazioni pubbliche al 30 settembre 2020 (art. 14 della legge 31 dicembre 2009, n. 196)
IYRs. 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: https://www.internationalbudget.org/publications/citizens-budgets/

Source: 


Comment:/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: There are also the following reports: "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Dicembre 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Novembre 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Ottobre 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Settembre 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Agosto 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Giugno 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Aprile 2020" "Rapporto mensile sul conto consolidato di cassa del settore statale e delle amministrazioni centrali - Febbraio 2020" "Rapporto mensile sull’andamento delle entrate tributarie e contributive" (monthly report); link to the monthly data on budget commitments and payments are provided on a detailed basis, by administrative, economic and functional classification (mission), on the open data portal and on the institutional website within one month of the period covered. https://bdap-opendata.mef.gov.it/catalog/PBS_SPE_M/?h=search

See, for example: “2020/07 pagamenti-bilancio-dello-stato-categoria-economica-amministrazione”

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: https://www.internationalbudget.org/publications/citizens-budgets/

Source:


Comment:/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: The IYRs data are not included in the citizen app "Bilancio Aperto".

Government Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: Please note that App BILANCIO APERTO also made information easily available (data, tables, graphs, glossary, explanatory note, contacts, etc.) to all citizens for In Year Reports. It can be considered a Citizen Budget itself. See our comment on Section 1 - Citizens Budget. https://www.rgs.mef.gov.it/VERSIONE-I/news/Ispettorati/2020/news_31_dicembre_2020/index.html (See the Section of the APP colored in orange and named "RGS INFORMA")
We welcome the government reviewer's comment. However, upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged. The application "Bilancio Aperto" provides a wealth of data and figures on budget items, it is very easy and fast to navigate and allows to go quite deep in the estimates of each document. However, no proper explanation of such information is included that allows lay actors and the general public to frame this kind of information into a coherent narrative, resulting in a huge array of data rather than in an effort to summarize and to decline data within an understandable and single framework. In other words, the amount of data is not matched by some level of narrative information that could help the general public make sense of it. By definition and design, a citizens budget should explain in a clear and catchy way to the user what a budget document is, simplify its structure, and highlight the most relevant information and data therein included, guiding him/her in the search for and contextualization of the desired information in the budget document. From the App, at the moment we find the 2022 EBP, 2020 YER and the 2021 Supplementary budget (Disegno di legge, Rendiconto e Assestamento). But one really needs to know quite a bit about the budget process and its documents to be able to use this App fully and make the most out of the data presented. A layman would not know where to start. A separate note is about the fact that the app is only available for smartphones and tablets, therefore limiting to a certain extent full access to the information.

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: |
| FY 2020 |
| Source: | http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/gestione_del_bilancio/assestamento_del_bilancio/ |
| Comment: | / |

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: This is the correct link to the MYR for FY 2020 https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/gestione_del_bilancio/assestamento_del_bilancio/2020/index.html

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: |
| a. Six weeks or less after the midpoint |
| 7 October 2020: definitive approval of the MYR by the Senate: http://www.senato.it/leg/18/BGT/Schede/Ddliter/53221.htm |
| See also: https://www.gazzettaufficiale.it/do/atto/vediLavoriPreparatori?atto.dataPubblicazioneGazzetta=2020-10- |
Comment:
The document was made available to the public within the indicated time frame (see the first link provided above), but still not approved by both the Houses of the Italian Parliament. Indeed, according to the Art. 33 of the Law No. 196/2009, the MYR must be transmitted to the Parliament by June 30th. The MYR bill can be amended during Parliamentary scrutiny and debate. The MYR 2020 was definitely approved by the Parliament on 2020, October 7th and converted into Law on October 8th.

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.

Answer:
8/7/2020

Source:
http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2573.18PDL0108510.pdf

Comment:
In compliance with the OBS methodology, we take into account the date in which the MYR was transmitted to the Parliament for scrutiny.

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:
In compliance with the OBS methodology, we take into account the date in which the MYR was transmitted to the Parliament for scrutiny.

Source:
http://documenti.camera.it/leg18/pdl/pdf/leg.18.pdl.camera.2573.18PDL0108510.pdf

Comment:
/
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:
https://www.gazzettaufficiale.it/eli/id/2020/10/16/20G00147/sg

Source:
https://www.gazzettaufficiale.it/eli/id/2020/10/16/20G00147/sg

Comment:
/

Peer Reviewer
Opinion: Agree
Government Reviewer
Opinion: Agree

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, Word (.doc/.docx) and HTML 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 publicly available, therefore its machine readability cannot be assessed.

Answer:
a. Yes, all of the numerical data are available in a machine readable format

Source:
https://bdap-opendata.mef.gov.it/catalog/2020_PAS
https://bdap-opendata.mef.gov.it/content/2020-provvedimento-di-assestamento-approvato-triennio-g8-od-action-plan-capitolo
https://bdap-opendata.mef.gov.it/content/2020-provvedimento-di-assestamento-approvato-elaborabile-spese-capitolo
https://bdap-opendata.mef.gov.it/content/2020-provvedimento-di-assestamento-approvato-elaborabile-spese-piano-di-gestione
https://bdap-opendata.mef.gov.it/content/2020-provvedimento-di-assestamento-approvato-elaborabile-entrate-articolo

Comment:
/

Peer Reviewer
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 "c" 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:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.</td>
<td>Not applicable (the document is publicly available)</td>
</tr>
</tbody>
</table>

Source: /

Comment: The document is publicly available.

---

MYR-6b. If you selected "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:

Source: 

Comment: 

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Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
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 2019/20" or "Mid-Year Report on the 2020 National Budget."

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

Answer:
Disposizioni per l’assestamento del bilancio dello Stato per l’anno finanziario 2020

Source: https://www.gazzettaufficiale.it/eli/id/2020/10/16/20G00147/sg

Comment: /

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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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: https://www.internationalbudget.org/publications/citizens-budgets/

Answer:
b. No

Source: /

Comment: /

Peer Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: A "citizen version" of MYR is provided through the App "Bilancio Aperto" (see comment CB-3a):

Government Reviewer
Opinion: Disagree
Suggested Answer: a. Yes
Comments: Please note that App BILANCIO APERTO made information easily available to all citizens (data, tables, graphs, glossary, explanatory note, contacts, etc.) for the Mid-Year budget Review. It can be considered a Citizen Budget itself. See our comment on Section 1 - Citizens Budget. https://www.rgs.mef.gov.it/VERSIONE-I/news/Ispettorati/2020/news_31_dicembre_2020/index.html

IBP Comment
We welcome the government reviewer's comment. However, upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged. The application "Bilancio Aperto" provides a wealth of data and figures on budget items, it is very easy and fast to navigate and allows to go quite deep in the estimates of each document. However, no proper explanation of such information is included that allows lay actors and the general public to frame this kind of information into a coherent narrative,
resulting in a huge array of data rather than in an effort to summarize and to decline data within an understandable and single framework. In other words, the amount of data is not matched by some level of narrative information that could help the general public make sense of it. By definition and design, a citizens budget should explain in a clear and catchy way to the user what a budget document is, simplify its structure, and highlight the most relevant information and data therein included, guiding him/her in the search for and contextualization of the desired information in the budget document. From the App, at the moment we find the 2022 EBP, 2020 YER and the 2021 Supplementary budget (Disegno di legge, Rendiconto e Asssestamento). But one really needs to know quite a bit about the budget process and its documents to be able to use this App fully and make the most out of the data presented. A layman would not know where to start. A separate note is about the fact that the app is only available for smartphones and tablets, therefore limiting - to a certain extent - full access to the information.

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:
FY 2019

Source:
http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/?_selmenu=2_2

http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_generale_del_patrimonio/?_selmenu=2_1

Comment:
According to article 36 of Law 196 of 31 December 2009 the YER is composed by the Budgetary Statement ("Conto del bilancio") and by the Asset Statement (i.e., "Conto del patrimonio").

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: The YER (Final Statement of Account) consists of two distinct parts: a) the revenue and expenditure account b) the balance sheet. Please note that the correct links to the YER for fiscal year 2019 are the following: the revenue and expenditure account: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/2019/index.html the balance sheet: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_generale_del_patrimonio/index.html

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:
Comment:
According to Law n. 196, Article 35, paragraph 1, YER has to be transmitted by the Government to the Parliament within six months after the end of budget year. That means before the end of June.
In 2020, YER was sent by the Government to the Parliament for approval on 2020, July 8th. The links provided above show the parliamentary process of approval of the YER by the Chamber of Deputies and the Senate House, which definitively approved the YER on 7 October (and the YER was converted in law on 8 October 2020).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.

Answer:
8/7/2020

Source:
https://www.camera.it/leg18/126?tab=1&leg=18&idDocumento=2572
http://www.senato.it/leg/18/BGT/Schede/Ddliter/53220.htm

Comment:
YER was sent by the Government to the Parliament for approval on 2020, July 8th. The links provided above show the parliamentary process of review and approval of the YER by the Chamber of Deputies and the Senate House, which definitively approved the YER on 7 October (and the YER was converted in law on 8 October 2020).
An additional that the Javascript code tool shows the date 07/15/2020, and that means that the document was definitely posted by that date. But it won’t change the response to the timeliness question.

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:
The date is referred to the publication by the branch of the Italian Parliament in charge of the first reading of the YER, i.e. the Chamber of Deputies.

Source:
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.*

<table>
<thead>
<tr>
<th>Answer:</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/rendiconto_economico/">https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/rendiconto_economico/</a></td>
</tr>
<tr>
<td>Source:</td>
</tr>
<tr>
<td>Document can be downloaded here: <a href="https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/rendiconto_economico/">https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/rendiconto_economico/</a></td>
</tr>
<tr>
<td>Also viewable here:</td>
</tr>
<tr>
<td><a href="https://www.gazzettaufficiale.it/eli/id/2020/10/16/20G00146/sg">https://www.gazzettaufficiale.it/eli/id/2020/10/16/20G00146/sg</a></td>
</tr>
<tr>
<td>Comment:</td>
</tr>
<tr>
<td>Further links to the 2 parts in which the YER is articulated, i.e., Budgetary Statement (&quot;Conto del bilancio&quot;) and Asset Statement (&quot;Conto del patrimonio&quot;):</td>
</tr>
<tr>
<td><a href="http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/?_selmenu=2_2">http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/?_selmenu=2_2</a></td>
</tr>
<tr>
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</tr>
</tbody>
</table>

Peer Reviewer
Opinion: Disagree
Suggested Answer: The two URLs provided in the Comment section seem to be referred to the YER of FY 2020 rather than to the FY 2019. As to the answer, I would suggest mentioning only the following URLs as the first provided by the researcher refers to the Cost Statement which should be considered as an annex (see Law 196/2009, art. 36, 5) to the main documents of the YER, i.e., the Budgetary Statement and the Asset Statement: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/2019/index.html |

Government Reviewer
Opinion: Agree
Comments: The YER (Final Statement of Account) consists of two distinct parts: a) the revenue and expenditure account b) the balance sheet. Please note that the correct links to the YER for fiscal year 2019 are the following: the revenue and expenditure account: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/2019/index.html |
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, Word (.doc/.docx) and HTML 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 publicly available, therefore its machine readability cannot be assessed.

Answer:
a. Yes, all of the numerical data are available in a machine readable format
Source:
https://bdap-opendata.mef.gov.it/catalog/2019_RND
https://bdap-opendata.mef.gov.it/content/2019-rendiconto-pubblicato-elaborabile-entrate-articolo
https://bdap-opendata.mef.gov.it/content/2019-rendiconto-pubblicato-elaborabile-spese-capitolo
https://bdap-opendata.mef.gov.it/content/2019-rendiconto-pubblicato-triennio-g8-od-action-plan-capitolo
Comment: /

Peer Reviewer
Opinion: Agree
Government Reviewer
Opinion: Agree

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: /
Comment: The document is publicly available.

Peer Reviewer
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:  
Comment:  

Peer Reviewer  
Opinion: Agree  
Comments: N/A  
Government Reviewer  
Opinion: Agree  

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 2020" or "Annual Report 2019 Published by the Ministry of Finance and Planning." If the document is not produced at all, researchers should mark this question "n/a."

Answer:  
Rendiconto dell'Amministrazione dello Stato per l'esercizio finanziario 2019  
Source:  
https://www.gazzettaufficiale.it/eli/id/2020/10/16/20G00146/sg  
Comment:  
/

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:
**Answer:**

b. No

**Source:**

http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/rendiconto_in_breve/

**Comment:**

Not for 2019. The last "Rendiconto in breve" is related to 2015. An interactive YER web-based navigation platform is available (https://openbdap.mef.gov.it/it/BDS/Esplora?fase=4&esercizio=2019&entrate_spesa=1&spese_navigation=1&spese_missioni=0&navigazione_entrate=1&entrate_tipologie=0&spese_ministeri=0&spese_titoli=0&spese_categoria=0&entrate_titoli=0&entrate_categoria=0&navigazione_saldi=1&totale=1), but we don’t think that such tool should be considered as a citizens version of the YER.

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**Peer Reviewer**

Opinion: Disagree

Suggested Answer: a. Yes

Comments: A 'citizen version' of the YER is provided through the tool "Bilancio Aperto" (see my previous comment CB-3a).

**Government Reviewer**

Opinion: Disagree

Suggested Answer: a. Yes


**IBP Comment**

We welcome the government reviewer's comment. However, upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged. The application "Bilancio Aperto" provides a wealth of data and figures on budget items, it is very easy and fast to navigate and allows to go quite deep in the estimates of each document. However, no proper explanation of such information is included that allows lay actors and the general public to frame this kind of information into a coherent narrative, resulting in a huge array of data rather than an effort to summarize and to decline data within an understandable and single framework. In other words, the amount of data is not matched by some level of narrative information that could help the general public make sense of it. By definition and design, a citizens budget should explain in a clear and catchy way to the user what a budget document is, simplify its structure, and highlight the most relevant information and data therein included, guiding him/her in the search for and contextualization of the desired information in the budget document. From the App, at the moment we find the 2022 EBP, 2020 YER and the 2021 Supplementary budget (Disegno di legge, Rendiconto e Assestamento). But one really needs to know quite a bit about the budget process and its documents to be able to use this App fully and make the most out of the data presented. A layman would not know where to start. A separate note is about the fact that the app is only available for smartphones and tablets, therefore limiting - to a certain extent - full access to the information.

---

**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:**

FY 2019

**Source:**

https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

**Comment:**

/

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**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree
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://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

Comment: /

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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 2020 should be entered as 05/09/2020. If the document is not published or not produced, leave this question blank.

Answer:
24/6/2020

Source: https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

Comment: /

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:
The date is expressed in the website of the Corte dei Conti, i.e., the Italian SAI-Supreme Audit Institution.

Source:
https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

Source:
https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

Comment:
Additional link to all the AR reports from 2014 onwards:
https://www.corteconti.it/Home/Organizzazione/UfficiCentraliRegionali/UffSezRiuniteSedeControllo/RelRendiconto

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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, Word (.doc/.docx) and HTML 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 publicly available, therefore its machine readability cannot be assessed.

Answer:
c. No

Source:
https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

Comment:
Data are published in a PDF format.
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:
/

Comment:
The document is publicly available.
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:
Giudizio di parificazione sul rendiconto generale dello Stato per l'esercizio finanziario 2019

Source:
https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295c6bc47ebf

Comment:
/

Peer Reviewer
Opinion: Agree

GovernmentReviewer
Opinion: Agree

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 these 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:
https://www.internationalbudget.org/publications/citizens-budgets/

Answer:
b. No

Source:
https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295c6bc47ebf

Comment:
A synthetic version in a narrative/descriptive format of the AR was published by the Italian SAI, even though in our opinion it cannot be properly considered as a AR citizens version (also considering international standards and examples regarding the publication of citizens version of public budget official documents): https://www.corteconti.it/Download?id=acf9a0ed-cc55e-855e-55f5f252bd95

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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 (https://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 can be used to access budget information.

Answer:

a. Yes

Source:

Other important references:
- Dipartimento del Tesoro (Treasury Department): http://www.dt.mef.gov.it/it/
- Ufficio Parlamentare di Bilancio (Parliamentary Budget Office): http://www.upbilancio.it/
- Corte dei Conti (Supreme Audit Institution): http://www.corteconti.it

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

Comments: The link indicated for the App does not work. The correct link to website of App “Bilancio Aperto” is the following: https://www.rgs.mef.gov.it/VERSIONE-I/bilancio_aperto/index.html

GQ-1b. On these websites/portals, can revenue and/or expenditure data for the current fiscal year be downloaded as a consolidated, machine readable file (or set of files)? If yes, please provide the necessary links in the comment/citation. For more information on machine readability, see: http://opendatahandbook.org/glossary/en/terms/machine-readable/.

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 disaggregated revenue and/or expenditure information for the current fiscal year; (b) consolidated files that contain disaggregated 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:
- https://openbdap.mef.gov.it/
- https://bdap-opendata.mef.gov.it/catalog/?h=search0&search1
- https://openbdap.mef.gov.it/it/BdS
GQ-1c. On these websites/portals, can disaggregated revenue and/or expenditure data in consolidated, machine readable files be downloaded for multiple years in consistent formats? If yes, please provide the necessary links and details in the comment/citation. For more information on machine readability, see: [http://opendatahandbook.org/glossary/en/terms/machine-readable/](http://opendatahandbook.org/glossary/en/terms/machine-readable/).

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

**Source:**
https://openbdap.mef.gov.it/
https://bdap-opendata.mef.gov.it/catalog/?h=search0&search1
https://openbdap.mef.gov.it/it/BdS
http://bilancioaperto.mef.gov.it/landing.html

**Comment:**

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
Comments: The link indicated for the App does not work. The correct link to website of App "Bilancio Aperto" is the following: https://www.rgs.mef.gov.it/VERSIONE-I/bilancio_aperto/index.html

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:**
a. Yes

**Source:**
https://openbdap.mef.gov.it/
https://openbdap.mef.gov.it/it/BdS
http://bilanciaaperto.mef.gov.it/landing.html

Comment: /

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

Comments: The link indicated for the App does not work. The correct link to website of App "Bilancio Aperto" is the following: https://www.rgs.mef.gov.it/VERSIONE-I/bilancio_aperto/index.html

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://kenyalaw.org:8181/exist/kenyalex/action.xql?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:

Comment:
The current text of the above cited law incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by more recent Legislative Decrees (e.g., No. 116/2018). This law concerns the different aspects of public financial management. Specifically, see title II "Misure per la Trasparenza e la Controllabilità della Spesa", which includes the different measures to ensure transparency and control over public budget. The auditing process is regulated by art. 37 "Parificazione del rendiconto".

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

GQ-3. Is there at least one additional law 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/ri-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:
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:**


**Comment:**

/
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:


Comment:
Expenditures by functional classification can be found in the EBP, Section 2, Estimates, and also in Section 1, Explanatory Report, pp. 91 and following.

Peere 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 crosswalk between the national functional presentation and COFOG.


Answer:

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

Source:
Disegno di Legge di Bilancio, Sezione II, Deliberativo degli stati di previsione:

See also the Italian National Institute of Statistics’s link to the COFOG functional classification of public expenditure in line with international standards adopted in Italy:
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. Please note that a presentation of expenditures by current and capital expenditures without additional disaggregation or detail will not qualify as an economic classification.

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:

Disegno di Legge di Bilancio, Sezione I, Relazione illustrativa e articolato, pp. 38-44 (Tavole II.11a; II.11b; II.12a; II.12b):
Previous tables at pp. 31-37 show also revenue information.

Comment:

/

Comment:

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 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, 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:

Comment:
In those 800+ pages, information is presented by program and subprogram (missione/programma/azione) for each ministry.

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:

a. Yes, multi-year expenditure estimates are presented by all three expenditure classifications (by administrative, economic, and functional classification).

Source:
Disegno di Legge di Bilancio, Sezione I, Relazione illustrativa e articolato, Tavola IV.3/1-3/17, pp. 88-107:

Comment: All above mentioned tables present information for 2021, 2022 and 2023.

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:
Administrative classification
Economic classification
Functional classification

Source:

Comment: The budget and most (if not all) tables included in the above cited document present information for BY (2021) as well as the two following budget years (2022 and 2023).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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?
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.


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 détaillé. (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.

Answer:

a. Yes, multi-year estimates for programs accounting for all expenditures are presented.

Source:
Disegno di legge di Bilancio, Sezione II, Deliberativo degli stati di previsione, pp. 23 and following:

Comment:
The above cited document shows program-level information for BY, BY+1 and BY+2. Each “unità di voto” included in the tables from page 23 onwards includes estimates for 2021, 2022 and 2023.

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:
Disegno di legge di Bilancio, Sezione II, Deliberativo degli stati di previsione, pp. 5 and following:
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-produced 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:**
a. Yes, individual sources of non-tax revenue accounting for all non-tax revenue are presented.

**Source:**

**Comment:** /
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:
a. Yes, multi-year estimates for individual sources of revenue accounting for all revenue are presented.

Source:
Disegno di legge di Bilancio, Sezione II, Deliberativo degli stati di previsione, pp. 5 and following:

Comment:
/

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. For the purposes of this question, the deficit may be accepted as a proxy for net new borrowing.

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.

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 central government’s total debt burden at the end of the budget year
The interest payments on outstanding debt for the budget year

Source:

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:


Comment:
The information provided in the above mentioned tables doesn’t show any tips about the maturity profile of the debt and whether it is domestic or external; only information on interest rates on the debt are provided.

Peer Reviewer
Opinion: Agree

Comments: I would add in the comment that, information on debt maturity profile and its nature (domestic/external) are provided in PBS and are regularly updated on the Treasury website: http://www.dt.mef.gov.it/it/debito_pubblico/ Anyhow, this information is not included in the EBP documentation.

Government Reviewer
Opinion: Agree

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:
Interest rates on the debt

Source:
Nota tecnico-illustrativa al Disegno di Legge di Bilancio 2019-2021, Tavola I.1 and following, p. 4 and following:

Nota di Aggiornamento al Documento di Economia e Finanza 2020, Tavola I.4, p. 15; Tavola III.2, p. 69:

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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.
a. Yes, information beyond the core elements is presented for the macroeconomic forecast.

Source:
Nota di Aggiornamento al Documento di Economia e Finanza 2020, pp. 1-54:

Comment:
For example, in the above cited document information beyond the core elements is presented for the macroeconomic forecast:
- GDP trend (Figura I.1, p. 1)
- macroeconomic trends in GDP, employment and balance of payments (Tavola I.1, p. 5)
- public finance indicators on debt, interest, primary balance (Tavola I.4, p. 15)
- trend macroeconomic picture of trade, consumption, investment, exports, prices, labour (Tavola II.2, p. 51).

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
Interest rates
Information beyond the core elements (please specify)

Source:
Nota di Aggiornamento al Documento di Economia e Finanza 2020, pp. 1-54:

Comment:
Information beyond the core elements can be found for example at p. 5 (Employment, Unemployment Trends and Forecasts), pp. 22-28 (Monetary Policies, International Trade Trends and Forecasts), pp. 42-51 (National Trade Trends and Forecasts).

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:
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:**

Nota di Aggiornamento al Documento di Economia e Finanza 2020, pp. 49-50:

**Comment:**
Whereas no sensitivity analysis is available in the Disegno di Legge di Bilancio 2021-2023 (https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DLB_2021_DLB-01-Deliberativo_Relazione_e_Articolato.pdf), it can be barely found in the Nota di Aggiornamento al Documento di Economia e Finanza 2020, pp. 49-50 (http://www.dt.mef.gov.it/modules/documenti_it/analisi_progammazione/documenti_programmatici/nadef_2020/NADEF_2020_Pub.pdf), even if it properly includes information only on the impact of five different variables/scenarios on GDP growth (not on budget/fiscal estimates). In this light, we think that the answer should be "d".

**Peer Reviewer**
**Opinion:** Disagree
**Suggested Answer:**
c. Yes, information is presented, but it excludes some core elements.
**Comments:** A more appropriate answer should be "c" (see "Focus" section, pages 48-50, and Section III.3 p. 88):
http://www.dt.mef.gov.it/modules/documenti_it/analisi_progammazione/documenti_programmatici/nadef_2020/NADEF_2020_Pub.pdf The "Nota di Aggiornamento al Documento di Economia e Finanza 2020" (namely 'update not to the PBF') is a supporting budget document to the EBP.

**Government Reviewer**
**Opinion:** Agree

**Researcher Response**
We acknowledge the Peer Reviewer’s comment, but we think that the answer should not be changed. In our opinion the information included in the NADEF pointed out by the PR doesn’t show any specific impact of different macroeconomic assumptions on the budget including estimates on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates. The only sensitivity analysis refers to the specific impact of the Italian PNRR (National Recovery and Resilience Plan) on inflation rate, GDP growth, and interest rates but without taking into consideration, as explicitly required, different macroeconomic scenarios nor the assumptions on expenditures and revenue (p. 88 and following, and table III.9).

**IBP Comment**
In light of the researcher’s response to the peer reviewer’s comment, and in agreement with the government, the response remains unchanged.

**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...
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:


Comment:
For example, in the Relazione tecnica al Disegno di Legge di Bilancio 2021-2023 (https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DLB_2021_DLB-01-Deliberativo_Relazione_e_Articolato.pdf), pp. 249 and following, new policy measures on a wide range of issues (economic development and industrial sectors, labour, health, tourism, defence, school and university, R&D, social security and social care…) are presented, together with their respective expenditures.


Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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.

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**Answer:**

a. Yes, estimates that show how all new policy proposals affect revenues are presented, along with a narrative discussion.

**Source:**


See for example, at p. 20, the impact on revenues due to the availability of resources from the Next Generation EU funds: "La manovra di finanza pubblica tiene conto altresì della finalizzazione di fondi di bilancio previsti da precedenti leggi di bilancio, della rimodulazione e revisione di spese varie e dell'effetto sul bilancio della maggiore crescita economica prevista in relazione alla dimensione espansiva della manovra di bilancio e all'impiego delle risorse previste nell'ambito dello strumento europeo Next Generation EU."


See, for example, at p. 20, the impact on revenues due to the temporary suspension of the escape clauses on VAT and fuel excise duties: "Sulle entrate finali gli effetti di questi provvedimenti risulta di modesta entità mentre diventano progressivamente più rilevanti nel periodo 2021-2023. Tale andamento è dovuto quasi interamente per la componente delle imposte tributarie alla soppressione delle c.d. clausole di salvaguardia che prevedevano aumenti automatici delle aliquote IVA e delle accise sui carburanti (19,8 miliardi nel 2021, 26,7 miliardi nel 2022 e 27 miliardi nel 2023)."

**Comment:**

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**Peer Reviewer**

**Opinion:** Agree

**Government Reviewer**

**Opinion:** Agree

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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:**

a. Yes, expenditure estimates for BY-1 are presented by all three expenditure classifications (by administrative, economic, and functional classification).

**Source:**


Disegno di Legge di Bilancio 2021-2023, Sezione II, Deliberativo degli stati di previsione, pp. 21 and following: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-
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:


Comment:
Both the above mentioned documents include BY 2020 (BY-1) as the first column or set of information in most if not all their tables.
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:
a. Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.

Source:


Comment:
In the above cited documents, many tables show information for BY-1 (i.e., 2020), and specifically include “initial estimates” and “adjusted estimates” (previsioni iniziali vs. previsioni assestate). See for example pages 29-30 of the first document (“Relazione illustrativa...”), and all the tables in the hundreds of pages of the “Stati di previsione” that include two columns for 2020 (initial estimates and adjusted estimated).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

Comment:
Expenditures are presented by functional and economic classification. See the columns for BY 2019: “previsioni iniziali” and “previsioni definitive”

Peer 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:
Economic classification
Functional classification

Source:

Comment:
In all the above mentioned tables, it is possible to find expenditure by both economic and functional classifications, showing estimates for more than one year prior to the budget year.

Please note that administrative classification can be found in the "Stati di previsione" volume which displays the revenues and the expenditures of each Ministry, even though it refers only to 1 year prior to the budget year. See for example, pp. 5 and following:

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 détaillé.” (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:
d. No, expenditures are not presented by program for BY-2 and prior years.

Source:
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:**

**Comment:**

However, in the EBP 2021-2023 the above mentioned annex has been removed, and the same holds true also in the case of the EBP 2020-2022: https://www.rgs.mef.gov.it/Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2020-2022/DLB/DLB_2020_DLB-02-Deliberativo_Quadri_Gener.pdf

**Peer Reviewer**
Opinion: Disagree
Suggested Answer:
a. Two years prior to the budget year (BY-2).


**Government Reviewer**
Opinion: Disagree
Suggested Answer:
a. Two years prior to the budget year (BY-2).

Comments: Annex C 'BILANCIO PROGRAMMATICO' is no longer included in the DLB 2021-2023 - Sezione II - Deliberativo e Quadri Generali. This is a document that was provided by law 196/2009, article 22, and it is now no longer drafted since the article 22 has been repealed by law 163/2016, art. 2, paragraph 4. Annex C presented until DLB 2019 2021. However, the answer should be A. Two years prior to the budget year (BY-2). Similarly to what is indicated for the revenues in question no. 30, for expenditures the information is presented in Disegno di Legge di Bilancio, Nota Tecnico-Illustrativa, Tabella 1.2, p. 17. In fact, 'actual outcomes' data are presented in column 2019, which illustrates State’s expenditures and revenues as elaborated by ISTAT according to SEC2010 criteria https://www.rgs.mef.gov.it/Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/NotaTecnico-Illustrativa_dlb-
2021_2023.pdf

Researcher Response
We thank the PR and the GR for their comments and we agree with them that the answer should be changed from "d" to "a".

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:

Comment:
/

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:

Comment:
/

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:
a. Yes, revenue estimates for BY-1 have been updated from the original enacted levels.

Source:
Disegno di Legge di Bilancio, Sezione I, Tavole I.1a, I.1b, II.7, II.8, pp. 6 and following:

Comment:
In the above mentioned tables, there are two columns for BY -1 (2020): one for initial and another for adjusted estimates ("previsioni iniziali" and "previsioni assestate").

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:

Comment:/

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:
c. Yes, individual sources of revenue accounting for less than two-thirds of all revenues are presented for BY-2 and prior years.

Source:

Comment:
The above cited tables present revenues from different individual sources of revenue.

Peer Reviewer
Opinion: Disagree
Suggested Answer:
d. No, individual sources of revenue are not presented for BY-2 and prior years.

Government Reviewer
Opinion: Agree

Researcher Response
In the light of the PR’s comment, we agree to change the answer into (d).

IBP Comment
We welcome the exchange between the reviewers and the researcher. To maintain consistency of responses across countries, and with the methodology, the response remains unchanged “c.” While most of the items reflect “categories” rather than individual sources, there are nonetheless some items that have been identified as individual sources elsewhere (such as social contributions). Below is a rough English transcript of the table, for reference: Taxes D5 Direct taxes D2 Indirect taxes D612 Social contributions D73 Current transfers from [other levels of] public administration Transfers from other parties D75 - D72 Current transfers and other insurance indemnities Other recurrent income D74 International aid D4 Income from capital P1 Sellable production and for own use D91 Capital taxes D99 Transfers from other subjects D92 Contributions to investments by [the various agencies of the] public administration

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:

Comment:
/
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. Please note that for the purposes of this question, the deficit may be accepted as a proxy for net new borrowing.

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:

Comment:
In the tables above, information is provided about the total debt outstanding, the amount of net borrowing, the interests payments on debt. Information is missing on interest rates on the debt, maturity profile of the debt and whether it is external and domestic.
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 total debt outstanding 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.

Answer:

a. Two years prior to the budget year (BY-2).

Source:

Comment:
Note at the bottom of the table: “I dati relativi all’anno 2019 sono consuntivi di fonte Istat.”

Peer Reviewer
Opinion: Agree
Comments: I suggest to also include the following reference for debt data (see p. 84, TAVOLA III.7 DEBITO DELLE AMMINISTRAZIONI PUBBLICHE PER SOTTOSETTORE):

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.
Please provide in the comments a list of all known extra-budgetary funds.

Answer:

- Yes, information is presented, but it excludes some core elements or some extra-budgetary funds.

Source:
Some information about extra-budgetary funds is included in the “Allegato Tecnico Ministero dell’Economia e delle Finanze”. See “ALLEGATO N. 4 · GESTIONI FUORI BILANCIO E ALTRI FONDI CHE NON RIENTRANO NEI BILANCI ORDINARI”, pp. 1800-1815:

Comment:
In the above mentioned document it is possible to find information on:
- name of the expenditure areas and respective regulatory reference;
- reference to the ministry in charge;
- some examples of areas of expenditure: employment and entrepreneurship investment funds, national solidarity fund, territorial pacts, guarantee fund for the first house, pension guarantee fund, fund for the reduction of climate-changing gases (Kyoto protocol)...

However, there is no 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 the information provided refers only to 2017 and mid-2020, not to BY 2021.

Peer Reviewer
Opinion: Agree
Comments: I suggest to also include the reference to “Allegato n. 18 · Capitolo n.7407 · Oneri derivanti dalle garanzie assunte dallo Stato in dipendenza di varie disposizioni legislative.” Here, some information is provided about the various guarantee funds administered by the State but no financial data is disclosed. Moreover, information about pension and social security managed in the extra-budgetary fund of “INPS” are not disclosed in the EBP.

Government Reviewer
Opinion: Agree

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.pdf 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.
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:**


See also, at the above link, Titolo XII “Regioni ed enti locali” of the Disegno di Legge di Bilancio 2021-2023, pp. 632 and following.

**Comment:**

/
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. This 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.


- 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://not.portal.gov.bd/site/page/5bb14732b8b1-44df-9921-efedf1946295](https://not.portal.gov.bd/site/page/5bb14732b8b1-44df-9921-efedf1946295)).
- 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/FullBP.pdf](http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBP.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 only if 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:
- The EBP 2021-2013 includes as annexes:

Nonetheless, the reading of those two documents does not allow to understand the financial impact of ODA and environmental policies on different groups of citizens, thus in our opinion they cannot be considered in the answer.

Comment:
It also necessary to cite:

We do not think, though, that this Report may be considered as EBP supporting documentation, since it refers to the data and information of the Rendiconto Generale dello Stato (YER), and it is not included in the EBP-related documents (e.g., as specific annexes).


Law 163/2016 foresees indeed that the Government presents by April 15 to the Parliament a report to assess the impact of the EB (not the EBP) on a set of 12 well-being indicators. In 2019, Sbilanciamoci! and ASVIS formally asked the Government to include the use of well-being indicators in the EB, but the Government didn't answer: http://asvis.it/home/46-3363/questa-settimana-asvis-2018-un-messaggio-di-preoccupazione-e-speranza#.XLdEa1aY0o

We do not think, thus, that this Report may be considered as EBP supporting documentation, since it is not included in the EBP-related documents (being instead an annex to the PBS).
Peer Reviewer
Opinion: Disagree
Suggested Answer:
c. Yes, one alternative display of expenditures is presented to illustrate the financial impact of policies on different groups of citizens.
Comments: A more appropriate answer should be "c". I would consider the environment-based budget ("Ecobilancio") and the forecast data on the resources allocated in the State budget for Official Development Assistance (ODA) as efforts to provide alternative displays of expenditures to illustrate the financial impact of policies on specific group of users and user needs. Moreover, there are detailed financial information and narratives for expenditures aimed to support families impacted by Covid-19 and other expenditures for other needy people (see Mission 24 "Diritti sociali, politiche sociali e famiglia", p. 53): https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DLB_2021_DLB-01-Deliberativo_Relazione_e_Articolato.pdf

Government Reviewer
Opinion: Agree

Researcher Response
We acknowledge the Peer Reviewer’s comment, but we believe the answer should remain as it is, since the information provided in the two above mentioned documents does not allow to understand the financial impact of ODA and environmental policies on different groups of citizens.

IBP Comment
Having read through the conversation between the researcher and the peer reviewer, and in light of the government reviewer agreeing with the researcher, the response remains unchanged, ‘d.’

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: See previous answer.
Comment: /

Peer Reviewer
Opinion: Disagree
Suggested Answer: Based on my comment to Q36, the types of alternative displays included in the EBP are: - Policy impact based on climate - Policy impact on Official Development Assistance (ODA) - Policy impact based on income

Government Reviewer
Opinion: Agree

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.

Please provide in the comments a list of all known public corporations.

Answer:

c. Yes, estimates of some but not all transfers to public corporations are presented.

d. No, no estimates of transfers to public corporations are presented.

Source:


Comment:
Some information is provided in the Allegati tecnici of the EBP related to a number of Italian Ministries participating to the budget of public corporations (MoF; Economic Development, Infrastructures...). Nonetheless, the information is not complete, nor a synthetic overview of all the interventions is provided, and the EBP does not include a complete itemized list of transfers to public corporations.

Peer Reviewer
Opinion: Disagree
Suggested Answer:

b. Yes, estimates of all transfers to public corporations are presented, but a narrative discussion is not included.

Comments: Complete estimates on transfers to public corporations are provided in the Annex for each Ministry, while a narrative discussion is not included. Thus, I recommend "b".

Government Reviewer
Opinion: Agree

Researcher Response
We acknowledge the Peer Reviewer’s comment, but we think that the answer should not be changed, also in consideration of the Government Reviewer’s comment, as well as for consistency with the previous OBS rounds.

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](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](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:
Some information on quasi-fiscal activities is included, but the policy rationale, associated risks and narratives are not provided. See for example the case of government’s reimbursements to Cassa Depositi e Prestiti, a publicly controlled entity that offers loans at below-market rates for different activities, at pp. 641 and following: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/allegato-tecnico-per-capitoli/DLB_2021_DLB-04-AT-020-MEF.pdf

Comment:
/

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:
Disegno di Legge di Bilancio 2021-2023:
http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/
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:
Disegno di Legge di Bilancio 2021-2023:
http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/

Comment:
/

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/gfs/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.

Answer:
/
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. Answer “d” also applies if information is only available for the changes in arrears, and not the stock or balance of arrears.

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:

a. Yes, estimates of all expenditure arrears are presented, along with a narrative discussion.

Source:
Information on expenditure arrears (“RS”) is provided for each Ministry’s account estimates (Table 2 and beyond) in the section “Sezione II - Deliberativo degli stati di previsione - DLB 2021-2023”: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/struttura_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DLB_2021_DLB-03-Delibarativo_Statistiche_di_Previsione.pdf

A narrative discussion is provided throughout the “Sezione I - Disegno di legge - DLB 2021-2023”, in particular, see the paragraph “Il.6. Il disegno di legge di bilancio a legislazione vigente per missioni e programmi, pp. 45 and following: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/struttura_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DLB_2021_DLB-01-Delibarativo_Rischieramenti.pdf

Comments:

Government Reviewer
Opinion: Agree

Comments: Law 196/2009 article 21 paragraph 3 “For each single voting unit, the following shall be indicated: a) the presumed amount of the revenue or expenditure carryovers carried forward at the close of the year prior to the year to which the budget refers;........ d) the amount of the revenue expected to be collected and the expenditure to be paid out during the year to which the budget refers, without distinguishing between transactions accruing in that year and transactions using amounts carried forward. ....” http://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/struttura_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2019-2021/DLB/DLB_2019_DLB-03-Delibarativo_Statistiche_di_Previsione.pdf

Peer Reviewer
Opinion: Agree

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.


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.

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.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.


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.

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**Answer:**
b. Yes, the core information is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.

**Source:**

**Comment:**

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**Peer Reviewer**
Opinion: Disagree
Suggested Answer:
b. Yes, the core information is presented to assess the government’s future liabilities and the sustainability of its finances over the longer term.

Comments: A more appropriate answer is "b". In the cited source core information is presented to assess the sustainability of government finances up to BY 2031. Assumptions of the two different scenarios are also detailed and the impact of age related expenditures has been included in the analysis. In the cited source, see p. 88, "III.5 SCENARI DI PROIEZIONE DEL DEBITO PUBBLICO NEL MEDIO PERIODO". It is important to note that the estimation methods and assumptions must be in line with the standards set by the European Commission (e.g., Working Group on Ageing, Output Gap Working Group, Debt Sustainability Monitor)

**Government Reviewer**
Opinion: Agree

**Researcher Response**
In the light of the evidence and information provided we agree with the PR's comment, thus the answer should be changed from "c" to "b".

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**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:**
e. Not applicable/other (please comment).

**Source:**
Disegno di legge di bilancio:
http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/

**Comment:**

Italy does not receive donor assistance.
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/IMF069/24789-9781484331859/24789-9781484331859.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:

a. Yes, information beyond the core elements is presented for all tax expenditures.

Source:

Comment:
According to Law n. 196/2009, article 21, paragraph 11-bis, since 2016 the EBP documents presents a report attached to Allegato tecnico - Entrata, where all “tax expenditure” financial effects are presented.

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 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.


Comment: /

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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: a. Yes, estimates that show how the proposed budget is linked to all the government’s policy goals for the budget year are presented, along with a narrative discussion.


Comment: /
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:
a. Yes, estimates that show how the proposed budget is linked to all the government’s policy goals for a multi-year period are presented, along with a narrative discussion.

Source:
Disegno di Legge di Bilancio 2021-2023, Sezione I, Explanatory Report, pp. 5-18, where existing policies and financial information are linked to both government’s policy goals and new proposals: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DLB_2021_DLB-01-Deliberativo_Relazione_e_Articolato.pdf

See also Nota di Aggiornamento al DEF 2020:

Comment:
Estimates are provided for BY 2020-21-22-23. See for example in the NADEF the Section “I.4 QUADRO MACRO E DI FINANZA PUBBLICA PROGRAMMATICO”, pp. 9 and following, with related figures TAVOLA I.3: QUADRO MACROECONOMICO PROGRAMMATICO SINTETICO, p. 13, or TAVOLA I.4: INDICATORI DI FINANZA PUBBLICA, p. 15.

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).

d. No, nonfinancial data on inputs are not presented for any programs and/or any administrative units (or functions).

Source:
Nonfinancial data on inputs are provided for some programs, depending on the specific objectives, in the Note integrativa al Bilancio di previsione - 2021-2023, available at this link: https://www.rgs.mef.gov.it/VERSIONE-
I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/note_integrative/note_integrative_al_bilancio_di_previsione/?_selmenu=5_3
See for example, what concerns the Ministry of Interior, the non financial indicator referred to the number of training hours for firefighters, p. 103: https://www.rgs.mef.gov.it/_Document/VERSIONE-
I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/note_integrative/2021-2023/ni_dlb/DLBNOTIC_080.pdf
See also, for what concerns the Ministry of Justice, the increase of space available for common activities in prisons (indicator: number of square metres), p. 25: https://www.rgs.mef.gov.it/_Document/VERSIONE-
I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/note_integrative/2021-2023/ni_dlb/DLBNOTIC_050.pdf; or, for what concerns the Ministry of Agriculture, the increase of the number of controls by the public administration on the quality of agri-food products, p. 28: https://www.rgs.mef.gov.it/_Document/VERSIONE-
I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/note_integrative/2021-2023/ni_dlb/DLBNOTIC_130.pdf

Comment:
/

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 outputs and outcomes are presented only for some programs and/or some administrative units or some functions. Answer “b” applies if nonfinancial data on results for each individual program is organized by functions. A “c” response applies if nonfinancial data on results for outputs and outcomes 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.
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.

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**Question 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:

Note integrative al Bilancio di previsione - 2021-2023, available at this link: https://www.rgs.mef.gov.it/VERSIONE-
l/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione(note_integrative(note_integrative_al_bilancio_di_previsione/?_selmenu=5_3

Comment:

All indicators have a performance target. Unfortunately, in many cases, the indicators and related targets are not clear. For example: a wealth of percentages is provided, and they are mostly “100%”. But 100% of what? An indicator should give a clear idea of what will be achieved, while a percentage has no meaning unless it’s attached to a baseline, or other information, which is not presented.
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 for 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.


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:
a. Yes, estimates of all policies that are intended to benefit directly the country’s most impoverished populations are presented, along with a narrative discussion.

Source:
Disegno di Legge di Bilancio, Sezione I, “Il.2. Impatto dei principali provvedimenti adottati nel 2020 sulla legislazione vigente”, pp. 22 and following; “Il.6. Il disegno di legge di bilancio a legislazione vigente per missioni e programmi”, pp. 47 and following, related notably to “Missions” n. 18, 19, 20, 25, 26, 27: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-
/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/DLB/DBL_2021_DLB-01-
Deliberativo_Relazione_e_Articolato.pdf

Comment:
/

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:
See also: https://www.rgs.mef.gov.it/VERSIONE-I/circolari/2020/circolare_n_13_2020/

Comment:
In terms of dates for what concerns the 2021 budget formulation, see section 2.7 “Calendario degli adempimenti” in the Circular of May 27, 2020. Also, please note that the second link provided above opens a page with the Circular (main document) as well as all its annexes.

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:
a. Yes, information beyond the core elements is presented for the macroeconomic forecast.

Source:
Documento di Economia e Finanza 2020, Sezione I, Programma di Stabilità dell'Italia, Tab. I.1, p. 11 (Synthetic trend macroeconomic scenario); Tab. I.2, p. 18 (Public finance indicators); Tab. II.2.a, p. 57 (Macroeconomic perspectives); II.2.b, p. 58 (Prices);
Comment:
In Tab. I.1, p. 11, there are some core macroeconomic variables referred to the period 2019-2021 (e.g. GDP, Inflation and other - Consumptions, Current account balance, Employment and Unemployment).
In Tab. I.2, p. 18, there are core macroeconomic variables referred to the period 2019-2021 for Interests, Net borrowing, Primary balance.
In Tab II.2a, p. 57, there are the Macroeconomic perspectives referred to the period 2019-2021 that include nominal GDP level and real GDP growth, Import and Export, Investments and Consumption.
In Tab II.2b, p. 58, those variables related to prices from 2017 to 2021 (e.g. GDP deflator, etc...).

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:
Documento di Economia e Finanza 2020, Sezione III, Programma Nazionale di Riforma, e.g. pp. 5-21:

Comment:
The information is provided in the Section III of the DEF 2020. The entire document includes detailed information, including extensive narrative, on the government’s policies and priorities for 2020-2021, as well as estimated costs and financial impacts.
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:
b. Yes, the core information is presented for the government’s revenue policies and priorities.

Source:
Documento di Economia e Finanza 2020, Sezione I, Programma di Stabilità, Tab. III.1, p. 68:

Documento di Economia e Finanza 2020, Sezione I, Programma di Stabilità, Tab. IV.2, p. 98:

Documento di Economia e Finanza 2020, Sezione I, Programma di Stabilità, Tab. IV.8, p. 108:

Documento di Economia e Finanza 2020, Sezione I, Programma di Stabilità, Focus "Contrasto all’evasione fiscale”, pp. 111-115:

Documento di Economia e Finanza 2020, Sezione II, Analisi e tendenze della finanza pubblica, pp. 68-71:

Documento di Economia e Finanza 2020, Sezione III, Programma Nazionale di Riforma, pp. 46-52:

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:
a. Yes, information beyond the core elements is presented for the government’s revenue policies and priorities.
Comments: As an Annex to the NADEF 2020, it is published a report on the results achieved with measures to counter tax and contribution evasion named "Relazione sull'economia non osservata e sull'evasione fiscale e contributiva anno 2020" (Law No. 196/2009, article 10-bis.1, paragraph 3)
http://www.dt.mef.gov.it/modules/documenti_it/analisi_progammazione/documenti_programmatici/ndef_2020/relazione_evasione_fiscale_e_contr
ibutiva_Alggato_NADEF_2020.pdf

Researcher Response
We thank the Government Reviewer for indicating the additional document. We still think, nonetheless, that the answer should remain unchanged, because according to the OBS guidelines and given its date of publication, the NADEF is considered as part of the EBP supporting budget documentation, and not of the PBS’s one.
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. For the purposes of this question, the deficit may be accepted as a proxy for net new borrowing.

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.

**Answer:**

| a | Yes, all three estimates related to government borrowing and debt are presented. |

**Source:**


**Comment:**

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**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

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:**

| b | No, multi-year expenditure estimates are not presented. |
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:**

a. Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

**Source:**
ADMINISTRATIVE CLASSIFICATION
Bilancio di previsione dello Stato per l’anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023, Stati di Previsione: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_fi

FUNCTIONAL AND ECONOMIC CLASSIFICATION
Bilancio di previsione dello Stato per l’anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023, Articolato e quadri generali, BILAN
CIO PER AZIONI, pp. 299 and following: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_fi
anciario/2021-2023/LB/LB/Articolato-e-quadri_GU.pdf

ADMINISTRATIVE CLASSIFICATION
DECRETO 30 dicembre 2020, Ripartizione in capitoli delle Unità di voto parlamentare relative al bilancio di previsione dello Stato per l’anno finanziario 2021 e per il triennio 2021-2023: https://www.gazzettaufficiale.it/eli/id/2020/12/31/20A07340/sg
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  
Economic classification  
Functional classification  

**Source:**
Please refer to the previous answer.

**Comment:**
/

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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 detailed. (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:**

a. Yes, the Enacted Budget presents estimates for programs accounting for all expenditures.

**Source:**
Bilancio di previsione dello Stato per l’anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023, Stati di Previsione:  


**Comment:**
The first document mentioned above shows program-level information organized by Ministry. The second document shows a detailed list of "actions" that are part of the "manovra di bilancio" (budget manoeuvre) which includes the main changes (actions) the government will be implementing and their impact on the overall indebtedness and fiscal stability.
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:**
a. Yes, the Enacted Budget presents revenue estimates by category.

**Source:**


**Comment:**

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:**
a. Yes, the Enacted Budget presents individual sources of revenue accounting for all revenue.

**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. For the purposes of this question, the deficit may be accepted as a proxy for net new borrowing.

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:**

b. Yes, two of the three estimates related to government borrowing and debt are presented.

**Source:**


**Comment:**

The required information can be found in items "interessi", "saldo netto da finanziare", "ricorso al mercato" in Tab 2.2.1 ("Effetti finanziari della manovra sul bilancio dello Stato") and "indebitamento netto" in Tabella 1.2-7 ("Conto economico del comparto Stato 2019-2023").

The information on the total debt outstanding is missing in the document. To the best of our knowledge, it is possible to find only additional info on the State debt service charges and debt repayments ("Oneri per il servizio del debito statale" and "rimborsi del debito statale") for the years 2021-2023 in the Articolato e quadri generali of the EB, at. p. 331: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_finanziario/2021-2023/LB/LB/Articolato-e-quadrri_GU.pdf

This means that the answer should be "b," since the info on the total debt outstanding is missing.
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:

Comment:
/

Peer Reviewer
Opinion: Agree
Comments: I would add that the macroeconomic forecast upon which the budget is based, and the contact information for follow-up by citizens are missing. Anyhow, the document provide information beyond the core elements, thus "b" is an appropriate rating. This rating applies also by considering the tool "Bilancio Aperto" as the digital version of CB.

Government Reviewer
Opinion: Disagree
Suggested Answer:
a. The Citizens Budget provides information beyond the core elements.

Comments: The correct answer is A. Information on macro economic forecast is available in the first paragraph and in table Tav. 1 - Le previsioni nei documenti di finanza pubblica (quadro programmatico). It is available a CB for the EB 2020-2022 and a CV for the EB 2021-2023 http://www.rgs.mef.gov.it/Documento/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_in_breve/2020/LLDBIB-2020-2022.pdf https://www.rgs.mef.gov.it/Documento/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_in_breve/2021/LLDBIB-2021-2023.pdf Please note that there is an additional tool developed to make the State Budget timely available through a downloadable app called "Bilancio Aperto" (within 48 hours from the transmission of each budget document to Parliament). The app - intuitive and simple to use - makes expenditure authorizations and revenue estimates available to all citizens at the level of each budget chapter and article in the form of data, tables, figures and an explanatory text of the data. Information is available for the executive's budget proposal, enacted budget, mid-year budget review, year-end budget report. A glossary, FAQ list, contact information for follow-up by citizens and introductory video are meant to help users navigate and find the information they are looking for. The app is available for tablets and smartphones (minimum version 4.0.3 Android or 8.0 iOS). It can be downloaded from Google Play and App Store, under the title Bilancio Aperto. See at following link: https://www.rgs.mef.gov.it/VERSIONE-I/bilancio_aperto/index.html For example, the app "Bilancio Aperto" made data timely available of Enacted Budget for Fiscal Year 2020 to all the citizen on December 31, 2019. Likewise, for Enacted Budget for Fiscal Year 2021, the app "Bilancio Aperto" made data available to all the citizen on December 31, 2020.

IBP Comment
We welcome the government reviewer's comment. However, upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged. The application “Bilancio Aperto” provides a wealth of data and figures on budget items, it is very easy and fast to navigate and allows to go quite deep in the estimates of each document. However, no proper explanation of such information is included that allows lay actors and the general public to frame this kind of information into a coherent narrative, resulting in a huge array of data rather than in an effort to summarize and to decline data within an understandable and single framework. In other words, the amount of data is not matched by some level of narrative information that could help the general public make sense of it. By definition and design, a citizens budget should explain in a clear and catchy way to the user what a budget document is, simplify its structure, and highlight the most relevant information and data therein included, guiding him/her in the search for and contextualization of the desired information in the budget document. From the App, at the moment we find the 2022 EBP, 2020 YER and the 2021 Supplementary budget (Disegno di legge, Rendiconto e Assestamento). But one really needs to know quite a bit about the budget process and its documents to be able to use this App fully and make the most out of the data presented. A layman would not know where to start. Also, given the government's comment in Question CB-3a, clarifying the date of publication of the Bilancio in Breve, the Citizens Budget is considered "not publicly available" (published late), and therefore the response to this question is amended, in agreement with the researcher, from "b" to "d."

### Question 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:**


**Comment:**

The document is published online.

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**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree


**IBP Comment**

Unfortunately, given the government’s comment in Question CB-3a, clarifying the date of publication of the Bilancio in Breve, the Citizens Budget is considered “not publicly available” (published late), and therefore the response to this question is amended, in agreement with the researcher, from “c” to “d.”

### Question 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:
See also: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_in_breve/index.html

Comment:
No information is provided about mechanisms established to identify the public's requirements for budget information in the Citizen's Budget and on the website, either.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer:
b. Yes, the executive has established mechanisms to identify the public’s requirements for budget information in the Citizen’s Budget; while these mechanisms are accessible they are not widely used by the public.
Comments: The correct answer should be B. In fact contact information is provided to the public, with feedback opportunities. See APP Bilancio Aperto (Contacts, phone number and email): https://www.rgs.mef.gov.it/VERSIONE-I/news/ispettorati/2020/news_01_dicembre_2020/index.html

IBP Comment
We welcome the government reviewer's comment. However, and as discussed in previous questions (such as Q64), upon further consultation with the researcher and to maintain consistency of responses across countries and with the methodology, the response remains unchanged.

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:
c. A citizens version of budget documents is published for at least one stage of the budget process.

Source:
See also: https://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/bilancio_di_previsione/bilancio_in_breve/index.html

Comment:
In the OBS 2017 edition, also the "Rendiconto in breve" (YER in brief) was included. But the last edition of this Document refers to 2015, thus cannot be included in this round of the OBS: http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/rendiconto_in_breve/
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 the money is 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:

Source:
The documents only show expenditure by basic economic classification. One of the 2020 quarterly reports was published late (i.e., more than three months after the end of the reporting period).


Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Disagree
Suggested Answer: a. Yes, the In-Year Reports present actual expenditures by all three expenditure classifications (by administrative, economic, and functional classification).

Comments: The correct answer is A. Please note that in addition to the quarterly report, monthly data on budget commitments and payments are provided on a detailed basis, by administrative, economic and functional classification (mission), on the open data portal and on the institutional website within one month of the period covered. See for example:
https://bdap-opendata.mef.gov.it/content/202007-pagamenti-bilancio-dello-stato-categoria-economica-amministrazione
https://bdap-opendata.mef.gov.it/content/202007-pagamenti-bilancio-dello-stato-missione
https://bdap-opendata.mef.gov.it/content/202008-pagamenti-bilancio-dello-stato-amministrazione-classificazione-economica-ii-livello

Researcher Response
We thank the Government Reviewer for providing additional documents, but we think that the answer should remain unchanged – also in the light of the Peer Reviewer’s comment – because the information included therein is not properly referable nor applicable to the documents “In-Year Reports” as considered in the OBS

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:
Economic classification

Source:
Please refer to the previous answer to question 68.

Comment:
/
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 détaillé. (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:
d. No, the In-Year Reports do not present actual expenditures by program.

Source:
No program level information is included in the IYRs.

Comment:


It has to be highlighted that the same holds true also for the IYRs of 2019 (http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/previsione/contabilita_e_finanzaпублиca/trimestrale_di_cassa/2019/index.html):


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:
In the quarterly reports comparisons are made with the same time-period for the previous 2 years. This information award an “a” response for this question.

Comment:


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:


Comment:
/
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:**
b. Yes, In-Year Reports present individual sources of actual revenue accounting for at least two-thirds of, but not all, revenue.

**Source:**

**Comment:**
We have calculated the ratio between total revenues ("incassi finali") and other revenues (i.e. the sum of the items "altri incassi correnti" and "altri incassi in conto capitale") in the cited tables from p. 31 onwards related, and have verified that this ratio is less than 3%, i.e. the percentage which, according to the guidelines of question 72, marks the distinction between answer "a" and answer "b".


**Peer Reviewer**
Opinion: Disagree
Suggested Answer:
b. Yes, In-Year Reports present individual sources of actual revenue accounting for at least two-thirds of, but not all, revenue.

Comments: Information are provided only by macro categories (i.e. tax revenue, social security, transfers, other revenue) and information on individual sources within categories (e.g. income taxes, VAT, etc.) is not disclosed. Thus, according to the OBS guidelines, a more appropriate answer should be "b".

**Government Reviewer**
Opinion: Agree

**Researcher Response**
We thank the Peer Reviewer for pointing out that information is provided by macro categories and no information is available on individual sources of revenues within categories. The answer should be changed from (a) to (b).

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.
To answer "a," comparisons must be made for revenues presented in the In-Year Reports.

<table>
<thead>
<tr>
<th>Answer:</th>
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<tbody>
<tr>
<td>a. Yes, comparisons are made for revenues presented in the In-Year Reports.</td>
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<th>Peer Reviewer</th>
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<td>Opinion: Agree</td>
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<tr>
<td>Comments: Actual data are on a cash basis.</td>
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<th>Government Reviewer</th>
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<td>Opinion: Agree</td>
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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. For the purposes of this question, the deficit may be accepted as a proxy for net new borrowing.

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.

<table>
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<tr>
<th>Answer:</th>
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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 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:


Comment:
Core information on maturity profile of the debt and whether the debt is domestic or external is missing in the 3 In-Year Reports for 2020.


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 underway, 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:
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 underway, and provides an explanation of the update. Please note that year-to-date expenditures as assessed in Question 70 do not qualify as updated estimates of expenditure for the purposes of this indicator.

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:**

a. Yes, expenditure estimates have been updated, and an explanation of all of the differences between the original and updated expenditure estimates is presented.

**Source:**


**Comment:**


Adjustments are presented in both cash and accrual terms for all chapters, measures and Ministries. For the comparison between original and revised expenditure estimates (“assetto”).

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

78. Does the Mid-Year Review of the budget present updated 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 for the budget year underway 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. Please note that year-to-date expenditures as assessed in Question 70 do not qualify as updated estimates of expenditure for the purposes of this indicator.

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:**

a. Yes, the Mid-Year Review presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

Comment:
Economic classification information is presented for each ministry throughout the above cited document. Furthermore, a condensed summary of recurrent, capital, and debt-related expenses is shown on pages 570 and 581. Administrative classification information is given throughout the entire document, starting on page 18. Functional classification information is presented on pages 575 and following.

**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:**
Administrative classification
Economic classification
Functional classification

**Source:**
Please refer to the previous answer.

**Comment:**
/

**Peer Reviewer**
Opinion: Agree

**Government Reviewer**
Opinion: Agree
79. Does the Mid-Year Review of the budget present updated 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 for the budget year underway. Please note that year-to-date expenditures as assessed in Question 70 do not qualify as updated estimates of expenditure for the purposes of this indicator.*

A note for francophone countries: “Program” level detail is sometimes referred to as *le plan comptable or le plan comptable détaillé*. (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:**

a. Yes, the Mid-Year Review presents estimates for programs accounting for all expenditures.

**Source:**


**Comment:**

Variations are presented for individual programs within each ministry, and a comparison is made between the budgeted amounts (“alla previsione di competenza”) and the actuals (“all’autorizzazione di cassa”). See for example the case of the MEF programs, from page 17 onwards.

**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 underway, and provides an explanation of the update. Please note that year-to-date revenues as assessed in Question 73 do not qualify as updated estimates of revenue for the purposes of this indicator.*

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:**

a. Yes, revenue estimates have been updated, and an explanation of all of the differences between the original and updated revenue estimates is presented.

**Source:**

The explanation of the differences between the original and updated revenue estimates is presented in the “Disegno di legge recante disposizioni per l’assestamento del bilancio di previsione per l’anno finanziario 2020” (MYR draft law), at p. 3-14, and at p. 29: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/Attivit--i/Gestione_del_bilancio/Assestamento_del_bilancio/2020/ASS_2020_PassPres-01-Deliberativo.pdf

**Comment:**
81. Does the Mid-Year Review of the budget present updated revenue estimates for the budget year underway by category (such as tax and non-tax)?

**GUIDELINES:**

Question 81 asks whether revenue estimates for the budget year underway in the Mid-Year Review are presented by "category"—that is, whether tax and non-tax sources of revenue are shown separately. Please note that year-to-date revenues as assessed in Question 73 do not qualify as updated estimates of revenue for the purposes of this indicator.

To answer "a," the Mid-Year Review must present revenue estimates classified by category.

**Answer:**

a. Yes, the Mid-Year Review presents revenue estimates by category.

**Source:**


**Comment:**

/

82. Does the Mid-Year Review of the budget present updated individual sources of revenue for the budget year underway?

**GUIDELINES:**

Question 82 asks whether revenue estimates for individual sources of revenue for the budget year underway are presented in the Mid-Year Review. Please note that year-to-date revenues as assessed in Question 73 do not qualify as updated estimates of revenue for the purposes of this indicator.

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:**

a. Yes, the Mid-Year Review presents individual sources of revenue accounting for all revenue.

**Source:**


**Comment:**

/
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 underway, 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:
c. Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.

Source:
Some information on government borrowing and debt variations can be found in the “Disegno di legge recante disposizioni per l’assestamento del bilancio di previsione per l’anno finanziario 2020” (MYR draft law), respectively in table 1, p. 2, and pp. 16-20 (including table 6) of the illustrative report and at p. 35 of the technical report: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/Attivit--i/Gestione_del_bilancio/Assestamento_del_bilancio/2020/ASS_2020_PassPres-01-Deliberativo.pdf

Comment:
/

Peer Reviewer
Opinion: Disagree
Suggested Answer:
c. Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.
Comments: A more appropriate answer is "c" since no information is provided on the update of the central government’s total debt burden at the end of the budget year. Updates are provided only on two items: the net new borrowing and interest payments.

Government Reviewer
Opinion: Agree

Researcher Response
In the light of the Peer Reviewer’s comment, we agree that the answer should be changed from (b) to (c), since the information on the total debt "stock" is missing.
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:**

**Comment:**
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:**

a. Yes, the Year-End Report presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

**Source:**

**Tab. 24:** Consuntivo 2019: classificazione economica delle spese finali dello stato
Tab. 25: Consuntivo 2019: classificazione funzionale C.O.F.O.G.: ripartizione divisioni per ministero
Tab. 26: Classificazione funzionale C.O.F.O.G.: analisi economica per divisioni
Tab. 27: Classificazione funzionale C.O.F.O.G.: analisi delle spese: previsioni ed impegni
Tab. 28: Classificazione funzionale C.O.F.O.G.: analisi delle spese: somme spendibili, autorizzazioni e pagamenti
Tab. 29: Classificazione C.O.F.O.G.: analisi funzionale delle spese finali

Comment:
See also in the above cited document:
- Administrative classification: tables 3 and 3.1, pp. 56-69
- Economic classification: table 9, p. 167-168 and following; tab. 12, p. 174-175.

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
Functional classification

Source:
Please refer to the previous answer.

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 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 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:
a. Yes, the Year-End Report presents estimates for programs accounting for all expenditures.
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:


Comment:

/
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:**

**Comment:**
/

**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:**

**Comment:**
/

**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:

INTEREST PAYMENTS. Differences between original estimates and current outcome with regard interest payments on outstanding debt for the budget year can be found in the Annual account of the Ministry of Finance at page 49, budget item "Oneri per il servizio del debito statale (34.1)" (see line items "INIZ." for original estimates and "P.DIF." and "PAGATO" for actual outcome): https://www.rgs.mef.gov.it/_Documenti/VERSIONE-l/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/2019/cont_c onsuntivi_per_unit_di_voto/02_economia_e_finanze_conto_consuntivo_per_unit_di_voto_2019.pdf

A summary of interest payments on outstanding debt for the budget year is reported on page 39, "Tavola 18" (see Titolo I - Spese correnti, budget item 9, "Interessi passivi e redditi da capitale"):

DEBT BURDEN AND COMPOSITION. The central government’s total debt burden at the end of the budget year is explained by the graph at page 71 "Le passività". However, the current amount and the explanation about differences with original debt burden estimates are missing:


INTEREST RATES. Interest rates on the debt are not disclosed.

Comment:
/

Peer Reviewer
Opinion: Disagree
Suggested 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.

Comments: A more appropriate answer should be "c" since estimates of the differences between the original forecast of government debt for the fiscal year and the actual outcome for the year are not presented. Differences are provided only between the actual and the outstanding debt at YER B-2. While some information about the composition of the debt burden is provided it does not disclose neither the domestic and the external composition, nor its maturity profile.
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
- The central government’s total debt burden at the end of the budget year
- The interest payments on outstanding debt for the budget year

Source:
Please refer to the previous answer.

Comment:
/

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:

Comment:
/
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:** Please refer to the previous answer.

**Comment:** /

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:**

**Comment:**
The "Note integrative" include information on results, but not on inputs.
### 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.

<table>
<thead>
<tr>
<th>Answer:</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>a. Yes, estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome are presented, along with a narrative discussion.</td>
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</tbody>
</table>

**Source:**
Note integrative a consuntivo – anno 2019: http://www.rgs.mef.gov.it/VERSIONE-I/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/note_integrative_a_consuntivo/

**Comment:**
The link provided above displays single Ministries’ reports, including information on performance. The "Note integrative" presents a "Report on results" for each Ministry, along with a narrative discussion.

### 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.

<table>
<thead>
<tr>
<th>Answer:</th>
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<tbody>
<tr>
<td>c. Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country’s most impoverished populations and the actual outcome are presented.</td>
<td></td>
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</tbody>
</table>
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:

b. Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, but a narrative discussion is not included.

Source:
RENDICONTO ECONOMICO DELLO STATO PER L’ANNO 2019, Tabella 17/2, p. 102, line “Trasferimenti correnti ad Enti di previdenza”:

RENDICONTO ECONOMICO DELLO STATO PER L’ANNO 2019, “Missione n. 25: Politiche previdenziali”, p. 169:

CONSUNTIVO DEL MINISTERO DEL LAVORO E DELLE POLITICHE SOCIALI PER UNITA’ DI VOTO/AZIONE, line 3.2. p. 11, “Trasferimenti assistenziali a enti previdenziali, finanziamento nazionale spesa sociale, programmazione, monitoraggio e valutazione politiche sociali e di inclusione attività”:

Comment:
A very brief synthetic narrative is provided in the “Relazione illustrativa al rendiconto 2019” about differences between original estimates in all extra-budgetary funds and the actual outcome. See for example the explanations on:
Transfers to Public Pension Funds
- 25- Politiche previdenziali per l’istituzione di un fondo per la revisione del sistema pensionistico attraverso l’introduzione di nuove forme di pensionamento anticipato (Quota 100), per maggiori trasferimenti all’Inps a titolo di anticipazioni di bilancio per le gestioni previdenziali e, infine, per una diversa contabilizzazione degli altri fondi da ripartire attribuiti agli Enti previdenziali”.

Revolving and guarantee funds to support loans to private firms: Relazione illustrativa al rendiconto 2019: https://www.rgs.mef.gov.it/_Documenti/VERSIONE-\n/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/2019/relazion e_illustativa/Relazione_al_rendiconto_2019.pdf, p. 74: “Tra le anticipazioni active assumono rilevanza le variazioni relative ai “crediti concessi ad enti pubblici e ad istituti di credito” (-1.485 milioni) – dovute per la maggior parte ad anticipazioni per il pagamento dei debiti certi della pubblica amministrazione (DL 35/2013 art.3 c.1) ed ai mutui attivi verso enti locali – ai “crediti concessi ad aziende ed enti privati” (+22 milioni), agli “altri crediti non classificabili” (-452 milioni), si sono registrati aumenti nei “fondi di rotazione” (+651 milioni), compensati da diminuzioni nei “fondi di scorta” (-63 milioni) e nei “fondi di garanzia” (-920 milioni); tra gli altri conti attivi, invece, sono da registrarsi variazioni nel “valore commerciale dei metalli monetati” (+11 milioni) e nel “fondo ammortamento titoli” (-33 milioni).”

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:
The YER includes a balance sheet (Conto del Patrimonio 2019: https://www.rgs.mef.gov.it/VERSIONE-\n/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_generale_del_patrimonio/? \_selmenu=2_1) and a cash flow statement (Conto del Bilancio 2019: https://www.rgs.mef.gov.it/VERSIONE-\n/attivita_istituzionali/formazione_e_gestione_del_bilancio/rendiconto/conto_del_bilancio_e_conto_del_patrimonio/conto_del_bilancio/? \_selmenu=2_2) with a narrative discussion.

Comment:
The Rendiconto seems to satisfy these requirements, since it presents a balance sheet (Conto del Patrimonio), notes on accounting and similar elements. The information included in the YER represents a significant attempt at presenting a complete financial statement of government operations.
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 (https://www.issai.org/pronouncements/issai-400-compliance-audit-principles/) for more details.
- Performance audits assess whether activities are adhering to the principles of economy, efficiency, and effectiveness. See ISSAI 300 (https://www.issai.org/pronouncements/issai-300-performance-audit-principles/) 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:**

Giudizio di parificazione sul rendiconto generale dello Stato per l'esercizio finanziario 2019: https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

“Volume 1 – Tomo I and Tomo II - I conti dello Stato e le politiche di bilancio 2019” is referred to financial type: https://www.corteconti.it/Download?id=51b97f57-42b5-4f1b-8266-15c4b6a11f  

“Volume II - La gestione del bilancio dello Stato 2019 per amministrazione” is referred to performance type: https://www.corteconti.it/Download?id=49b02a4-67d4-4cb4-9b85-c91d3a510d

“Volume III - Tomo I and Tomo II - Attendibilità delle scritture contabili” is referred to compliance: https://www.corteconti.it/Download?id=6e89a16d-79f9-49fe-b87f-bf798a813598

“Volume IV - Tomo II - La gestione del bilancio dello Stato 2019 per amministrazione” is referred to performance type: https://www.corteconti.it/Download?id=4182706c-7306-460e-bd0e-c6121fd3d52b

**Comment:**

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:
https://www.corteconti.it/Download?id=51b97157-4285-4f1b-826d-15c4bfcfa11d

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:
a. All extra-budgetary funds within the SAI’s mandate have been audited.

Source:
Relazione sul Rendiconto Generale dello Stato 2019, Volume I, Tomo II, see the section “Allegati” (ALLEGATO 1 - FONDI DI ROTAZIONE GESTITI DA ORGANISMI AL DI FUORI DELL’AMMINISTRAZIONE DELLO STATO; ALLEGATO 2 - GESTIONI FUORI BILANCIO; ALLEGATO 3 - GESTIONI FUORI BILANCIO NON INSERITE NELL’ALLEGATO CONOSCITIVO AL DISEGNO DI LEGGE DI BILANCIO ANNI 2020-2022), pp. 147 and following:
https://www.corteconti.it/Download?id=f49b02a4-67d6-4cb4-8b85-c91d73ad31d0

Comment:
/

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:
Relazione sul Rendiconto Generale dello Stato 2019 - SINTESI:
https://www.corteconti.it/Download?id=acf9a0ed-cce5-4e47-855e-55f5f252b954

Comment:
/

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:

d. No, the executive does not report on steps it has taken to address audit findings.

Source:

"In tale contesto si colloca l’obbligo per le amministrazioni controllate (art. 3, comma 6, della legge n. 20/1994, come rafforzato dall’art. 1, comma 172, della legge 23 dicembre 2005, n. 266) di comunicare alla Corte le misure conseguenziali adottate o, qualora ritengano di non ottemperare ai rilievi formulati, di inviare, entro trenta giorni dalla ricezione degli stessi, un provvedimento motivato alle Presidenze delle Camere, alla Presidenza del Consiglio dei ministri ed alla Presidenza della Corte dei conti (art. 3, c. 64, l. 24 dicembre 2007, n. 244).” This refers to the general controls of Corte dei Conti on public administrations.

Comment:
Executive agencies have to report to the SAI and to the Parliament on measures taken to respond to observations and recommendations made by the SAI. These reports are meant to be public, but an online search revealed that no reports were made available to the public by these institutions.
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 what 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:**

- **c. Yes, the SAI or legislature reports publicly on some audit recommendations.**

**Source:**

https://www.corteconti.it/HOME/Documenti/DettaglioDocumenti?id=89f713c4-7c0d-48b6-ab63-295cfbc47ebf

**Comment:**

The executive does not report to the public, but the SAI includes information on follow up in the following year’s report, which is available to the public (comment was received from Corte dei Conti). Legal reference: Law 196/2009, Art. 124: “Le relazioni presentate dal Governo o da altri organi pubblici e ogni altro rapporto previsionale o consuntivo sono assegnati all’esame della Commissione competente per materia. La Commissione nomina su ciascun documento un relatore e procede al suo esame nel periodo previsto nell’articolo 119 se si tratta di documenti programmatici o connessi con l'esame del bilancio e del consuntivo, e in ogni altro caso nel termine di un mese. A conclusione dell’esame di documenti programmatici o connessi con l’esame del bilancio o del consuntivo, la Commissione presenta su ciascun documento una relazione da allegare al relatore.”

**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 Publicas, http://www.cefip.gob.mx/); or
- Fiscal councils such as the Office for Budget Responsibility in the United Kingdom (https://obr.uk/) and the High Council for Public Finances in France (Haut Conseil des finances publiques, https://www.hcfp.fr/).


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...
Answer: 

a. Yes, the IFI publishes its own macroeconomic and fiscal forecasts.

Source: 
UPB Reports archive:  
http://www.upbilancio.it/rapporti/

UPB Report on Italian Budget Policy 2020, with macroeconomic and fiscal forecasts:  
UPB 2020 Parliamentary audits:
https://www.upbilancio.it/audizioni-2020/

UPB Notes on the economic situation 2020:
https://www.upbilancio.it/note-sulla-congiuntura-2020/

Comment:
Law 243/2012, Title VII, art. 18, states that the PBO is in charge of publishing both macroeconomic and fiscal forecasts:
http://www.rgs.mef.gov.it/_Documenti/VERSIONE-I/Selezione_normativa/L-/L24-12-2012.pdf. To this end, the PBO makes use of short- and long-run macroeconomic and fiscal microsimulation models. Here the key methodological features of some of these models:

Peer Reviewer
Opinion: Agree
Comments: According to the Legislation (Law 196/2009, article 10-Ter), the PBO also performs an independent assessment and validation of Government’s macroeconomic and fiscal forecasts provided in the PBS.

Government Reviewer
Opinion: Agree

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:
c. Yes, the IFI publishes its own costings of a limited number of new policy proposals.

Source:
In 2020, the PBO published its own costings of a limited number of new policies, relating in particular to the government expenditure aimed at refunding those Italian economic, social and productive sectors which have been most severely hit by the consequences of the Covid-19 pandemic:

Comment:

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:**
a. Frequently (i.e., five times or more).

**Source:**
https://www.upbilancio.it/audizioni-2020/
https://en.upbilancio.it/2020-parliamentary-hearings/

**Comment:**
6 Parliamentary hearings in 2020.

**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 debated budget policies prior to the tabling of the Executive’s Budget Proposal for the most recent budget year before the research cut-off date. 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).
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 most recent 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:
c. The legislature receives the Executive’s Budget Proposal at least one month, but less than two months, before the start of the budget year.

Source:

https://www.camera.it/leg18/126?tab=1&leg=18&idDocumento=2790&sede=&tipo=

http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm

Comment:
Law 163/2016 amending previous Law 196/2009 - as changed by Law 39/2011 - states that the EBP has to be submitted to the Legislature by the 20th of October. It is of utmost importance to note that in 2020 the Government has not respected at all this deadline. Indeed, the EBP has been submitted to the Parliament only on 18 November, 28 days after the cut-off date. It is also important to note that a relevant number of articles of the EBP originally presented by the Government to the Legislature on 18 November 2020 (and corresponding to the Act no. 2790 of the Chamber of Deputies: https://www.camera.it/leg18/126/
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:
b. The legislature approves the budget less than one month in advance of the start of the budget year, but at least by the start of the budget year.

Source:
http://www.senato.it/leg/18/BGT/Schede/Ddliter/53613.htm

Comment:
The EBP 2020 has been approved by the legislature on the 30th of December 2020, and also published in the Gazzetta Ufficiale - https://www.gazzettaufficiale.it/atto/vediMenuHTML?atto.dataPubblicazioneGazzetta=2020-12-30&atto.codiceRedazionale=20000202&tipoSerie=serie_generale&tipoVigenza=originario

Law 196/2009 sets the approval process:
http://www.rgs.mef.gov.it/_Documenti/VERSIONE-t/Selezione_normativa/1-/L31-12-2009_196.pdf

A sum is provided here:
https://temi.camera.it/leg18/temi/tl18_il_ciclo_di_bilancio.html

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:
b. Yes, the legislature has authority in law to amend the Executive’s Budget Proposal, with some limitations.

Source:
Interview with Giulio Marcon, former Secretary of the Chamber of Deputies’ Budget Committee (2013-2018), and with Stefano Fassina, actual Secretary of the Chamber of Deputies’ Budget Committee.

See also the following sources:
http://www.gazzettaufficiale.it/eli/id/2016/08/25/16G00174/sg
Rule Book of the Chamber of Deputies, wherein at Section XXVII “DELL’ESAME DEL DISEGNO DI LEGGE FINANZIARIA, DEL BILANCIO, DEL RENDICONTI DEI DOCUMENTI DI POLITICA ECONOMICA E FINANZIARIA E DELLE RELAZIONI GOVERNATIVE” (articles 118-124) the modalities of deliberation on the Italian budget documents, including the EBP, are detailed:
Rule Book of the Senate House, wherein at Section XV “DELLA PROCEDURA DI ESAME DEI BILANCI E DEL CONTROLLO FINANZIARIO, ECONOMICO ED AMMINISTRATIVO” (articles 125-134) the modalities of deliberation on the Italian budget documents, including the EBP, are detailed:
Other online news/sources:
https://www.reuters.com/article/italy-budget-vote-idINL8N2J31WE

Comment:
The Italian Parliament’s amending activity on the EBP has formal and substantial limits that are established by a specific document issued by the “Servizio Commissioni Camera dei Deputati” entitled “Emendabilità del Disegno di Legge di Bilancio. Criteri di ammissibilità e indicazioni pratiche per la redazione delle proposte emendative”, according to Law 163/2016 that modifies Law 196/2009. Moreover, in practice, from 2013 up to 2020, both the Assemblies of the Houses of the Italian Parliament never voted any amendment to the EBP. This is due to the recurrence of the confidence vote by the Government. See for example: Confidence vote on the EBP 2021:
https://www.camera.it/leg18/1132?shadow_primapagina=11663
https://ilmanifesto.it/legge-di-bilancio-doppio-voto-blindato-senza-discussione/
http://www.senato.it/3381?comunicato=257501
Confidence vote on the EBP 2020:
http://www.senato.it/notizia?comunicato=92101
https://www.repubblica.it/politica/2019/12/16/news/manovra_fiducia_senato-243596692/

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.
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. 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:
The following links report the Regulations of the Chamber of Deputies and of the Senate (see, respectively, article 120 and article 126) that establish that every year a specialized Budget Committee examines the Executive's Budget Proposal:

http://www.senato.it/1044?articolo=1121&sezione=155

The parliamentary budget session lasts 45 days if it starts in the Chamber of Deputies and 35 days if it starts in the Senate. The Budget Committees examine the EBP documents before starting the Budget Session, also in order to approve the program of Hearings (see Rule 119 of the Chamber of...
Deputies’ and Rule 126 of the Senate’ Regulations). The Budget Committees of the House of Representatives and of the Senate publish a wealth of documents with findings and recommendations prior to the Budget being approved. See for example:

CHAMBER OF DEPUTIES
Dossiers: https://www.camera.it/leg18/126/tab=6&leg=18&idDocumento=2790-bis&sede=&tipo=
Discussion of the EBP in the Assembly, with Relations of the Majority and Minority Rapporteurs appointed by the Budget Committee:
https://www.camera.it/leg18/126/tab=5&leg=18&idDocumento=2790-bis&sede=&tipo=
Exam of the EBP in the Budget Committee: https://www.camera.it/leg18/126/tab=4&leg=18&idDocumento=2790-bis&sede=&tipo=
Texts: https://www.camera.it/leg18/126/tab=2&leg=18&idDocumento=2790-bis&sede=&tipo=

SENATE
Dossiers: http://www.senato.it/leg/18/BGT/Schede/Ddliter/dossier/53613_dossier.htm
Discussion of the EBP in the Assembly:
http://www.senato.it/leg/18/BGT/Schede/Ddliter/aula/53613_aula.htm
Exam of the EBP in the Budget Committee: http://www.senato.it/leg/18/BGT/Schede/Ddliter/comm/53613_comm.htm
Texts and amendments: http://www.senato.it/leg/18/BGT/Schede/Ddliter/testi/53613_testi.htm

Comment:
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 note that the examination of sectoral budgets by a specialized budget or finance committee is assessed in Question 112 and should not be considered for this question.

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:
Art. 126: http://www.senato.it/1044?articolo=1121&sezione=155

Comment:
See also the examples related to 3 sector Committees Reports, from the Defence Commission, the Social Affairs Commission and the Environment, Territory and Public Works Commission, showing that the discussion on the EBP took place on November 24, 2020:
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:**

c. Yes, a committee examined in-year implementation, but it did not publish any report with findings and recommendations.

**Source:**

Interview with Giulio Marcon, former Secretary of the Budget Committee of the Chamber of Deputies.

All the Reports about the Budget Committee’s activities are available at this link: https://www.camera.it/leg18/1105?shadow_organo_parlamentare=2805

**Comment:**

Generally, the “Commissione Bilancio” (Budget Committee) of the Parliament examines all reports related to the budget also regarding its implementation, and some reports are available in the “atti parlamentari,” https://www.camera.it/leg18/285?documenti=30. However, it is very difficult to find these reports, so the answer should be "c.”

Finally, Giulio Marcon, former Secretary of the Budget Committee of the Chamber of Deputies, asserts that this Commission, while in charge of debating the state of the art and the policy measures related to the Enacted Budget in the course of the budget execution period, doesn’t address the implementation of the Enacted Budget as a single “package”, nor does it produce a comprehensive Report on this.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

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:

a. The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, and it does so in practice.

Source:

Law 196/2009, art. 23, comma 3: "3. Con la seconda sezione del disegno di legge di bilancio, nel rispetto dei saldi di finanza pubblica programmati, per motivate esigenze, all'interno di ciascuno stato di previsione, possono essere:

a) rimodulate in via compensativa le dotazioni finanziarie di spesa di parte corrente e in conto capitale previste a legge vigente, relative ai fattori legislativi, di cui all'articolo 21, comma 5, lettera b), ivi incluse le dotazioni finanziarie relative alle autorizzazioni di spesa in conto capitale rimodulate ai sensi dell'articolo 30, comma 2, nonché alle altre autorizzazioni di spesa rimodulate, per l'adeguamento delle medesime dotazioni di competenza e di cassa a quanto previsto nel piano finanziario dei pagamenti di cui al comma 1-ter del presente articolo restando comunque precluso l'utilizzo degli stanziamenti di conto capitale per finanziare spese correnti;

b) rifinanziate, definanziate e riprogrammate, per un periodo temporale anche pluriennale, le dotazioni finanziarie di spesa di parte corrente e in conto capitale previste a legge vigente, relative ai fattori legislativi di cui all'articolo 21, comma 5, lettera b).

3-ter. In apposite allegati conoscitivi al disegno di legge di bilancio sono indicati, per ciascun Ministero e per ciascun programma, le autorizzazioni legislative di spesa di cui si propone la modifica ai sensi del presente articolo e i corrispondenti importi. Tali allegati sono aggiornati al passaggio dell'esame del disegno di legge di bilancio tra i due rami del Parlamento."

Comment:
The above Law states that the government’s flexibility to shift funds applies within programs, but not across programs. While the question asks about administrative units, the spirit of the legal requirement is similar. Broader shifts are approved by Parliament in the Assestamento di Bilancio, Italy’s Mid-Year Review. The current text of Law No. 196/2009 incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by the more recent Legislative Decree No. 116/2018.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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
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:
Law No. 196/2009 “Legge di contabilità e finanza pubblica”, art. 17, comma 1-bis: “Le maggiori entrate rispetto a quelle iscritte nel bilancio di previsione derivanti da variazioni degli andamenti a legislazione vigente non possono essere utilizzate per la copertura finanziaria di nuove o maggiori spese o riduzioni di entrate e sono finalizzate al miglioramento dei saldi di finanza pubblica.”

Comment:
The above Law stipulates that excess revenues can only be spent on deficit reduction, and cannot be used to fund new expenditures or replace other revenues. In this sense, the executive does not have to seek input from the legislature, but is limited in its use of excess revenues. Please note that the current text of Law No. 196/2009 incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by the more recent Legislative Decree No. 116/2018.

It is important to add here that in 2020, due to the severe impact of the Covid-19 pandemic, Italy’s exceptionally recursed to massive indebted to acquire the resources required to finance its key fiscal policy recovery packages. This was made possible thanks to application of Article 6 of Law 243/2012 (commi 1-3: https://www.normattiva.it/atto/caricaDettaglioAtto?atto.dataPubblicazioneGazzetta=2013-01-15&atto.codiceRedazione=13G00014&tipoDettaglio=multivigenza&tabID=0.6326902349398789&title=Atto%20multivigente&bloccoAggiornamen
toBreadCrumb=true):
“1. Fatto salvo quanto previsto dall’articolo 8, scostamenti temporanei del saldo strutturale dall’obiettivo programmatico sono consentiti esclusivamente in caso di eventi eccezionali.

2. Ai fini della presente legge, per eventi eccezionali, da individuare in coerenza con l’ordinamento dell’Unione europea, si intendono: a) periodi di grave recessione economica relativi anche all’area dell’euro o all’intera Unione europea; b) eventi straordinari, al di fuori del controllo dello Stato, ivi incluse le gravi crisi finanziarie nonché le gravi calamità naturali, con rilevanti ripercussioni sulla situazione finanziaria generale del Paese.

3. Il Governo, qualora, al fine di fronteggiare gli eventi di cui al comma 2, ritenga indispensabile discostarsi temporaneamente dall’obiettivo programmatico, sentita la Commissione europea, presenta alle Camere, per le conseguenti deliberazioni parlamentari, una relazione con cui aggiorna gli obiettivi programmatici di finanza pubblica, nonché una specifica richiesta di autorizzazione che indichi la misura e la durata dello scostamento, stabilisce le finalità alle quali destinare le risorse disponibili in conseguenza dello stesso e definisce il piano di rientro verso l’obiettivo programmatico, commisurandone la durata alla gravità degli eventi di cui al comma 2. Il piano di rientro è attuato a decorrere dall’esercizio successivo a quelli per i quali è autorizzato lo scostamento per gli eventi di cui al comma 2, tenendo conto dell’andamento del ciclo economico. La deliberazione con la quale ciascuna Camera autorizza lo scostamento e approva il piano di rientro è adottata a maggioranza assoluta dei rispettivi componenti.”

In this light, the Parliament approved the recourse to such indebted with resolutions on different occasions: for example on March 11, April 29 and 30 and July 29, 2020, following the Government’s presentation of three Reports to the Parliament (respectively, see: http://www.senato.it/service/PDF/PDFServer/BGT/1145756.pdf, http://www.senato.it/service/PDF/PDFServer/BGT/1150255.pdf, http://www.senato.it/service/PDF/PDFServer/BGT/1161745.pdf).

More in general, it is also worth remarking that recourse to greater debt in Italy – the so-called “budgetary slippage” – was made possible thanks to the application, on March 20, 2020, by the European Commission of “general escape clause” of the Stability and Growth Pact for 2020 (https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1591119495569&uri=CELEX:52020DC0123). That clause was introduced as part of the “Six-Pack” reform of the Stability and Growth Pact in 2011, which drew from the lessons of the 2008 economic and financial crisis. Notably, that experience highlighted the need for specific provisions in the EU’s fiscal rules to allow for a coordinated and orderly temporary deviation from the normal requirements for all Member States in a situation of generalised crisis caused by a severe economic downturn of the euro area or the EU as a whole (https://ec.europa.eu/commission/presscorner/detail/en/QANDA_20_500). With the activation of the general escape clause – event that never happened before – EU member states are guaranteed the necessary fiscal room for manoeuvre within their own budgets to meet the health expenses necessary to deal with the epidemiological emergency and to counter the recessionary effects on European economies of the spread of Covid-19. The application of the clause allows Member States to temporarily deviate from the path of adjustment of their public accounts towards the medium-term objective, on condition that medium-term fiscal sustainability is not compromised.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
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.

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 is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer “c” applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not obtain such approval in practice. A “d” 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:

The government - according to the Law 196/2009 - is called to present a bill to the Parliament aimed at reducing public spending and at reaching the balance of the budget. Law 196/2009, Article 17, Paragraph 13: "Il Ministro dell'economia e delle finanze, allorché riscontri che l'attuazione di leggi rechi pregiudizio al conseguimento degli obiettivi di finanza pubblica, assume tempestivamente le conseguenti iniziative legislative al fine di assicurare il rispetto dell'articolo 81 della Costituzione. La medesima procedura è applicata in caso di sentenze definitive di organi giurisdizionali e della Corte costituzionale recanti interpretazioni della normativa vigente suscettibili di determinare maggiori oneri, fermo restando quanto disposto in materia di personale dall'articolo 61 del decreto legislativo 30 marzo 2001, n. 165”.

Comment:
The current text of Law No. 196/2009 incorporates the changes over time, including amendments by Law No. 39/2011, by Legislative Decree No. 90/2016, by Law No. 163/2016 and by the more recent Legislative Decree No. 116/2018. See also article 17, paragraph 12: "The Ministry for the Economy and Finance, on the basis of the information transmitted by the competent ministries, shall monitor the expenditure generated by the laws containing the expenditure forecasts referred to in paragraph 1 in order to prevent any deviation in that expenditure from the forecasts.

12-bis. Where a deviation as referred to in Paragraph 12 is close to occurring, the Minister for the Economy and Finance, pending the corrective measures referred to in Paragraph 12-quatru, having consulted with the competent minister, shall issue a decree reducing, for the current year, the appropriations in the budget of the competent ministry in compliance with the expenditure restrictions imposed by Article 21.5.a. Where those appropriations are not sufficient to finance the increased expenditure found in the monitoring activity referred to in Paragraph 12, a decree of the President of the Council of Ministers, acting on a proposal of the Minister for the Economy and Finance, subject to the approval of the Council of Ministers, shall provide for financing by way of a reduction in the appropriations entered in the expenditure budgets, in compliance with the expenditure restrictions imposed by Article 21.5.a. The drafts of the decrees referred to in the previous sentences shall be transmitted to the houses of Parliament to obtain the opinion of the competent parliamentary committees on the financial issues involved, which shall be issued within seven days of the date of transmission. The draft decrees shall be accompanied by a specific report setting out the causes of the deviations, including for the purpose of revising the data and methods used to quantify the expenditure envisaged in those laws. Where the committees do not issue their opinion by the time limit referred to in the third sentence, the decrees may be adopted definitively.”

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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
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 SAI. 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 SAI can be assessed with regard to this particular aspect, this question
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:**

Art. 1: "Il Presidente della Corte dei conti è nominato tra i magistrati della stessa Corte che hanno effettivamente esercitato per almeno tre anni funzioni direttive ovvero funzioni equivalenti presso organi costituzionali nazionali ovvero di istituzioni dell'Unione europea, con decreto del Presidente della Repubblica, su proposta del Presidente del Consiglio dei ministri, previa deliberazione del Consiglio dei ministri, sentito il parere del Consiglio di presidenza."

**Comment:**

The Government selects and appoints the head of the SAI among "judges of the same court who have actually worked for at least three years directives or equivalent functions at national constitutional bodies or institutions of the European Union" and the decision is substantial, not only merely formal. The selection criteria adopted for the appointment of the President of the Court of Auditors confirms thus that the executive may appoint him/her without the final consent of the legislature or judiciary. It has to be recognized on the other hand that the nomination of the magistrates of the SAI (among which the President is selected) is not government-based. In light of these insights, we think that the correct answer should still be B), but we would accept an upgrade to an A) answer in case cross-country consistency reasons prevail.

**Peer Reviewer**

Opinion: Disagree

Suggested 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.

Comments: I suggest "a". In consistent with OBS guidelines, the appointment process is carried out in a way that it ensures the independence of the SAI from the government. Independence is also ensured by the fact that the head is selected among the magistrates of the SAI who have acted as President of the SAI's Sections for at least three years. There are only 8 SAI's Sections so the discretionary choices by the government are very limited. Moreover, the appointment is made under the opinion of the SAI's Presidency Council so that the appointment process looks more like a corporative professional selection.

**Government Reviewer**

Opinion: Disagree

Suggested 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.

Comments: Regulation on appointment of the President of the Court of Auditors (Law n. 202/2002) provides specific selection criteria and procedure that ensures his/her independence, as follows: "The President of the Court of Auditors is appointed from among judges of the same court who have actually worked for at least three years directives or equivalent functions functions at national constitutional bodies or institutions of the European Union, by decree of the President of the Republic, on the proposal of Chairman of the Council of Ministers, after consideration by the Council of Ministers, after consultation with the Presidency Council." It looks like de facto the government has a significant weight in selecting the President of the Corte dei Conti. However, the nomination of the magistrates of the SAI (among which the President is selected) is not government-based, and for cross-country consistency.

**IBP Comment**

This question has been a source of discussion for multiple rounds of the Survey. We acknowledge the researcher's position; however, to maintain consistency of responses across countries and rounds of the Survey, in light of various pieces of information included by the peer and government reviewer, and in the spirit of the question, the response is upgraded from "b" to "a."

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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.

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:
c. Not applicable/other (please comment).

Source:
https://www.corteconti.it/Home/Organizzazione/Presidente

"Approvazione del testo unico delle leggi sulla Corte dei conti (034U1214)", art. 8: https://www.normattiva.it/uri-res/N2Ls?
urn:nir:stato:regio.decreto:1934-07-12;1214vig

"Il Presidente della Corte dei conti è nominato dal Governo tra i magistrati della stessa Corte che hanno effettivamente esercitato, per almeno tre anni, funzioni di Presidente di sezione, ovvero funzioni equivalenti presso organi costituzionali nazionali o di istituzioni dell'Unione europea. La procedura di nomina prevede l'emissione di un decreto del Presidente della Repubblica su proposta del Presidente del Consiglio dei Ministri, sentito il parere del Consiglio di Presidenza. Una volta nominato, il Presidente non può più essere revocato dal proprio incarico, dal quale cessa per dimissioni volontarie o per collocamento a riposo per limiti di età."

Comment:

Peer Reviewer
Opinion: Agree
Comments: The President of the SAI cannot be removed from the position, the President ends from the office only on retirement or voluntary resignation.

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:
https://www.gazzettaufficiale.it/eli/id/2012/11/10/12A11815/sg
Art. 2: "Autonomia finanziaria. 1. La Corte dei conti provvede autonomamente alla gestione delle risorse finanziarie necessarie ai propri fini istituzionali in base alle norme del presente regolamento."
Art. 3, paragraph 4: "Entro quindici giorni dalla pubblicazione della legge di approvazione del bilancio di previsione dello Stato il bilancio di previsione e la nota integrativa sono trasmessi ai Presidenti della Camera dei deputati e del Senato della Repubblica, nonché al Ministero della giustizia per la pubblicazione nella Gazzetta Ufficiale"
See also: https://www.corteconti.it/Download?id=fa2e81fd-c4f5-458e-86cc-41b6255e25a4
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:
b. The SAI has significant discretion, but faces some limitations.

Source:
This is a complex and highly controversial matter. At first sight, it may seem that the SAI has full discretion to decide. See, e.g., “Regolamento interno per il funzionamento del Consiglio di presidenza della Corte dei conti (Deliberazione n. 220/CP/2008),” article 11. paragraph 3:
http://www.gazzettaufficiale.it/atto/serie_generale/caricaDettaglioAtto/originario;jsessionid=GJEFCD71Aq+QGBMfKn6gA___ntc-as4-guri2a?atto.dataPubblicazioneGazzetta=2008-07-01&atto.codiceRedazionale=08A04595&elenco30giorni=false
Nonetheless, we received a comment from the Corte dei Conti stating that audits on budgets of constitutional bodies are excluded. This is indeed confirmed by a recent deliberation (N. 2/SSRRCO/QMIG/19) by the “Sezioni riunite in sede di controllo presiedute dal Presidente della Corte dei Conti Angelo Buscema” on the legitimacy of an audit by the SAI on the Italian National Council for Economics and Labor (CNEL), which is a constitutional body: https://www.corteconti.it/Download?id=88823c7d-e5f3-4022-8ba8-1358fbf9ef0

See also a legal comment on the above deliberation “Le Sezioni riunite in sede di controllo prevedono il controllo della Corte dei conti nei confronti degli Organi di rilevanza costituzionale (del. n. 2/SSRRRCO/QMIG/19),” highlighting both its complexity and controversial character: https://dirittoeconti.it/per-il-cnel-nessun-controllo-sulla-gestione-art-3-l-90-2014/

Comment:

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:
d. No, the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.

Source:
There is no evidence that the audit processes of the Supreme Audit Institution (SAI) are reviewed by an independent agency.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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: https://www.corteconti.it/Home/Documenti/AudizioniReferti

Comment:
In 2020 the Italian SAI (Corte dei Conti) has been regularly and frequently audited by the Italian Parliament, with 10 public hearings on economic and financial matters related to the process of legislative approval. See for example the following links:
https://www.corteconti.it/Home/Documenti/DettaglioDocumenti?id=62fe06cc-aaa5-4fd5-91ce-937eff3596a3
https://www.corteconti.it/Home/Documenti/DettaglioDocumenti?id=98542500-0fb-4fe3-8e57-3120d9b1f830
https://www.corteconti.it/Home/Documenti/DettaglioDocumenti?id=ddd54948-8af-46ec-912b-1bdfcc82c70a
https://www.corteconti.it/Home/Documenti/DettaglioDocumenti?id=40821b25-8e4a-4c5e-991e-67f6a02fd49f
https://www.corteconti.it/Home/Documenti/DettaglioDocumenti?id=b0852d85-cf94-428f-b951-93b176e1f8e
https://www.corteconti.it/Home/Documenti/DettaglioDocumenti?id=3fe31cf8-74cf-4ee8-906c-4fdeb244642

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 one another 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 seekes 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.

<table>
<thead>
<tr>
<th>Answer</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>The executive uses open participation mechanisms that involve the public in the formulation of the annual budget.</td>
</tr>
<tr>
<td>b</td>
<td>The executive uses open consultation mechanisms that involve the public in the formulation of the annual budget.</td>
</tr>
<tr>
<td>c</td>
<td>The executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but it is not structured or regularly.</td>
</tr>
<tr>
<td>d</td>
<td>The requirements for a “c” response or above are not met.</td>
</tr>
</tbody>
</table>

Source:
In the past, the Government used to meet – before the presentation of the EBP – the so-called “parti sociali” (Social Partners or SPs, i.e., trade unions, business associations, third sector forums...), in order to inform the SPs in advance on the contents of the EBP. Just as it happened in 2018 (see the previous 2019 OBS edition), this procedure has not taken place in 2020. Not only the Government met the “parti sociali” on the EBP on 16 November 2020, once the EBP was already approved by the Council of Ministers, but also no participation mechanism was set up by the executive to get the input from CSOs organizations/networks during the budget formulation phase. In any case, no public, official and formal recording by the executive of meetings with the SPs is available.

https://tg.la7.it/economia/prende-forma-la-manovra-da-38-mld-luned%C3%AC-14-11-2020-155363  
http://www.bollettinoadapt.it/comunicazione-le-relazioni-industriali-non-sono-piu-qualche-di-una-volta/  

As far as the Italian trade unions are concerned, all the three major Italian ones (CGIL, CISL, UIL) complained that the Government did not include
them in the formulation process of the EBP:
https://www.facebook.com/UILofficial/videos/388018495774231/ (here, please note that the video-recording of the meeting was an autonomous initiative undertaken by the UIL trade union, leaving the Italian Prime Minister Giuseppe Conte blatantly puzzled – minute 5:02).
https://www.cisl.it/attachments/article/18314/Nota%20di%20analisi%20e%20commento%20CISL_LEGGE%20DI%20BILANCIO%202021.pdf, pp. 1-2
https://www.camera.it/primo-piano/18222-recovery-fund.html
https://www.camera.it/application/xmanager/projects/leg18/attachments/upload_file_doc_acquisiti/pdfs/000/004/388/CGIL.pdf, p. 1

Comment:
With regard to the EBP, the Budget Commissions of the Legislative Body (Chamber of Deputies and Senate House) jointly held hearings with stakeholders (governmental institutions such as the Bank of Italy or the National Institute of Statistics, trade unions, CSOs networks, business associations) about the EBP on 21, 22 and 24 November 2020, before the discussion of the EBP by the Parliament:
https://www.camera.it/leg18/1385#boxTamburoWebTV. Reports of these hearings "Commissioni riunite V Camera e 5a Senato - Attività conoscitiva preliminare all’esame dei documenti di bilancio 2021-2023" can be found here:
https://www.camera.it/leg18/1105?id_commissione=05&annomese=202011&view=filtered_scheda&shadow_organo_parlamentare=2805. An example of these reports:

That said, it is necessary to remark that it is the Parliament – and not the Executive – who decided to organize the hearings of the above-mentioned institutions and organizations.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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 at least one vulnerable and underrepresented community and/or civil society organization 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:
See previous answer to question 125.

Comment:
During the formulation of the annual budget the input from vulnerable and under-represented parts of the population is collected by Parliament’s Sector Commissions during the analysis of the EBP.

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.

If written materials about the public engagement, such as an invitation, do not specify the coverage of the public engagement, but the researcher has personally participated in the engagement, s/he may respond to this question based on firsthand experience of the coverage of the public engagement.

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:
See previous answers to questions 125-126.

Comment:

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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:

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
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 at least one vulnerable and underrepresented community and/or civil society organization 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.

<table>
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<tr>
<th>Answer:</th>
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<tbody>
<tr>
<td>b. The requirements for an “a” response are not met.</td>
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</tbody>
</table>

Source:
Interviews with Giulio Marcon, former MP (2013-2018) and Secretary of the Budget Committee of the Chamber of Deputies, and with Stefano Fassina, current MP and Secretary of the Budget Committee of the Chamber of Deputies. See also previous answer to question 128.

Comment:
During the formulation of the annual budget the input from vulnerable and under-represented parts of the population is collected by Parliament’s Sector Commissions during the analysis of the EBP.

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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.

If written materials about the public engagement, such as an invitation, do not specify the coverage of the public engagement, but the researcher has personally participated in the engagement, s/he may respond to this question based on firsthand experience of the coverage of the public engagement.

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.

<table>
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<th>Answer:</th>
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<tbody>
<tr>
<td>d. The requirements for a “c” response or above are not met.</td>
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</table>

Source:
Interviews with Giulio Marcon, former MP (2013-2018) and Secretary of the Budget Committee of the Chamber of Deputies, and with Stefano Fassina, current MP and Secretary of the Budget Committee of the Chamber of Deputies. See also previous answers to questions 128-129.

Comment:
During the formulation of the annual budget the input from citizens is collected by Parliament’s Sector Commissions during the analysis of the EBP.

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Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
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:**
Interviews with Giulio Marcon, former MP (2013-2018) and Secretary of the Budget Committee of the Chamber of Deputies, and with Stefano Fassina, current MP and Secretary of the Budget Committee of the Chamber of Deputies.

**Comment:**
Parliament’s engagement with citizens takes place during the examination of the EBP.
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: Interviews with Giulio Marcon, former MP (2013-2018) and Secretary of the Budget Committee of the Chamber of Deputies, and with Stefano Fassina, current MP and Secretary of the Budget Committee of the Chamber of Deputies. |
| Comment: The executive does not put in place public participation mechanisms during the budget formulation stage. |

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: 
Interviews with Giulio Marcon, former MP (2013-2018) and Secretary of the Budget Committee of the Chamber of Deputies, and with Stefano Fassina, current MP and Secretary of the Budget Committee of the Chamber of Deputies.

Comment: 
The executive does not put in place public participation mechanisms during the budget implementation stage.

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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: 
Interviews with Giulio Marcon, former MP (2013-2018) and Secretary of the Budget Committee of the Chamber of Deputies, and with Stefano Fassina, current MP and Secretary of the Budget Committee of the Chamber of Deputies.

Comment: 
The executive does not put in place public participation mechanisms during the budget implementation stage.
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 – 134 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 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 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: http://consultazione.gov.it/it/

Comment: Since December 2019 (see http://www.funzione pubblica.gov.it/articolo/ministro/05-12-2019/governo-al-portale-e-piattaforma-%E2%80%9Cpartecipa%E2%80%9D-consultazioni-pubbliche and http://www.funzione pubblica.gov.it/articolo/ministro/05-12-2019/governo-al-portale-e-piattaforma-%E2%80%9Cpartecipa%E2%80%9D-consultazioni-pubbliche) the new governmental portal Consultazione.gov.it is online, which
is the single point of access for users wishing to participate in consultation initiatives carried out by public administrations. The portal offers citizens the opportunity to find out what initiatives are underway at national and local level and to access them. About 40 public consultations carried out by central government institutions from the end of 2019 to February 2021 are stocktaken and displayed (http://consultazione.gov.it/it/le-consultazioni/le-consultazioni-delle-amministrazioni-centrali/), but no one of them is specifically related to the formulation and/or implementation of the annual budget. Moreover, currently only one report with the elaboration of the results of the consultations has been published (http://consultazione.gov.it/it/le-consultazioni/le-consultazioni-delle-amministrazioni-centrali/stato=Conclusa+%E2%80%93+report+pubblicato&anno=2019&abstract). The launch of the portal represents a step forward towards greater opportunity for participation, transparency and accountability, and as such it has to be welcomed and appreciated. Nonetheless, since no specific public consultation initiative on the annual budget is in place so far, we think that the requirements for a “c” response or above are not met and that the appropriate answer is still 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 legislative 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)
- The legislature has a provision (via standing orders or in law) through which the public can submit their inputs, and members of the public or CSOs actively use it to submit opinions on the budget.

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 on the budget are held. No testimony from the public is provided during the public hearings, but contributions from the public...
are received through other means.

Source:
Article 119, paragraph 3, of the Regulation of the Chamber of Deputies: "Prima dell'inizio della sessione di bilancio, le Commissioni parlamentari iniziano l'esame degli stati di previsione del disegno di legge di bilancio di rispettiva competenza, senza procedere a votazioni, provvedendo ad acquisire i necessari elementi conoscitivi. A tal fine ciascuna Commissione delibera, d'intesa con il Presidente della Camera, il programma delle audizioni. La Commissione bilancio avvia altresì, con le medesime modalità, l'esame generale del disegno di legge di bilancio a legislazione vigente."

Comment:
While some CSOs are heard by the Budget Committee (for example the Sbilanciamoci! coalition up to 2020), there is a strong discretionary power of the Ufficio di Presidenza (Presidency Office) of the Budget Committee in order to select which CSOs/publics may join the hearings. In principle, anyone is allowed to make submission to participate to the hearings. Nonetheless, the list of actors who effectively take part to the hearings remains unchanged over time, i.e. it is formed more or less by the same actors.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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.

If written materials about the public engagement, such as an invitation, do not specify the coverage of the public engagement, but the researcher has personally participated in the engagement, s/he may respond to this question based on firsthand experience of the coverage of the public engagement.

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:

a. The legislature seeks input on all six topics.

Source:
At the following links it is possible to see and download the documents produced and discussed by the actors heard by the joint Budget Committees of the Senate and the Chamber of Deputies in occasion of the EBP 2021:
http://www.senato.it/leg/18/BGT/Schede/Ddliter/documenti/53501_documenti.htm
See for example:
http://www.senato.it/application/xmanager/projects/leg18/attachments/documento_evento_procedura_commissione/files/000/231/001/CONFPROFESSIONI.pdf
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 makes available a video recording of the relevant legislative session or 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:**
c. Yes, the legislature provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

**Source:**
Article 119, paragraph 3, of the Regulation of the Chamber of Deputies

**Comment:**
The Parliament publishes the written submissions received from organizations (see previous answer to question 137) that are heard during the hearings. However, the parliament did not provide any feedback or report on how the inputs were used during legislative deliberations on the budget.
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 legislative 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;
- 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:**
SAI website - https://www.corteconti.it/

**Comment:**

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree
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).

Please note that formal mechanisms that do not explicitly seek the public’s input in the audit program (such as general comment submission boxes on the SAI’s website) should not be considered for this question.

Answer:
b. The requirements for an "a" response are not met.

Source:
SAI website - https://www.corteconti.it/

Comment:
There is no evidence of any formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program.

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:
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:
SAI website - https://www.corteconti.it/

Comment:
There is no evidence of any formal mechanisms through which the public can contribute to audit investigations.