

Open Budget Survey 2023

Questionnaire

Portugal

May 2024

Country Questionnaire: Portugal

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 2023

Source:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAAABAAzNDI3MQEAVqL7uwUAAA%3d>

Comment:

Every year, under the European Economic Governance framework, the Portuguese Government is required to publish its PBS, the Stability Programme, for the next four fiscal years (2022-2026), so covers as PBS the fiscal year 2023. The last version available was published on March 25, 2022.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The Stability Programme for 2023-2027 was already published (in April). You can find it here: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAAABAAzNDY3tAQy02BAAUAAA%3d>

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:

<https://www.portugal.gov.pt/pt/gc22/comunicacao/documento?i=programa-de-estabilidade-2022-2026>

Comment:

As recorded on the government website (see link) the PBS was made available to the public on March 28th 2022, well before the budget year starts in January and the Executive's Budget Proposal is submitted to the legislature in October.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

28/03/2022

Source:

<https://www.portugal.gov.pt/pt/gc22/comunicacao/documento?i=programa-de-estabilidade-2022-2026>

Comment:

Date of publication recorded on the government website, see link.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

The Government website records March 28th the date of publication of the PBS. This was also confirmed using media sources.

Source:

<https://www.portugal.gov.pt/pt/gc22/comunicacao/documento?i=programa-de-estabilidade-2022-2026>

<https://jornaleconomico.pt/noticias/programa-de-estabilidade-portugal-deixa-o-grupo-de-paises-mais-endividados-da-ue-a-partir-de-2024-869673>

<https://www.publico.pt/2022/03/29/economia/noticia/divida-100-so-quatros-anos-cumprir-regras-optimismo-2000506>

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The PBS must be delivered at the latest at the end of April, and preferably by mid-April. The Government always aims at safeguarding some weeks for the documents to be discussed at the national Parliament. See page 20 of the "Specifications on the implementation of the Stability and Growth Pact": https://economy-finance.ec.europa.eu/system/files/2017-01/code_of_conduct_en1.pdf

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

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

Answer:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Source:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Comment:

No comments

Peer Reviewer

Opinion: Agree

Comments: Source English version: https://commission.europa.eu/system/files/2022-05/pt_sp_2022-2026_en.pdf

Government Reviewer

Opinion: Agree

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:

<https://www.portugal.gov.pt/pt/gc22/comunicacao/documento?i=programa-de-estabilidade-2022-2026>

Comment:

The PBS is only published by the Government in a PDF format, not in a machine readable format. Such information could also not be found at the Portuguese Parliament or European Commission websites.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: However, they are made available to all public national institutions that may need them for their analysis (e.g. Court of Auditors, Fiscal Council and Parliamentary Budget Unit)

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

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

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

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

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

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

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

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

Answer:

e. Not applicable (the document is publicly available)

Source:

<https://www.portugal.gov.pt/pt/gc22/comunicacao/documento?i=programa-de-estabilidade-2022-2026>

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

n/a

Source:

No sources.

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2023 State Budget" or "Guidelines for the Preparation of Annual Plan and Budget for 2022/23."

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

Answer:

Programa de Estabilidade 2022-2026

Source:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Comment:

The title of the PBS is Stability Programme, "Programa de Estabilidade" in Portuguese. This is because the document is a requirement for compliance with European fiscal coordination rules.

Peer Reviewer

Opinion: Agree

Comments: "Programa de Estabilidade 2022-2026" "Stability Programme 2022-2026"

Government Reviewer

Opinion: Agree

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/>.

Answer:

b. No

Source:

No sources.

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2023

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc01_Lei.pdf

Comment:

Law proposal with the government budget for 2023, submitted by the Government to the Parliament. Supporting documents can be found in this link:

[https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina.aspx?](https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado&TipoDocumentos=Lei+%2f+Mapas+Lei+%2f+Relat%u00f3rio)

[Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado&TipoDocumentos=Lei+%2f+Mapas+Lei+%2f+Relat%u00f3rio](https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado&TipoDocumentos=Lei+%2f+Mapas+Lei+%2f+Relat%u00f3rio)

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

10/10/2022

Source:

<https://www.parlamento.pt/Documents/2022/outubro/Calendario-OE2023.pdf>

Comment:

Calendar for different procedures regarding the EBP discussion available at the Portuguese National Parliament website for the 2023 State Budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: This date may change according to the electoral calendar (see article 36. of the Budgetary Framework Law:

[file:///C:/Users/diogo.monteiro/Downloads/Consolida%C3%A7%C3%A3o%20Lei%20n.%C2%BA%20151_2015%20-%20Di%C3%A1rio%20da%20Rep%C3%ABlica%20n.%C2%BA%20178_2015,%20S%C3%A9rie%20de%202015-09-11%20\(16\).pdf](file:///C:/Users/diogo.monteiro/Downloads/Consolida%C3%A7%C3%A3o%20Lei%20n.%C2%BA%20151_2015%20-%20Di%C3%A1rio%20da%20Rep%C3%ABlica%20n.%C2%BA%20178_2015,%20S%C3%A9rie%20de%202015-09-11%20(16).pdf))

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

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

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

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

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

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

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

Answer:

b. At least two months, but less than three months, in advance of the budget year, and in advance of the budget being approved by the legislature

Source:

<https://www.parlamento.pt/Paginas/2022/outubro/Orcamento-do-Estado-para-2023.aspx>

Comment:

As usual the EBP for FY 2023 was delivered to the Parliament and published 2.5 months before the beginning of the FY, as required by the "Lei de Enquadramento Orçamental", Portugal's budget framework law, which sets the rules for the budget process, types of documents to be published and respective dates/deadlines.

Available at (<http://www.dgo.gov.pt/legislacao/Paginas/default.aspx>)

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 2022 should be entered as 05/09/2022. 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:

10/10/2022

Source:

<https://www.parlamento.pt/Paginas/2022/outubro/Orcamento-do-Estado-para-2023.aspx>

Comment:

The EBP is published by the government, and by the parliament on its website, on the same date that the proposal is submitted to the parliament.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

Date of publication recorded clearly on the Portuguese Parliament website. It was also posted on the DGO website a link with that information. This was also confirmed using media sources.

Source:

<https://www.parlamento.pt/Paginas/2022/outubro/Orcamento-do-Estado-para-2023.aspx>

https://www.dgo.gov.pt/noticias/Paginas/OE2023_PropostaOE.aspx

<https://www.publico.pt/2022/10/10/economia/noticia/orcamento-crise-pensoes-sofrem-segundo-maior-corte-termos-reais-15-anos-2023205>

Comment:

No comment

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:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OrcamentosEstado.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado>

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OrcamentosEstado.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado>

Source:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OrcamentosEstado.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado>

Comment:

The link provided refers to a general portal of the government budget agency, which includes links for the three main documents of the EBP : 1) the articles of the Budget law proposal (see link to "Proposta de Lei do OE2023) 2) the EBP Report (see link to "Relatório do OE2023"), the most important supporting document containing a narrative description of the budget proposal. 3) Additional links to budgetary maps ("Mapas Orçamentais", see links to "Mapa01", "Mapa02", etc.) that detail expenditures and revenues classified according to economic, organic and functional classifications.

Peer Reviewer

Opinion: Agree

Comments: Short summary in English, "Budget 2023 at a Glance"

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/OE2023_doc22_Budget%20at%20a%20Glance.pdf

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://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/OE2023_doc19_Quadros_Graficos_Relatorio_Elementos_Informativos.xlsx

https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina_ficheirosdeDados.aspx

Comment:

The first link contains the data underlying all EBP Report tables and charts in Excel format, mainly referring to macroeconomic aggregates from the budget and other high level data. The second link contains links to all the EBP maps (the tables containing detailed expenditure authorisations, as an appendix to the budget law proposal) in an XML format that can be treated to import the data.

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:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OrcamentosEstado.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado>

Comment:

No comments.

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:

n/a

Source:

No sources.

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2022-23, 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:

Proposta de Lei n. 38/XV/1 - Orçamento do Estado para 2023

Source:

<https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a5357357059326c6864476c3259338354e6a51304e474e6a4d7930305a4451794c5451784e6a59744f44526a4f43316b4d4441314d44566a4e7a59784d3259755a47396a&fich=96444cc3-4d42-4166-84c8-d00505c7613f.doc&inline=true>

Comment:

The EBP law proposal states in article 1, all the Maps of revenues and expenditures that are included in the EBP: "Mapa 1, Mapa 2, Mapa 14". Other supporting documents include a narrative of the EBP: The EBP Report entitled "Relatório do Orçamento do Estado para 2023". Additional elements that support the EBP are the "Elementos informativos e complementares", "Desenvolvimentos Orçamentais" and "Mapas informativos", all of which can be found on the DGO website.

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:

a. Yes

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

Comment:

Shortly after the publication of the EBP, the government released a citizens version, "OE Cidadão 2023". This was published on 28th October (reference: https://www.dgo.gov.pt/noticias/Paginas/OE2023_OrcamentoCidadao.aspx)

Beyond this document, the government also published a simple web portal describing the main measures of the budget (<https://oe2023.gov.pt>) which further contains links to a presentation slide deck summarising the EBP (https://oe2023.gov.pt/wp-content/uploads/2022/10/OE2023-Apresentacao_20221010_atualizacao121022_site.pdf).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2023

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Documentos%20do%20OE/OE2023_doc01_Lei.pdf

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina.aspx?Ano=2023&TipoOE=Or%u00e7amento+Estado+Aprovado&TipoDocumentos=Lei+%2f+Mapas+Lei+%2f+Relat%u00f3rio>

Comment:

The first link refers to the EB law that approves the 2023 State Budget (in PDF).

The second link gives access to the principal page with the relevant links for the EB, including the law, budget statements ("declarações" and "mapas orçamentais").

The difference between EBP and EB is that there is no report in EB.

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

25/11/2022

Source:

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetailhIniciativa.aspx?BID=152005>

https://www.rtp.pt/noticias/economia/orcamento-do-estado-para-2023-aprovado-em-votacao-final-global_n1449539

Comment:

It's the date officially stated at the Portuguese National Parliament website for the corresponding legal initiative.

This was also confirmed using media sources.

Note this was the date as foreseen in the parliament calendar for the appraisal of the budget

<https://www.parlamento.pt/Documents/2022/outubro/Calendario-OE2023.pdf>

Peer Reviewer

Opinion: Disagree

Suggested Answer: approved by the Parliament 25/11/2022 enacted by the President of the Republic 29/12/2022

Comments: It should be pointed out that in Portugal there is a time lag between the approval (by the Parliament) and being enacted (by the President of the Republic, who can actually send the law back to the Parliament). The EB was indeed approved by the Parliament on 25/11/2022 and enacted ("promulgado") by the President of the Republic on 29/12/2022. <https://www.presidencia.pt/atualidade/toda-a-atualidade/2022/12/presidente-da-republica-promulga-orcamento-do-estado/>

Government Reviewer

Opinion: Agree

Researcher Response

This question asks about when was the EB approved by the legislature, as clearly stated in the question guidelines document. This understanding is

also consistent with the answer given in the same question in previous OBS editions, and the situation has not changed at all.

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:

b. Between two weeks and six weeks after the budget has been enacted

Source:

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetailIniciativa.aspx?BID=152005>

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetailDiplomaAprovado.aspx?BID=33763>

Comment:

The budget was enacted (approved by the legislature) on November 25, and was made available to the public on December 16, as indicated by the dates of the different legislative procedures. (After confirmation by the President of the Republic, the final Enacted Budget law would then be published on December 31.)

NOTE TO IBP REVIEWERS:

The three weeks delay between enacting and publication occurs merely for technical reasons, as the Parliament's services assemble the final wording of the budget law, integrating a typically very large number of mostly minute changes that result from proposals by the Parliament. These proposals arise from public hearings, the results of which are swiftly published in the Parliament website, therefore the information of said changes is already public. For these reasons, we suggest to consider changing the answer to the question to (a).

Peer Reviewer

Opinion: Disagree

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

Comments: As explained above (review comment to EB-1), approval and enactment are not coincident. The EB has been approved on November 25, enacted on December 29 and published in the Official Journal on December 30 2022. <https://diariodarepublica.pt/dr/legislacao-consolidada/lei/2022-205695052>

Government Reviewer

Opinion: Agree

Comments: Although the final version of the EB is only made available 3 weeks after the budget has been enacted, all changes are publicly known before, as explained in the comment. Thus, option a. would not be incorrect.

Researcher Response

I appreciate the PR's comment but as noted already in comments to EB-1, for consistency across countries, we do not consider the date of confirmation by the president as the enactment date; instead consider the date of approval by the parliament. Regarding the Gov. Reviewers comment, it is indeed my understanding that the delay in publication of the final version is merely a technical issue, and all changes are publicly known earlier. I would agree to change this to (a), but I would leave it to IBP to make a final determination.

IBP Comment

Thank you to the reviewers and the researcher for the notes. For consistency across countries, and across rounds of the survey, we maintain the publication date of December 16, 2022 to be the most accurate date of publication. Answer "B" remains.

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

16/12/2022

Source:

[https://app.parlamento.pt/webutils/docs/doc.pdf?](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&Inline=true)

[path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&Inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&Inline=true)

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetailhIniciativa.aspx?BID=152005>

Comment:

After the law is enacted it must still be confirmed by the President of the Republic, and only after is a final (but unchanged) version published, which bears legal value. This latter version was published on 30 December, and that is why the document linked above has that date.

However, for the purposes of the question, we consider the date that the enacted budget law was published. The document published then can be found on this link: [https://app.parlamento.pt/webutils/docs/doc.pdf?](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&Inline=true)

[path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&Inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&Inline=true)

Refer also to the comment in question EB-2

Peer Reviewer

Opinion: Disagree

Suggested Answer: 30/12/2022

Comments: See review comment to EB-2. The EB has been enacted on December 29 and published in the Official Journal on December 30 2022.

<https://diariodarepublica.pt/dr/legislacao-consolidada/lei/2022-205695052>

Government Reviewer

Opinion: Agree

Researcher Response

In accordance with questions EB-1 and EB-2, we consider approval by the parliament as the date of "enactment".

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:

It's officially stated at the Portuguese National Parliament website recording all the steps of the legal initiative associated with the budget approval.

Source:

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetailhIniciativa.aspx?BID=152005>

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:

[https://app.parlamento.pt/webutils/docs/doc.pdf?
path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true)

Source:

[https://app.parlamento.pt/webutils/docs/doc.pdf?
path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true)

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Comments: DGO weblink to all documents pertaining to the 2023 EB: <https://www.dgo.gov.pt/politicaorcamental/Paginas/OrcamentosEstado.aspx?Ano=2023&TipoOE=0%u00e7amento+Estado+Aprovado>

Government Reviewer

Opinion: Agree

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/>

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://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina_ficheirosdeDados.aspx?Ano=2023&Tipo%20E=OE%20Aprovado

<https://dados.gov.pt/datasets/orcamento-do-estado-receita-por-classificacao-economica/>

<https://dados.gov.pt/datasets/orcamento-do-estado-despesa-por-classificacao-economica/>

https://transparencia.gov.pt/pt/orcamento-do-estado/previsao/despesa-receita-previsao/#ei_expense_and_income_previson_graph_id

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

The data containing detailed spending authorisations from the "Mapas" supporting the budget law are provided in machine readable format in the first

link.

The second and third links contain aggregate data on spending and revenue, made available at the government open data portal. This data can be also explored in a user friendly format in a portal (fourth link).

Further, there is a user friendly budget data platform, with different breakdowns available for users to interact with, in the fifth link above. The data resulting from the analysis there can also be downloaded in Excel format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

[https://app.parlamento.pt/webutils/docs/doc.pdf?
path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true)

Comment:

No comments.

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:

n/a

Source:

No sources.

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2023."

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

Answer:

Lei n.º 24-D/2022 de 30 de dezembro - Orçamento do Estado para 2023

Source:

<https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a51574e3061585a705a47466b5a64268636d786862575675644746794c7a4d774e6d4d324d47597a4c5449305a5455744e4455344e7931684d7a526c4c574a6d5a574d354d446b305a6d55354e935775a47593d&fich=306c60f3-24e5-4587-a34e-bfec9094fe97.pdf&inline=true>

Comment:

No comments.

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/>

Answer:

b. No

Source:

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

The user friendly data platform linked above has main headline indicators on the budget in an accessible and simple format, but there is no discussion of policy initiatives directly connected with this website.

There is no official update of the Citizens Budget published with the EBP (see our response to question EBP-8).

Peer Reviewer

Opinion: Disagree

Suggested Answer: a. Yes

Comments: In addition to the user friendly data platform, the document "OE2023 - Orçamento Cidadão" remains valid for the EB (and a link to it is shown in the EB page of the DGO website) <https://www.dgo.gov.pt/politicaorcamental/Paginas/OrcamentosEstado.aspx?Ano=2023&TipoOE=Or%u00e7amento+Estado+Aprovado>

Government Reviewer

Opinion: Agree

Researcher Response

I appreciate the comment by the PR. If I understand it correctly, the idea is that between the EBP and EB, given the changes introduced after discussion in the Parliament, the aspects covered in the Citizens Budget were not materially changed, and there for the CB remains "valid" for the EB. I cannot confirm whether this is true regarding the specific policy measures discussed in the CB, but for sure at least the main aggregates of spending and revenue would be changed, even if by small amounts. But even if they were not, it is my understanding that the government would have had to confirm this by publishing a new version after enactment, even if none of the information contained were materially altered. I suggest therefore that we maintain a (b) answer here (and indeed the Gov Reviewer did not challenge this understanding).

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

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

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

Answer:

FY 2023

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

The Citizens Budget is not an official document part of the Portuguese budget process. Therefore, there is no official deadline for it to be published. It refers to the 2023 EBP, summarizing information in an accessible language.

Further, this document could be considered together with the user friendly data portal for citizens, containing main indicators and aggregates of the EB, in the second link.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology

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

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

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

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

Answer:

e. Not applicable (the document is publicly available)

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

Comment:

No comment

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

n/a

Source:

No source

Comment:

No comments.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

*Note that the date of publication is not necessarily the same date that is printed on the document.
Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

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

Answer:
28/10/2022

Source:
https://www.dgo.gov.pt/noticias/Paginas/OE2023_OrcamentoCidadao.aspx

<https://www.dinheirovivo.pt/economia/nacional/governo-publica-documento-para-o-cidadao-sobre-o-orcamento-do-estado-para-2023-15290558.html>

Comment:
Date of post on the DGO website announcing the publication of the CB.

A media source about the CB was found with an even earlier date.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

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

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

Answer:
Date of post on the government website announcing the publication of the CB.
A media source about the CB was found with an even earlier date.

Source:
https://www.dgo.gov.pt/noticias/Paginas/OE2023_OrcamentoCidadao.aspx

Comment:
No comment.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The date of publication depends on the availability of the Ministry of Finance entities

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

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

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

Answer:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

The second link above refers to a web portal with user friendly access to the main data of the budget (EB) and explanations. See also question CB-1.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2022 People's Guide" or "2023 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:

OE 2023 - Orçamento Cidadão

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

Further, the web portal with data on the EB is called "Conhecer o Orçamento do Estado" (Translation: "Get to know the Government Budget")

Peer Reviewer

Opinion: Agree

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 main CB refers to the EBP.

A user friendly web portal, which we consider a secondary CB, refers to EB data.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

Peer Reviewer

Opinion: Agree

Comments: The main CB refers to the EBP, and it remains valid for the EB.

Government Reviewer

Opinion: Agree

Researcher Response

Please see my response to the comments in EB-8.

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 2022

Source:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

https://www.dgo.gov.pt/execucaoorcamental/SintesedaExecucaoOrcamentalMensal/2022/dezembro/1222-SinteseExecucaoOrcamental_novembro2022.pdf

Comment:

The first link refers to the IYRs principal website with synthesis and analyses of budget implementation.

The second link refers to the synthesis of budget implementation in pdf.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

https://www.dgo.gov.pt/execucaoorcamental/Documents/SEO_SinteseExecucaoOrcamentalMensal/CalendarioSinteseExecucaoOrcamentalMensal-2023_vPT.pdf

Comment:

The budget administration releases monthly execution reports during the month after the reference month (usually in the last week). DGO makes available a calendar with the predicted day on which the monthly report is published (second link).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2022 should be entered as 05 September 2022. If the document is not published or not produced, please mark this question "n/a."

Answer:

Síntese de Execução Orçamental de novembro de 2022 - 29 December 2022

Síntese de Execução Orçamental de outubro de 2022 - 25 November 2022

Síntese de Execução Orçamental de setembro de 2022 - 27 October 2022
Síntese de Execução Orçamental de agosto de 2022 - 27 October 2022
Síntese de Execução Orçamental de julho de 2022 - 26 August 2022
Síntese de Execução Orçamental de junho de 2022 - 26 July 2022
Síntese de Execução Orçamental de maio de 2022 - 29 June 2022
Síntese de Execução Orçamental de abril de 2022 - 26 May 2022

Source:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Comment:

This was also confirmed using media sources.

All of the reports (and machine readable data) are made available in the above website. The user can select the month and view the full report plus some additional notes and complementary information.

(e.g. for the December report, on November data:

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/dezembro/1222-SinteseExecucaoOrcamental_novembro2022.pdf

plus

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/dezembro/1222-SinteseExecucaoOrcamental_novembro2022_NotasComplementares.pdf)

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The Budget Administration publishes the IYRs in the last working day of the following month. Calendar:

https://www.dgo.gov.pt/execucaoorcamental/Documents/SEO_SinteseExecucaoOrcamentalMensal/CalendarioSinteseExecucaoOrcamentalMensal-2023_vPT.pdf

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

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

Answer:

The budget administration releases a calendar with the publication date for every month at the beginning of the year. In all cases mentioned in IYR-3a, the date on the reports matches the foreseen publication date on that calendar. In addition, media sources provide additional confirmation (a press release is distributed when the data is released, which usually has broad media coverage).

Source:

https://www.dgo.gov.pt/execucaoorcamental/Documents/SEO_SinteseExecucaoOrcamentalMensal/CalendarioSinteseExecucaoOrcamentalMensal-2023_vPT.pdf

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Julho>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Last working day of the following month.

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:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Source:

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/novembro/1122-SinteseExecucaoOrcamental_outubro2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/outubro/1022-SinteseExecucaoOrcamental_setembro2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/outubro/1022-SinteseExecucaoOrcamental_setembro2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/outubro/1022-SinteseExecucaoOrcamental_setembro2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/setembro/0922-SinteseExecucaoOrcamental_agosto2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/setembro/0922-SinteseExecucaoOrcamental_agosto2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/agosto/0822-SinteseExecucaoOrcamental_julho2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/julho/0722-SinteseExecucaoOrcamental_junho2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/junho/0622-SinteseExecucaoOrcamental_maior2022.pdf

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2022/maio/0522-SinteseExecucaoOrcamental_abril2022.pdf

Comment:

Note that, additionally, the government debt management agency publishes timely additional monthly reports with details on debt at:

<https://www.igcp.pt/pt/menu-lateral/publicacoes/boletim-mensal/2022/>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Last publication: <https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2023&Mes=Agosto>

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:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Comment:

Excel files are provided for all the data on the same website as the reports.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Last publication: <https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2023&Mes=Agosto>

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:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Comment:

No comments

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

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

For example, a title for the In-Year Report could be "Budget Monitoring Report, Quarter 1" or "Budget Execution Report January-March 2022."

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:

Síntese de Execução Orçamental de novembro de 2022

Source:

https://www.dgo.gov.pt/execucaoorcamental/SintesedaExecucaoOrcamentalMensal/2022/dezembro/1222-SinteseExecucaoOrcamental_novembro2022.pdf

Comment:

Previous in-year reports have the same title, only the month changes.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Síntese de Execução Orçamental de [month] de [year]

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/>.

Answer:

a. Yes

Source:

<https://online.dgo.gov.pt/DadosCidadao/EntradaExecucao.aspx>

<https://transparencia.gov.pt/pt/orcamento-do-estado/execucao/despesa-receita-execucao/>

<https://recuperarportugal.gov.pt/monitorizacao/>

Comment:

The first link above contains a similar web portal as the one used for the EB, but containing monthly updated budget outturns data. This has been updated throughout the year 2022. While this website has been available for some time, it was not considered in previous editions of the OBS as sufficient to merit an (a) answer in this question. The main reason is this website, on its own, is limited by the lack of narrative explanations of the data, that could make it accessible and understandable by citizens.

In this round, we propose an (a) answer based on two new products that have been released by the government for the 2022 budget year.

The first link is from the new "Mais Transparência" portal, in the page dedicated to budget execution. IT presents the same data as in the first link, even if in a more simplified and attractive manner, but importantly it is accompanied by explanations on the budget implementation process (<https://transparencia.gov.pt/pt/orcamento-do-estado/definicao/previsao-execucao-resultado/>) and a glossary (<https://transparencia.gov.pt/pt/glossario/>).

The second link is from the new "Recuperar Portugal" website, set up by the government to report information on the implementation of the Recovery and Resilience Plan, a large scale investment program set up as part of policies to react to the economic crisis brought by the Covid-19 pandemic. The linked page contains, among other information, a dashboard containing the funds already allocated, approved and paid out for projects on aggregate and by sector. As far as we could tell, this was updated continually over the course of 2022 on a weekly basis.

Finally, we took good note of the information provided by the government reviewer in the last survey round, concerning results of a survey they conducted on the public that suggests uptake of the first web portal is significant. Taken together, we consider these initiatives sufficient to merit (a) here, and will consider all the above websites for the purpose of the questions related to the citizens version of the IYR.

Peer Reviewer

Opinion: Agree

Comments: Communication of this set of documents and its clearer presentation as a "CB-execution" could be improved in future instances.

Government Reviewer

Opinion: Agree

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 2022

Source:

No sources.

Comment:

MYRs are not produced and it's not required by the Portuguese budgetary framework law.

Peer Reviewer

Opinion: Agree

Comments: No MYR is produced - the MYR is not required by the Portuguese budgetary framework law. I don't think it should be prioritized in the context of the already heavy schedule and scrutiny of the European semester / economic governance of the euro area. It should be noted that full year estimates of expenditure, revenue, and debt for the ongoing budget year are usually updated and published as part of the reports accompanying the PBS (Stability Programme) and the EBP for the next year. It should also be noted that the independent CFP (Portuguese Public Finances Council) publishes in September an update of the Economic and Fiscal Outlook. <https://www.cfp.pt/en/publications/economic-and-fiscal-outlook/economic-and-fiscal-outlook-2023-2027-update>

Government Reviewer

Opinion: Agree

Researcher Response

I agree with the PR that it would seem unnecessary to add a heavy analysis report as a MYR, given there is already some mid-year execution discussion in the PBS and later in the EBP report. However, I think it would be easy to produce and publish a projection of the end-year balances together with the June execution report, along with some discussion of it. This would support preparation of public discussions on the budget for the following year.

IBP Comment

Thank you to the peer reviewer and the researcher for the comments. The Mid-Year Review represents an opportunity to comprehensively assess a government's fiscal performance against the strategy established in the Enacted Budget. Thus it should allow for an assessment of whether the budget is adequately coping with current macroeconomic developments, including changes in the prices of natural resources, the state of implementation of the different elements of the budget, and revenue collections in the context of expected seasonal patterns. The Mid-Year Review can also indicate whether the budget needs adjustments or corrective measures in the allocation of resources between ministries or in the level of spending overall or for a given sector. For countries with a performance-based budget system, it is also an opportunity to take stock of the progress in realizing specific output targets in public programs.

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

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

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

Answer:

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

Source:

No source

Comment:

No comments.

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

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Source:

No sources

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

n/a

Source:

No sources

Comment:

No comments

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

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Source:

No source

Comment:

No comments

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:

d. Not applicable

Source:

No sources.

Comment:

MYR is not produced and it's not required by the Portuguese budgetary framework law.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

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

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

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

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

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

Answer:

d. Not produced at all

Source:

No sources.

Comment:

MYRs are not produced and it's not required by the Portuguese budgetary framework law.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

From previous discussions with government sources, we have never had information of any comprehensive, systematic review at the mid-year point (apart from the IYR for June).

Source:

No sources.

Comment:

It should however be noted that full year estimates of expenditure, revenue, and debt for the ongoing budget year are usually updated and published as part of the reports accompanying the PBS (Stability Programme) and the EBP for the next year.

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 2021/22" or "Mid-Year Report on the 2022 National Budget."

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

Answer:

n/a

Source:

No sources.

Comment:

No comments

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

No sources.

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 2021

Source:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2021>

Comment:

Year-End Report is called "Conta Geral do Estado", refers to the year of 2021 and includes an extensive report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The YER for the 2022 fiscal year is already available: <https://www.dgo.gov.pt/politicaorcamental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2022>

IBP Comment

Many thanks to the government reviewer for the comment. Indeed, the YER for the 2022 fiscal year was available at the time of writing. To clarify, we assess the 2021 fiscal year YER report here because this survey assesses only documents published on or before 31 December 2022.

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:

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

Source:

<https://www.dgo.gov.pt/noticias/Paginas/ContaGeralEstado.aspx>

Comment:

Presented to the Parliament and Court of Auditors on 16 May and published on the DGO government agency website the next day (see link)

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

17/05/2022

Source:

<https://www.dgo.gov.pt/noticias/Paginas/ContaGeralEstado.aspx>

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Although the publication date may differ, the YER is delivered to the Parliament until May 15th

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:

Post date on DGO government agency website. Confirmed using media sources.

Source:

<https://www.dgo.gov.pt/noticias/Paginas/ContaGeralEstado.aspx>

<https://eco.sapo.pt/2022/05/17/cobranca-coerciva-de-dividas-de-impostos-aumentou-24-em-2021-para-8995-milhoes/>

<https://expresso.pt/economia/2022-05-17-IVA-IRS-e-Imposto-do-Selo-deram-gas-a-receita-fiscal-de-2021-b246bca0>

Comment:

No further comments

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: In 2023, the 2022 YER was published on May 16th: <https://www.dgo.gov.pt/noticias/Paginas/ContaGeralEstado.aspx>

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

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

Answer:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2021>

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/2021/CGE%202021%20vol1tomo01.pdf>

Comment:

The YER is formally composed of several volumes which are published through different links, all contained in the web page referred in the answer to this question.

The main report is linked in the source above.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: For the 2022 YER: <https://www.dgo.gov.pt/politicoarcomental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2022>

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://www.dgo.gov.pt/politicoarcomental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2021>

Comment:

Specifically, the Year-End Report is composed of two "volumes". The first one contains and explains general data, for the whole central government sector. The second one contains additional information (details on guarantees, on earmarked revenues, etc.) and lists details of all individual administrative units' specific budgets and any changes these may have suffered vis-à-vis the enacted budget.

All of the data from the first volume is provided in the above website in Excel format. As the second volume contains mostly very granular data, at the level of specific institutions, we consider this sufficient to merit an (a) question. In particular all of data from the main report is available.

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:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2021>

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

n/a

Source:

No sources.

Comment:

No comments.

Peer Reviewer

Opinion: Agree

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 2022" or "Annual Report 2021 Published by the Ministry of Finance and Planning." If the document is not produced at all, researchers should mark this question "n/a."

Answer:

Conta Geral do Estado 2021

Source:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/Conta-Geral-do-Estado.aspx?Ano=2021>

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Comments: The title of the publication is: "CGE 2021 Conta Geral do Estado"

Government Reviewer

Opinion: Agree

Comments: For the 2022 YER: "Conta Geral do Estado de 2022"

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:

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

Answer:

a. Yes

Source:

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx?modulo=CGE

<https://transparencia.gov.pt/pt/orcamento-do-estado/balanco/despesa-receita-balanco/>

Comment:

The first link above contains a similar web portal as the one used for the EB and IYR, but containing the final data for the year 2021. This has presumably been updated when the YER was published. While this website has been available for some time, it was not considered in previous editions of the OBS as sufficient to merit an (a) answer in this question. The main reason is this website, on its own, is limited by the lack of narrative explanations of the data, that could make it accessible and understandable by citizens.

In this round, similar to the IYRs (refer to q. IYRs-8) we propose an (a) answer based on a new product released by the government in 2020/21.

This the new "Mais Transparência" portal, in the page dedicated to the budget "result", i.e. final data from the YER. It presents the same data as in the first link, in a more simplified and attractive manner, but importantly it is accompanied by explanations on the budget implementation process (<https://transparencia.gov.pt/pt/orcamento-do-estado/definicao/previsao-execucao-resultado/>) and a glossary (<https://transparencia.gov.pt/pt/glossario/>). Furthermore, the webpage also contains an extra simple analysis on the evolution of public debt based on the year-end results.

Notice that the government reviewer, in the last survey round, had mentioned the government had recently launched this new portal.

Peer Reviewer

Opinion: Agree

Comments: Communication of this set of documents and its clearer presentation as a "Citizens version" of the YER could be improved in future instances.

Government Reviewer

Opinion: Agree

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

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

Answer:

FY 2021

Source:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Comment:

No comments.

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:

b. 12 months or less, but more than six months, after the end of the budget year

Source:

<https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Pages/n20221004-1.aspx>

Comment:

It should be noted that in 2022, for the first time the Court of Auditors published its AR about 9 months after the end of the budget year (October 4th) as opposed to the previous usual 12 (end December).

This is a major change in the usual process, as the Court points out, as it made the AR available before the EBP for the following year was presented and discussed in Parliament.

While this does not allow a change to (a) in this question, it should be noted that the Court took approximately five months to produce the AR, if we consider that legally the AR must be based on the YER, which it only received on May 16th.

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 2022 should be entered as 05/09/2022. If the document is not published or not produced, leave this question blank.

Answer:

04/10/2022

Source:

<https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Pages/n20221004-1.aspx>

Comment:

No comments.

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:

It is officially stated at the SAI website, on a specific post marking the date of publication.
This was also confirmed using media sources.

Source:

<https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Pages/n20221004-1.aspx>

<https://www.publico.pt/2022/10/04/economia/noticia/tribunal-contas-divida-fiscal-incobavel-duplicou-2021-desde-2016-2022818>

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.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Source:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Comment:

No comments.

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.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Pages/detalhe.aspx?dset=2021>

Comment:

The AR is only made available in PDF format.

Peer Reviewer

Opinion: Agree

Comments: It should be noted that the numerical data used in the AR are the ones reported in the YER, which are available in machine readable format (see above, research answer to YER-5).

Government Reviewer

Opinion: Agree

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:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

Answer:

n/a

Source:

No source

Comment:

No comment

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

Parecer sobre a Conta Geral do Estado de 2021

Source:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Comment:

No comment

Peer Reviewer

Opinion: Agree

Government Reviewer

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 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:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_2pp.pdf

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/opinion_2021_gsa_executive_summary.pdf

Comment:

The SAI continues to disclose on its website a 2-pages simplified summary of the AR. There is also an executive summary of the AR, both at the beginning of the report and in standalone format (there is even an English version). Unfortunately none of these can be truly considered a citizens version from our perspective. There has been no changes or increments to the content of these summaries since the last OBS edition, namely regarding explanations accessible to the wider public.

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

<https://www.dgo.gov.pt/Paginas/default.aspx>

<https://www.igcp.pt/>

<https://www.parlamento.pt/>

<https://www.parlamento.pt/sites/COM/XIVLeg/5COF/Paginas/utao.aspx>

<https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/Pages/Pareceres-do-Tribunal-de-Contas.aspx>

<https://www.cfp.pt/>

<http://www.gpeari.gov.pt/>

<https://transparencia.gov.pt/>

<https://recuperarportugal.gov.pt>

<https://dados.gov.pt>

Comment:

Directorate-General for the Budget website

IGCP (Portuguese government debt agency) website

Parliament website

Parliamentary Budget Office Website

SAI website with reports and opinions containing fiscal data

Portuguese Public Finance Council website

GPEARI website (Office of Planning, Strategy, Evaluation and International Relations)

"Mais Transparência" portal (tr: "More Transparency")

"Recuperar Portugal" portal (tr: "Portugal Recovery")

Government open data portal

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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://www.dgo.gov.pt/EstatisticasFinancasPublicas/Paginas/SupervisaoOrcamentalAmbitoUE_PT.aspx

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Comment:

In this website, monthly and quarterly data series (based on detailed public accounting information as released in the IYRs) are published for the fiscal year, with revenue and expenditure main aggregates for all of the general government subsectors (i.e. not only central government but also social security, and regional and local government). In addition, IYRs are regularly accompanied by highly detailed data packages, with many details (not only the main aggregates, but also including items such as a breakdown of the different kinds of taxes; arrears; health service budget execution, among others) for the current fiscal year.

There is also data in the government open data portal (<https://dados.gov.pt/pt/datasets/orcamento-do-estado-despesa/>), which is kept up to date

with the publication of each EB.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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/>.

Answer:

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

Source:

https://www.dgo.gov.pt/EstatisticasFinancasPublicas/Paginas/SupervisaoOrcamentalAmbitoUE_PT.aspx

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

<https://dados.gov.pt/pt/datasets/orcamento-do-estado-despesa-por-classificacao-economica/>

Comment:

The data explained previously (refer to q. GQ-1b) is available as historical information for previous years in the same sources.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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.

GQ-1d asks the researcher to list any government websites or portals where infographics/visualizations or other similar tools used to simplify data access and analysis are present. For example, in South Africa the Vulekamali portal (<https://vulekamali.gov.za>) is a project by the National Treasury which contains visualizations of the Consolidated Budget Summary, by departments budget, by division of revenue and by infrastructure budget distribution. (See for example <https://vulekamali.gov.za/2022-23/national/departments/basic-education/>). Other countries that have developed portals that include fiscal visualization and graphics include: Brazil's Transparency Portal (<https://portaldatransparencia.gov.br/>), which presents line graphs, bar graphs, pie charts, and visual maps of electronic invoices, public expenditure, public revenue, annual budget, transferred resources, resources transferred by location of beneficiary, among other information. (<https://portaldatransparencia.gov.br/orcamento> and <https://portaldatransparencia.gov.br/transferencias>). Additionally, United States Department of the Treasury, Fiscal Data portal (<https://fiscaldata.treasury.gov/>) is a one-stop shop for federal financial data that uses charts, exhibits, and figures.

Answer:

a. Yes

Source:

http://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

<http://online.dgo.gov.pt/DadosCidadao/Execucao.aspx>
<https://transparencia.gov.pt/>

Comment:

Along with the previously existing "Conhecer" websites for citizens, the new "Mais Transparência" portal allows to explore the main data aggregates for EBP, IYR and YERs in a graphical format, as well as in tables.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GQ-2 asks about the existence of any national laws governing public financial management and auditing. These may include a public finance act, a section of the constitution, or an organic budget law. In some countries, fiscal responsibility legislation may also be relevant. For example, the Kenya researcher may include the link to its Public Finance Management Act, 2012 (<http://kenyalaw.org:8181/exist/kenyalex/actview.xql?actid=No.%2018%20of%202012>), and the Macedonian researcher may include a link to its State Audit Law (<https://finance.gov.mk/wp-content/uploads/2009/05/Audit-law.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:

<https://dre.pt/home/-/dre/140431167/details/maximized>
and
https://www.dgo.gov.pt/legislacao/Documents/Lei_22-2015_alteraLCPA.pdf
and
https://www.dgo.gov.pt/legislacao/Documents/Lei-8-90_BasesContabPublica.pdf
and
https://dre.pt/web/guest/legislacao-consolidada/-/lc/66689638/view?p_p_state=maximized

Comment:

There are no changes to the legislative framework with respect to the situation considered for the previous OBS.

"Lei de Enquadramento Orçamental" (Law 151/2015, 11-09-2020) is the organic budget law, the main legislation tool for all aspects regarding budget governance. It is a special law, requiring a qualified majority for any changes. There was a 3rd amendment of this law in 2020 (through Law 4/2020, 18-08-2020) that introduced further requirements of transparency in particular the new article 75-A on "Duties of information and transparency in the decision process" regarding the financial implications of proposals to change the government proposal in parliament. (the first link is to Law 4/2020 that changes the original 151/2015 law, but has in appendix the full text of the law including the changes).

Additional laws which could be considered for these purposes: i) "Lei dos Compromissos e dos Pagamentos em Atraso" on non-financial debt incurred by public entities and arrears; ii) Law on public accounting standards; and iii) Law determining the attributions and functioning of the SAI.

Peer Reviewer

Opinion: Agree

Comments: The legislation establishing the competences and statutes of the Portuguese Public Finance Council is also relevant:

<https://www.cfp.pt/en/cfp/governance/legislation> In addition, one could also consider the obligations under the European Union and euro area economic governance.

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/rti-act-details.html>) is an example of this type of law. For more information on access to information legislation (constitutional provisions, laws, and regulations), including examples of model laws, see: <https://www.rti-rating.org/country-data/> and <https://www.constituteproject.org/>.

Answer:

a. Yes

Source:

<https://dre.pt/home/-/dre/140431167/details/maximized>

<https://dre.pt/pesquisa/-/search/75177807/details/maximized>

<https://dre.pt/dre/detalhe/lei/68-2021-170221042>

Comment:

The Budget Framework Law (Law 151/2015), including later amendments, has specific provisions for access to information and transparency, but not for citizens participation.

Also, there is a law (Lei 26/2016) determining free access when viable to any administrative documents was enacted, in accordance with the "open government principle" (art. 2º). This law was appropriately accompanied by the creation of an entity ("Comissão de acesso aos documentos administrativos") responsible for the oversight of public entities' abiding this law and dealing with complaints about non compliance of public institutions.

The latter law is now accompanied and augmented by Law 68/2021, that requires all government entities to, as far as possible, abide by open data practices and principles. Further, this law mandates the government to create and implement a National Open Data Strategy that enables government agencies to execute such principles. As a general rule, all data should be published in the government open data portal (linked in q. GQ-1). This open data rule should be similar to most other EU countries, as it comes from European law (Directive 2019/1024 on open data and the re-use of public sector information).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc02_Mapa01.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc05_Mapa04.pdf

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

Yes, the Executive's Budget Proposal in Portugal does present expenditures classified by administrative unit, specifically by ministry. This information can be found in the Directorate General Budget.

Expenditures presented by administrative unit can be found in "Mapas orçamentais" which support the EBP, namely Map 1 ("Mapa das despesas por missão de base orgânica, desagregadas por programas dos subsectores da Administração Central e da Segurança Social") and Map 4 ("Mapa relativo à classificação orgânica das despesas do subsector da Administração Central").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

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

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

Answer:

a. Yes, expenditures are presented by functional classification.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc03_Mapa02.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc08_Mapa07.pdf

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx

Comment:

Expenditures presented according to a functional classification can be found in "Mapas orçamentais", which support the EBP, namely Map 2 ("Mapa relativo à classificação funcional das despesas do subsector da Administração Central") and Map 7 ("Mapa relativo à classificação funcional das despesas de cada sistema e subsistema e do total do subsector da Segurança Social").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc03_Mapas02.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc08_Mapas07.pdf

Comment:

Public accounting in Portugal has been updated to use the current version of the COFOG functional classification. The functional classification tables presented in the EBP (namely an overview of all central government spending, in Map 2 linked above) use the correct COFOG classification (as described in the links given in the question guidelines and here: <https://www.oecd.org/gov/48250728.pdf>).

However, there is not only one but two maps according to COFOG classification, one for central government (Map 2) and another for social security (Map 7) which does not enable to make a consolidated analysis of public expenditure by functions.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc04_Mapa03.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc09_Mapa08.pdf

Comment:

Expenditures presented by economic classification can be found in "Mapas orçamentais", which support the EBP, namely Map 3 ("Mapa relativo à classificação económica das despesas do subsetor da Administração Central") and Map 8 ("Mapa relativo à classificação económica das despesas de cada sistema e subsistema e do total do subsetor da Segurança Social").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

Question 5 asks whether a country's economic classification meets international standards. To answer "a," a country's economic classification must be consistent with the International Monetary Fund's (IMF) 2001 Government Finance Statistics (GFS). The GFS economic classification is presented here:

<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>. To learn more about Government Finance Statistics also refer to the entire IMF 2001 GFS manual (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf>).

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc04_Mapa03.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc09_Mapa08.pdf

Comment:

In the IMF GFS economic classification, codes beginning with 1 refer to revenue, codes beginning with 2 refer to expense, and codes beginning with 3 refer to transactions in non-financial assets, financial assets, and liabilities.

This is not the case in the Portuguese national accounting system: revenue and expenditure classifications are separate, without overall codes to combine both sides. Namely, the Portuguese classification system starts with current expenditures (e.g., 01 "Compensation of employees", etc.) and capital expenditures. Here there is a mix of non-financial and financial expenditures. Expenditure on financial assets and liabilities (respectively 09 and 10) are considered as capital expenditures, alongside "Acquisition of capital goods" (07) and "Capital transfers" (08).

There are differences in some items' classification, and the high-level codes are different. However, despite the economic classification used for revenue and expense does not use the same coding as the GFS, it is compatible with that classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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

GUIDELINES:

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

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

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

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

Answer:

c. Yes, programs accounting for less than two-thirds of expenditures are presented.

Source:

<https://dre.pt/dre/legislacao-consolidada/lei/2015-105756679>

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc02_Mapa01.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Mapas%20Informativos/OE2023_Mapa14_Informativos.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Expenditure by programs should be detailed for all central government and social security expenses, as mandated by the Budget Framework Law (Article 45, no. 1, first link).

In practice, though, the current classification system almost completely aligns "programs" with ministries (see second link).

There is however an effort towards true program budgeting, with the finer level of classification, known as "measures". This provides more insight into spending, as seen in "Mapa 14" (third link). For example, in page 3 spending in the Justice Ministry is broken down by the judiciary (courts), the prison system, etc.

However, the effectiveness of this classification effort is hindered by how the information is communicated. Expenditure by measures is not presented in bulk as a breakdown of total expenditure, but rather for each ministry, making it challenging to grasp the significance of each measure in

the overall budget. This is unfortunate, because although some measures span multiple ministries/programs, a good feature of the classification system, their total amount is not provided in one place (one would have to sum the values provided for the same measure across different ministries).

Back to the point of this question: this distribution by measures only covers about half of total expenditure in the budget. The data in Mapa 14 totals 180 billion euros, the total public accounting (cash) expenditure of central government. However, we must remove from that about 140 billion related to financial operations in public debt. Further, about 5.5 billion are allocated to a measure named "general public administration services", a kind of "black box" that cannot be really considered a proper program. Finally, this classification does not cover the social security subsector (about 30 billion in effective expenditure, see e.g. Table All.3 in the EBP report), as discussed in the previous OBS. In sum, we have that about 50% [$\approx (180-140-5.5)/(180-140+30)$] of effective spending is covered by these breakdowns, justifying option c) here.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

c. Yes, multi-year expenditure estimates are presented by only one of the three expenditure classifications.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20E/OE2023_doc16_Relatorio.pdf

Comment:

Multi-year expenditure estimates are presented by administrative classification under the Multi-year Budget Programming Framework ("Quadro Plurianual de Programação Orçamental"). See table 5.10 at page 194.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, multi-year expenditure estimates are presented by two of the three expenditure classifications.

Comments: In addition to the source cited by the researcher, it should be noted that under the framework of the EU European Semester process, the multi-year budgetary framework is provided by the Stability Programme, published earlier in the year (April, Programa de Estabilidade 2022-2026). This framework includes multi-year expenditure estimates (by economic classification), in Table A1.5 page 46. Source:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Government Reviewer

Opinion: Agree

Comments: Multi-year expenditure estimates ("Quadro Plurianual das Despesas Públicas") presented in table 5.10 is approved by Parliament in the "Lei das Grandes Opções" that is supposed to be presented in April (as happened in 2023).

Researcher Response

This question deals with the EBP, so information contained in the Programa de Estabilidade (for OBS purposes the Pre Budget Statement) cannot be considered.

IBP Comment

Thank you to the peer reviewer for the comment. IBP agrees with the researcher's response.

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%200r%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Multi-year expenditure estimates are presented by administrative classification under the Multi-year Budget Programming Framework ("Quadro Plurianual de Programação Orçamental"). See table 5.10 at page 194.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Administrative classification Economic classification

Comments: In addition to the source cited by the researcher, it should be noted that under the framework of the EU European Semester process, the multi-year budgetary framework is provided by the Stability Programme, published earlier in the year (April, Programa de Estabilidade 2022-2026). This framework includes multi-year expenditure estimates (by economic classification), in Table A1.5 page 46. Source: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Government Reviewer

Opinion: Agree

Researcher Response

As mentioned in the comments to question 7, This question deals with the EBP, so information contained in the Programa de Estabilidade (for OBS purposes the Pre Budget Statement) cannot be considered.

IBP Comment

Thank you to the peer reviewer for the comment. IBP agrees with the researcher's response.

8. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by program?

GUIDELINES:

Question 8 asks if multi-year expenditure estimates are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

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

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

Revenues generally are separated into two major categories: "tax" and "non-tax" revenues. Taxes are compulsory transfers that result from government exercising its sovereign power. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes. The category of non-tax revenues is more diverse, ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services. Note that some forms of revenue, such as contributions to social security funds, can be considered either a tax or non-tax revenue depending on the nature of the approach to these contributions. Particularly because different revenues have different characteristics, including who bears the burden of paying the tax and how collections are affected by economic conditions, it is helpful when estimates for revenues are disaggregated and displayed based on their sources.

For more information, please refer to the 2001 GFS manual, in particular Appendix 4 (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>).

Answer:

c. Yes, multi-year estimates for programs accounting for less than two-thirds of expenditures are presented.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20Informativos/OE2023_Map15D_Informativos.pdf

Comment:

In Map 15-D ("Projetos - Resumo por Programas e Medidas"), multi-year estimates are provided only for "projects", which are a specific subset of programs accounting for less than two-thirds of expenditures.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

9. Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of tax revenue (such as income tax or VAT) for the budget year?

GUIDELINES:

Question 9 assesses the degree to which the individual sources of "tax" revenue are disaggregated in the budget. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of tax revenue that when combined account for at least two-thirds of all tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of tax revenue that account for less than two-thirds of tax revenues. Answer "d" applies if individual sources of tax revenue are not presented.

Answer:

a. Yes, individual sources of tax revenue accounting for all tax revenue are presented.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc06_Map105.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc10_Map109.pdf

Comment:

Data discriminating tax revenues can be found in "Mapas orçamentais" which support the EBP, namely Map 5 ("Mapa relativo à classificação económica das receitas públicas do subsetor da Administração Central") and Map 9 ("Mapa relativo à classificação económica das receitas de cada sistema e subsistema e do total do subsetor da Segurança Social").

The source of tax revenues from indirect taxes in what concerns Social Security (Map 9) is not clearly stated.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

10. Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of non-tax revenue (such as grants, property income, and sales of government-produced goods and services) for the budget year?

GUIDELINES:

Question 10 assesses the degree to which the individual sources of "non-tax" revenue are disaggregated in the budget. The category of non-tax revenues is diverse, and can include revenue ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of non-tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all non-tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of non-tax revenue that when combined account for at least two-thirds of all non-tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of non-tax revenue that account for less than two-thirds of non-tax revenues. Answer "d" applies if individual sources of non-tax revenue are not presented.

Answer:

a. Yes, individual sources of non-tax revenue accounting for all non-tax revenue are presented.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc06_Mapas05.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc10_Mapas09.pdf

Comment:

Data discriminating non-tax revenue can be found in "Mapas orçamentais" which support the EBP, namely Map 5 ("Mapa relativo à classificação económica das receitas públicas do subsetor da Administração Central"), and Map 9 ("Mapa relativo à classificação económica das receitas de cada sistema e subsistema e do total do subsetor da Segurança Social").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

11. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for a multi-year period (at least two-years beyond the budget year)?

GUIDELINES:

Question 11 evaluates whether revenue estimates are presented for a multi-year period (at least two years beyond the budget year) by "category;" that is,

whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of revenues classified by category for at least two years following the budget year in question.

Answer:

b. No, multi-year estimates of revenue are not presented by category.

Source:

No sources.

Comment:

No multi-year estimates of revenue presented by category were found.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, multi-year estimates of revenue are presented by category.

Comments: Under the framework of the EU European Semester process, the multi-year budgetary framework is provided by the Stability Programme, published earlier in the year (April, Programa de Estabilidade 2022-2026). This framework includes multi-year revenue estimates (by category), in Table A1.5 page 46. Source: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Government Reviewer

Opinion: Agree

Researcher Response

As in the case of question 7, this question deals with the EBP, so information contained in the Programa de Estabilidade (for OBS purposes the Pre Budget Statement) cannot be considered.

IBP Comment

Many thanks to the peer reviewer for the comment. IBP agrees with the researcher's response.

12. Does the Executive's Budget Proposal or any supporting budget documentation present estimates for individual sources of revenue presented for a multi-year period (at least two-years beyond the budget year)?

GUIDELINES:

Question 12 evaluates whether revenue estimates for individual sources of revenue are presented for a multi-year period (at least two years beyond the budget year). The question applies to both tax and non-tax revenue.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented for a multi-year period.

Answer:

d. No, multi-year estimates for individual sources of revenue are not presented.

Source:

No sources.

Comment:

No multi-year estimates of revenue presented by category were found.

Peer Reviewer**Opinion:** Disagree**Suggested Answer:**

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

Comments: Under the framework of the EU European Semester process, the multi-year budgetary framework is provided by the Stability Programme, published earlier in the year (April, Programa de Estabilidade 2022-2026). This framework includes multi-year revenue estimates (for all revenue), in Table A1.5 page 46. Source: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>**Government Reviewer****Opinion:** Agree**Researcher Response**

As in questions 7 and 11, this question deals with the EBP, so information contained in the Programa de Estabilidade (for OBS purposes the Pre Budget Statement) cannot be considered.

IBP Comment

Many thanks to the peer reviewer for the comment. IBP agrees with the researcher's response.

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 entire 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 entire 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 if no information on borrowing and debt is presented for the entire budget year.***Answer:**

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

Source:https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf**Comment:**

The three estimates related to government borrowing and debt are presented (as a percentage or percentage point of GDP) at page 112 of the EBP Report ("Relatório do Orçamento do Estado").

Section 4.6.1 (“Dívida Direta do Estado”) provides detailed information about debt instruments, net borrowing and gross borrowing for FY-2, FY-1 and FY (pages 177- 181).

In addition, table 4.2 - page 116 (Quadro 4.2. Conta consolidada da Administração Central) presents estimates on the deficit and interest payments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The three estimates related to government borrowing and debt are presented (as a percentage or percentage point of GDP) at page 112 of the EBP Report (“Relatório do Orçamento do Estado”).

Section 4.6.1 (“Dívida Direta do Estado”) provides detailed information about debt instruments, net borrowing and gross borrowing for FY-2, FY-1 and FY (pages 177- 181).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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 for the composition of the total debt outstanding, but it excludes some core elements.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

https://www.igcp.pt/fotos/editor2/2022/Boletim_Mensal/10_BM_out.pdf

Comment:

The composition of the total debt outstanding at the end of the budget year is roughly present in the EBP Report ("Relatório do Orçamento do Estado") in table 4.23 (page 180).

Although, in practice, none of the core information is presented, it should be noted that this information is made available in a timely fashion regularly by the Portuguese Treasury and Debt Management Agency ("Agência de Gestão da Tesouraria e da Dívida Pública - IGCP"). More precisely, around the time the EBP was released, IGCP published another edition of their monthly bulletin which comprising information including and beyond the core elements.

To answer this question, we are adopting a less demanding criterion and consider the monthly bulletin provided by IGCP as some sort of supporting budget documentation. IGCP is an official agency, its website is open and freely accessible to the public. Even though we recognize the core elements are not, in fact, incorporated in the EBP documents, neglecting the existence of information with such level of detail would be too punitive. For the reasons described above, we choose a).

Peer Reviewer

Opinion: Agree

Comments: Information regarding most core elements and several additional elements for FY2023 is provided on pages 177-183, 342-344 and 352-358 of the EBP, namely regarding maturities, euro vs non euro denominated debt, official vs private holders of public debt, implicit interest rate, longer-term sustainability and management of the debt regarding budgetary risks. The argument by the researcher that the information is provided by the debt agency seems to me somewhat flawed. Although the information provided by the debt agency is very complete, it is mostly retrospective, it does not refer (at the time of the EBP) to the FY under consideration (2023, in this case) as required in this question.

Government Reviewer

Opinion: Agree

IBP Comment

Many thanks to the peer reviewer for the comment. After further discussion with the researcher, answer is revised from "A" to "C". The peer reviewer is correct in pointing out that the original citation is inaccurate, as we refer to information in the IGCP related to FY-1 (2022) - not the fiscal year under consideration (2023, in this case). However, on closer look into the peer reviewer's cited sources, while we can get a rough idea on the composition of debt from these pages, we find that of the core information, the EBP only includes information for interest rates, and even then there is no explicit forecast for the interest rate on debt in 2023 (there is a combination of a discussion of the 2023 predicted macroeconomic environment, where the government states an expected increase in interest rates, together with a forecast of interest spending and on the debt stock). For these reasons, answer is revised from "A" to "C".

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 presented in the Executive's Budget Proposal:

Answer:

Interest rates on the debt

Information beyond the core elements (please specify)

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

https://www.igcp.pt/fotos/editor2/2022/Boletim_Mensal/10_BM_out.pdf

Comment:

Section 6.4 (page 352) of the EBP Report ("Relatório do Orçamento do Estado") covers aspects regarding the impact of the debt management strategy on risk exposure. There is detailed information about several risks, namely refinancing risk, interest rate risk, foreign exchange risk, and credit risk.

The IGCP monthly bulletin contains the following distinctions: euro denominated debt vs non-euro denominated debt; tradable vs non-tradable; fixed rate vs floating rate.

Peer Reviewer

Opinion: Agree

Comments: In addition, the EBP presents sensitivity analysis of the public debt to short and medium and long-term interest rates, oil prices and domestic and foreign demand (pp. 342-344), and long-term debt sustainability analysis (pp. 358).

Government Reviewer

Opinion: Agree

IBP Comment

Please see IBP comment in Question 14. Answer has been revised from "A" to "C".

15. "Does the Executive's Budget Proposal or any supporting budget documentation present information on the macroeconomic forecast upon which the budget projections are based?"

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)"

GUIDELINES:

Question 15 focuses on the macroeconomic forecast that underlies the budget's revenue and expenditure estimates, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

- *nominal GDP level;*
- *inflation rate;*
- *real GDP growth; and*
- *interest rates.*

While the core macroeconomic information should be a standard feature of the Executive's Budget Proposal, the importance of some types of macroeconomic assumptions may vary from country to country. For example, the budget estimates of some countries are particularly affected by changes in the price of oil and other commodities.

Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short and long-term interest rates; rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The macroeconomic scenario, as well as the main assumptions underlying it, is extensively discussed in the Budget Report that supports the EBP, throughout Section 1.2 (page 30). Information about the short-term interest rate can be found in table 1.9 (page 30).

Real GDP growth and inflation rate are the core elements of the macroeconomic forecast that are presented in table 1.10 (page 32). Additional information is presented and a narrative discussion is provided.

The macroeconomic scenario and assumptions presented by the Government are also scrutinized and discussed by the Portuguese Public Finance Council ("Conselho das Finanças Públicas") in Appendix VII (page 405). The nominal GDP level implied by the Government scenario can be found in table 2 (page 6 of the Appendix), which compares the Government's forecasts to other sources (such as the Bank of Portugal or the IMF).

[A recommendation to the government should be issued indicating that the nominal GDP level should be included in the macroeconomic forecast presented in the body of the EBP Report ("Relatório do Orçamento do Estado").]

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Besides the short-term interest rate referred in question 15, table 1.9 (page 30) presents information about other external assumptions, such as the relevant external demand, the price of oil, and the exchange rate (EUR/USD).

In table 1.10 (page 32), information about the GDP and its main components, contributions to GDP growth, price evolution (namely the GDP deflator), labour market developments (the unemployment rate, for example), the current account balance, and the capital account balance can be found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

16. "Does the Executive's Budget Proposal or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget?"

(The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.)"

GUIDELINES:

Question 16 focuses on the issue of whether the Executive's Budget Proposal shows how different macroeconomic assumptions affect the budget estimates (known as a "sensitivity analysis"). It asks whether "core" information related to a sensitivity analysis is presented, estimating the impact on expenditures, revenue, and debt of different assumptions for:

- inflation rate;
- real GDP growth; and
- interest rates.

A sensitivity analysis shows the effect on the budget of possible changes in some macroeconomic assumptions, and is important for understanding the impact of the economy on the budget; for instance, what would happen to revenue collections if GDP growth were slower than what is assumed in the budget proposal? Or what would happen to expenditure if inflation were higher than estimated? Or how will revenue be affected by a decrease in the price of oil?

As noted for Question 15, changes in certain macroeconomic assumptions, such as the price of oil and other commodities, can have a significant impact on the budget estimates. As a result, some sensitivity analyses may also examine the impact on the budget estimates of changes in assumptions such as the price of oil that are beyond the core elements of the inflation rate, real GDP growth, and interest rates.

For an example of how a sensitivity analysis may be presented in the Executive's Budget Proposal, see the following:

- The United States in its 2021 Budget Analytical Perspectives includes a section titled Sensitivity of the Budget to Economic Assumptions along with a table that shows the impact of each economic scenario on revenues, spending, and the deficit. (see pages 16 – 17, <https://www.govinfo.gov/content/pkg/BUDGET-2021-PER/pdf/BUDGET-2021-PER.pdf>).
- The Philippines in its 2021 Budget of Expenditures and Sources of Financing (BESF) presents the impact of different macroeconomic assumptions on expenditures, revenue, and debt (see page 131, Table A.6 titled "Budget Sensitivity to Macroeconomic Parameters, 2021," (<https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2021/A6.pdf>); pages 12-13, Technical Notes on the 2021 Proposed National Budget (<https://www.dbm.gov.ph/images/pdf/Technical-Notes-on-the-2021-Proposed-National-Budget.pdf>)).

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:

b. Yes, the core information is presented to show the impact of different macroeconomic assumptions on the budget.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Graph 6.3 (Page 343 and 344) shows how changes in the short-term interest rate affect the budget balance, debt, expenditure and revenue.

In Section 6.5.3, it was found a long-term sensitivity analysis of the debt that presents the impact of changes in two macroeconomic variables: interest rate and real GDP growth. See page 358.

A sensitivity analysis is carried out in the budget proposal report, given the set of assumptions on which the macroeconomic scenario is based, and with the intention of check their sensitivity, the impact of some external and internal risks on the main macroeconomic aggregates. In 2023, some examples are: The growth of external demand; The oil price (in USD); Short-term, medium-term and long-term interest rates; The growth of domestic demand (pages 35-40).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented to show the impact of different macroeconomic assumptions on the budget.

Comments: Some of the variables impacting on the budget are beyond the core elements, e.g. the price of oil.

Government Reviewer

Opinion: Agree

Researcher Response

The PR is correct that information beyond the core elements is presented, with the mentioned exercises about the effects of the price of oil and external demand (which we had acknowledged in our comment). However, the sensitivity analysis lacks any information on the impact of inflation. We therefore followed the question guidelines, which clearly state "Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. "

17. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect expenditures?

GUIDELINES:

Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.

Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion of the impact of the new policies, 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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The impact of new policies is disclosed in section 3.2.2 (table 3.3 at page 109).

Section 2.4 (pp. 52-77) presents a narrative discussion of specific policy proposals with a significant expenditure impact, explaining their rationale.

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 of the impact of the new policies, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer “d” applies if no information is presented on the impact of new policy proposals.

Prior-year information constitutes an important benchmark for assessing the proposals for the upcoming budget year. Estimates of prior years should be presented in the same formats (in terms of classification) as the budget year to ensure that year-to-year comparisons are meaningful. For example, if the budget proposes shifting responsibility for a particular program from one administrative unit to another – such as shifting responsibility for the training of nurses from the health department to the education department – the prior-year figures must be adjusted before year-to-year comparisons of administrative budgets can be made.

Typically, when the budget proposal is submitted, the year prior to the budget year (BY-1), also known as the current year, has not ended, so the executive will provide estimates of the anticipated outcome for BY-1. The soundness of these estimates is directly related to the degree to which they have been updated to reflect actual expenditures to date, legislative changes that have occurred, and anticipated changes in macroeconomic, caseload, and other relevant factors for the remainder of the year.

The first year that can reflect actual outcomes, therefore, is generally two years before the budget year (BY-2). Thus the OECD recommends that data covering at least two years before the budget year (along with two years of projections beyond the budget year) are provided in order to assess fully the trends in the budget.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The impact of new policies affecting the revenue side of the budget is also disclosed in section 3.2.2 (see table 3.2 at page 108).

This table provides a breakdown of new policies by the affected tax item. For instance for IRS (personal income tax) a value of -1010 is given, meaning that all the policy measures affecting this tax are expected to lead to an overall decrease of 1010 million euros in revenue. An example of a specific policy, of those listed under this group, is a “broad-based reduction in tax rates” (“redução transversal das taxas”), worth 200 million.

The narrative discussion for each broad line of policies presented in Section 2 (pages 41-103) also includes policies on the revenue side. For the example given above, a discussion of this measure is provided in page 56.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

c. Yes, expenditure estimates for BY-1 are presented by only one of the three expenditure classifications.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In the EBP Report ("Relatório do Orçamento do Estado"), expenditure estimates for the year preceding the budget year (BY-1) are only presented by economic classification (see, for example, table 4.1 at page 115).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, expenditure estimates for BY-1 are presented by two of the three expenditure classifications.

Comments: In addition to the economic classification in chapter 4, chapter 5 of the EBP presents expenditure estimates for year BY-1, for each administrative unit.

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, expenditure estimates for BY-1 are presented by two of the three expenditure classifications.

Comments: The expenditure estimates for BY-1 are also presented in an administrative level (by Programme, that correspond mainly to Ministries). E.g. table 5.27 includes an estimate for 2022 for the Justice programme, which correspond to the Ministry of Justice

Researcher Response

While it is true that, as mentioned by the Gov Reviewer, the Program classification closely matches the administrative units, it is not the same. Further, if we were to admit considering the Program classification as being the same as administrative, we would contradict the answers given in other questions, namely those pertaining to program classification.

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 detaillé*. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-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:

c. Yes, programs accounting for less than two-thirds of expenditures are presented for BY-1.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In the EBP Report (“Relatório do Orçamento do Estado”), expenditure estimates for individual programs for the year preceding the budget year (BY-1) are presented by economic classification throughout Section 5 (page 186). See further details on question 6.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

21. In the Executive’s Budget Proposal or any supporting budget documentation, have expenditure estimates of the year prior to the budget year (BY-1) been updated from the original enacted levels to reflect actual expenditures?

GUIDELINES:

Question 21 asks whether the expenditure estimates for the year before the budget year (BY-1) have been updated from the original enacted levels. Updates can reflect actual experience to date; revised estimates due to shifting of funds by the executive, as permitted under the law; enactment of supplemental budgets; and revised assumptions regarding macroeconomic conditions, caseload, and other relevant factors for the remainder of the year.

Answer “a” applies if the estimates have been updated; answer “b” applies if the original estimates are still being used.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The expenditure estimates are updated taking into consideration the budgetary outturns information available at the time the EBP is drafted (up to September). In this sense, the values presented for 2022 refer to execution estimates. For example see table 4.1 at page 115.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

22. Does the Executive’s Budget Proposal or any supporting budget documentation present estimates of expenditure for more than one year prior to the budget year (that is, BY-2 and prior years) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 22 asks if expenditure estimates for more than one year prior to the budget year (BY-2 and prior years) are presented by any of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)

To answer “a,” the Executive’s Budget Proposal or its supporting documentation must present expenditure estimates for BY-2 and prior years by all three of the

expenditure classifications. To answer "b," expenditure estimates for BY-2 and prior years must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-2 and prior years are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-2 and prior years are not presented by any of the three classifications

Answer:

c. Yes, expenditure estimates for BY-2 and prior years are presented by only one of the three expenditure classifications.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In the EBP Report ("Relatório do Orçamento do Estado"), expenditure estimates for 2021 (BY-2) are only presented by economic classification. See table 4.2 at page 116. This information is only available for the central government sector, unlike in previous editions where it was given for the whole general government. (This was given in Table 4.1, which in this round only shows data for BY-1.)

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

22b. Based on the response to Question 22, check the box(es) to identify which expenditure classifications have estimates for more than one year prior to the budget year in the Executive Budget Proposal:

Answer:

Economic classification

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In the EBP Report ("Relatório do Orçamento do Estado"), expenditure estimates for 2021 (BY-2) are only presented by economic classification. See table 4.2 at page 116.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

23. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for more than one year preceding the budget year (that is, BY-2 and prior years)?

GUIDELINES:

Question 23 asks if expenditure estimates for more than one year before the budget year (BY-2 and prior years) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of

Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

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

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-2 and prior years. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-2 and prior years. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In the EBP Report ("Relatório do Orçamento do Estado"), expenditures for individual programs for BY-2 and prior years were not found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

24. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

GUIDELINES:

Question 24 asks for which year the actual outcomes for expenditures are shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated all its expenditure data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

See, for example, table 4.2 at page 116. Values for 2021 (BY-2) are actual outcomes ("execução final" stands for final figures).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

25. Does the Executive's Budget Proposal or any supporting budget documentation present revenue by category (such as tax and non-tax) for the year preceding the budget year (BY-1)?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

a. Yes, revenue estimates for BY-1 are presented by category.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

See, for example, table 4.1 at page 115.

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Table 4.3 (page 117) presents central administration revenue. Here, tax revenue is grouped into two categories: "direct taxes" and "indirect taxes". In table 4.4 (page 118), tax revenue is disaggregated, and each tax is identified.

Table 4.12 (page 145) presents local administration revenue, and table 4.14 (page 147) presents regional administration revenue. While in both tables, information about tax revenue is not fully disaggregated, the most important taxes levied by local administration (IMI and IMT, holding and transaction taxes on properties, respectively) are discriminated. Moreover, formally this revenue does not fall in the scope of the government budget, as the central government cannot decide on the use of such funds which are at the discretion of municipalities (and determined in their own budgets). Social security revenue can be found in table 4.17 (page 151). Here, the sources of revenue are detailed (contributions and transfers by source).

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The revenue estimates are updated taking into consideration the budgetary outturns information available at the time the EBP is drafted (up to September). In this sense, the values presented for 2022 refer to the execution estimates.

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In the EBP Report ("Relatório do Orçamento do Estado"), revenue estimates for 2021 (BY-2) are presented by category. See table 4.2 at page 116.

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Information about 2021 (BY-2) can be found in table 4.3 (page 117), which presents central administration revenue. However, tax revenue is grouped into two categories: "direct taxes" and "indirect taxes".

Table 4.12 (page 145) presents local administration revenue, and table 4.14 (page 147) presents regional administration revenue. In both tables, there is information about 2021 (BY-2), but tax revenue is not fully disaggregated.

Information about individual sources of revenue for BY-2 and prior years regarding social security is missing.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

30. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

GUIDELINES:

Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

See, for example, table 4.2 at page 116. Values for 2021 (BY-2) are actual outcomes ("execução final" stands for final figures).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

31. "Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1)?

(The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

GUIDELINES:

Question 31 focuses on prior-year debt information, rather than on prior-year expenditures or revenues, asking whether "core" information is provided on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1).

The "core" information includes:

- total debt outstanding at the end of BY-1;
- amount of net new borrowing required during BY-1;
- interest payments on the debt;
- interest rates on the debt instruments;
- maturity profile of the debt; and
- whether it is domestic or external debt.

This core information for BY-1 is consistent with the budget year information for borrowing and debt, which is examined in Questions 13 and 14. 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:

a. Yes, information beyond the core elements is presented for government debt.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

https://www.igcp.pt/fotos/editor2/2022/Boletim_Mensal/10_BM_out.pdf

Comment:

See further details on question 14. Values for 2022 (BY-1) can be found in the same place as the ones for 2023 (BY).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

32. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

GUIDELINES:

Question 32 asks for which year the actual outcome for 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.

It is essential that all government activities that may have an impact on the budget – in the current budget year or in future budget years – be fully disclosed to the legislature and the public in budget documents. In some countries, for instance, entities outside central government (such as public corporations) undertake fiscal activities that could affect current and future budgets. Similarly, activities that can have a significant impact on the budget, such as payment arrears and contingent liabilities, sometimes are not properly captured by the regular presentations of expenditure, revenue, and debt.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

https://www.igcp.pt/fotos/editor2/2022/Boletim_Mensal/10_BM_out.pdf

Comment:

See further details on question 14. Values for 2021 (BY-2) are actual outcomes.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

33. "Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year?"

(The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)"

GUIDELINES:

Question 33 focuses on extra-budgetary funds, asking whether "core" information related to these funds, which exist outside the budget, are presented. These core components include:

- a statement of purpose or policy rationale for the extra-budgetary fund (i.e., why was a particular fund set up? what is it used for?); and
- estimates of its income, expenditure, and financing. (These estimates should be presented on a gross basis so that it is possible to tell how much money flows through each extra-budgetary fund.)

In most countries, governments engage in certain budgetary activities that are not included in the central government's budget. Known as extra-budgetary funds, they can range in size and scope. For example, countries frequently set up pension and social security programs as extra-budgetary funds, where the revenues collected and the benefits paid are recorded in a separate fund outside the budget. Another example of an extra-budgetary fund can be found in countries dependent on hydrocarbon/mineral resources, where revenues from producing and selling those resources are channeled through systems outside the annual budget.

In some cases, the separation engendered by an extra-budgetary fund serves a legitimate political purpose, and the finances and activities of these funds are well documented. In other cases, however, this structure is used for obfuscation, and little or nothing is known about a fund's finances and activities.

The availability of information related to extra-budgetary funds is essential for a comprehensive understanding of the government's true fiscal position. In addition to the core information, other information about extra-budgetary funds is also desirable. Such information includes a discussion of the risks associated with the extra-budgetary fund; expenditures classified by economic, functional, or administrative unit; and the rules and procedures that govern the operations and management of the extra-budgetary fund.

For more information about extra-budgetary funds, see the *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 2.1.1 of the *IMF's Fiscal Transparency Handbook (2018)* (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to extra-budgetary funds as well as some additional information beyond the core elements. A "b" answer applies if the Executive's Budget Proposal or supporting documentation presents all of the core information. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to extra-budgetary funds is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on extra-budgetary funds.

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

Answer:

a. Yes, information beyond the core elements is presented for all extra-budgetary funds.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado&TipoDocumentos=Desenvolvimentos+Or%u00e7amentais>

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Mapas%20da%20Lei/OE2023_doc17_Relatorio_ElementosInformativosEComplementares.pdf

<https://ec.europa.eu/eurostat/documents/3859598/5925693/KS-02-13-269-EN.PDF/44cd9d01-bc64-40e5-bd40-d17df0c69334>

<https://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget-1-Extrabudgetary-Funds.pdf>

Comment:

Starting with the definition provided by the IMF's Fiscal Transparency Handbook (2018, p. 14) (first hyperlink), where is stated that "Extra budgetary central government comprises the non-commercial central/national government entities whose revenue, expenditure, and financing transactions are not recorded in the budget.", it should be noted that, in the Portuguese case, all those entities were classified as "Serviços e Fundos Autónomos (SFA)" and with the exception of some entities that have a higher degree of financial autonomy, information about most of the entities can be found in the EBP Report (second hyperlink) and in the "Desenvolvimentos Orçamentais" webpage (third hyperlink). In fact, the budget of these entities depends on the EBP approval. It is also mentioned that "An important example of extrabudgetary entities in many countries is social security funds"; in relation to this, it should be mentioned that information about the social security system is widely recorded in the EBP. See, for example, the EBP Report for financial statements and a complementary document (fourth hyperlink) for a detailed report on the sustainability of the social security system.

In addition, in the European system of accounts – ESA 2010 (2013, p. 418) (fifth hyperlink) is said that "...there are government entities with separate legal identities and substantial autonomy, including discretion over the volume and composition of their expenditures and a direct source of revenue, such as earmarked taxes" and that "Such entities (together with non-profit institutions controlled by government) are known as 'extra-budgetary units' because they have separate budgets, receive substantial transfers from the main budget, and their primary sources of finance are supplemented with own sources of revenue that fall outside the main budget. These extra-budgetary units are classified to the general government sector unless they are predominantly market producers controlled by another government unit". This definition is only partially consistent with the Portuguese extra-budgetary funds since their own resources are taken into account in the main budget in the most part of the cases.

Also, according to the IBP's Guide to Transparency in Public Finances - Looking Beyond the Core Budget - 1. Extra-budgetary Funds (p. 4) (sixth hyperlink), "The term extra-budgetary funds generally refers to public resources and government transactions that are not included in the annual budget or are not subject to the same general level of reporting, regulation, or audit as other public finance items. Extra-budgetary funds include a wide variety of arrangements, but traditionally they have included pension or social security funds, funds held by state-owned enterprises, and other discretionary or secret funds. More recently they have also included arrangements for public resources from natural resource extraction, foreign aid, debt cancellation, proceeds from privatization operations, and Public-Private Partnerships". Additionally, "A distinction can be made between those extra-budgetary funds that are established by and operate within budgetary and other laws and regulations of a country, and off-budget transactions that are undertaken outside these laws and regulations and so should be considered irregular transactions". Following this line of thought, the existing extra-budgetary funds in the Portuguese case are not only included in the annual budget, but also established by and operated within budgetary and other laws and regulations of the country.

Given the fact that the Portuguese case was compared to the Spanish case in previous editions and also because the Portuguese case only complies partially with the definitions for extra-budgetary funds presented above, consistency is required to answer this question (especially in the case of European countries).

Although extra-budgetary funds are not, as a whole, subject to a specific treatment covering all the core elements, they are part of the general government for statistical and budgeting purposes, and the same level of detail as for other government agencies is given in the EBP. For example, individual statements of purpose are not included for every single entity. However, the discussion in the EBP Report widely discusses their activities, in most cases as part of regular government policy discussion (these agencies are for the most part mere extensions of the administration), in other cases with specific discussions such as for public enterprises. From our perspective it would hardly make sense, for example, for the budget documentation to individually explain why each of the public universities is necessary. For all these reasons, and given the sheer amount of these entities, we consider this to merit a).

Peer Reviewer

Opinion: Agree

Comments: I fully agree with the arguments and conclusion presented by the researcher.

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, including both revenues and expenditures, is provided.

The central government is only one component of the overall public sector. The public sector also includes other levels of government, such as state and local government, and public corporations. (See Box 2.1 under Principle 1.1.1 of the IMF's Fiscal Transparency Handbook (2018): <https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>. For the purpose of answering this question, please consider only the central government level.

In order to answer "a," the Executive's Budget Proposal or supporting documentation must present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year.

Answer:

a. Yes, central government finances are presented on a consolidated basis.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Central governmental finances on a consolidated basis can be found in the Annex A1 of the EBP Report ("Relatório do Orçamento do Estado") at page 364.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc12_Mapa11.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc13_Mapa12.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc14_Mapa13.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Orçamento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Intergovernmental transfers are defined by law. Transfer amounts for the budget year can be found in the Maps supporting the EBP: Map 11 for regional government transfers (“Transferências para as regiões autónomas”), Map 12 for municipalities (“Transferências para os municípios”), and Map 13 for civil parishes (“Transferências para as freguesias”).

There is some narrative discussion in the EBP Report (“Relatório do Orçamento do Estado”) in Section 4.1.2.1 (page 144), Section 4.1.2.2 (page 146), Section 4.1.2.3 (page 146), and Section 4.1.2.4 (page 147).

In the EBP Report, Appendix A4 provides additional information about the intergovernmental transfers (page 347).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

36. Does the Executive’s Budget Proposal or any supporting budget documentation present alternative displays of expenditures (such as by gender, by age, by income, or by region) to illustrate the financial impact of budget policies on different groups of citizens, for at least the budget year?

GUIDELINES:

Question 36 asks about “alternative displays” of expenditures that highlight the financial impact of policies on different groups of citizens. As discussed above, expenditures are typically presented by at least one of three classifications – administrative, functional, and economic classifications (see Questions 1-5) – and by individual program (Question 6). In addition, governments can provide alternative displays to emphasize different aspects of expenditure policies and to show who benefits from these expenditures.

For the purpose of answering this question, the alternative presentation must differ from the presentations (such as administrative, functional, or economic classifications or presentation by program) used to answer other questions. The alternative display can cover all expenditures or only a portion of expenditures. For instance, it can show how all expenditures are distributed according to geographic region or it can show how selected expenditures (such as the health budget or the agriculture budget) are distributed to different regions. But such a geographic display must be something different than the presentation of intergovernmental transfers used to answer question 35. One exception is when a country includes a special presentation of all policies intended to benefit the most impoverished populations (and is used to answer Question 52) then that can be considered an alternative display for purposes of answering this question as well. Finally, brief fact sheets showing how proposals in the budget benefit particular groups would be insufficient; only more detailed presentations would be considered.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of the importance of alternative displays of budget information and provides a number of examples. For instance,

- Bangladesh in its 2017-18 Budget included a detailed supplementary Gender Budgeting Report, which presents the spending dedicated to advancing women across various departments. (<https://mof.portal.gov.bd/site/page/3bb14732-b5b1-44df-9921-efedf1496295>).
- The UK's 2017 budget included a supplementary analysis that provided a distributional analysis of the budget by households in different income groups (see https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661465/distributional_analysis_autumn_budget_2017.pdf).
- South Africa's 2017 Budget Review goes beyond the standard presentation of intergovernmental transfers, discussing the redistribution that results from national revenue flowing to the provinces and municipalities and presenting the allocations on a per capita basis (see chapter 6, <http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBR.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must include at least three different presentations that illustrate the financial impact of policies on different groups of citizens for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must include at least two different alternative displays of expenditures. A "c" applies if only one type of alternative display of expenditure is presented. Answer "d" applies if no alternative display of expenditure is presented.

Answer:

d. No, alternative displays of expenditures are not presented to illustrate the financial impact of policies on different groups of citizens.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Mapas%20da%20Lei/OE2023_doc17_Relatorio_ElementosInformativosEComplementares.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Mapas%20Informativos/OE2023_Mapa14_Informativos.pdf

Comment:

There is no proper analysis of the distributional impact of policies included in the EBP.

Map 14 ("Replicação Regionalizada dos Programas e Medidas") in the additional information elements of the EBP (second link) displays expenditures associated with "programs" and "measure" by region, but most spending is classified as "non-regionalized" (about 10% of the total, after removing public debt operations).

This report includes a section with the gender budgeting that shows the impacts of specific budget policies by gender. However, it does not include a full breakdown of expenditures per gender.

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: The 2023 EBP presents a first/pilot attempt at "green budgeting", collecting and classifying relevant measures and related expenditures across several ministries, according to the type of climate impact expected. This exercise is presented, in some detail, in pages 77-83, and then highlighted as well in the CB. Although it cannot be considered exhaustive, it qualifies as "one alternative display of expenditures to illustrate the financial impact..."

Government Reviewer

Opinion: Agree

Comments: Although it is not yet usually done, the Stability Programme for 2023-2027 include an analysis of the measures that were implemented to mitigate the economic effects of the invasion of Ukraine on income. For the next budget cycle we are preparing an analysis on the impact on gender.

Researcher Response

Thank you to the peer reviewer for the comment. While the section is a positive step, I do not think it gives a picture of how the budget as a whole affects the climate. Rather it is more of a program budgeting exercise where the government identifies and analyses spending allocations across different ministries, to provide an integrated overview of spending on policies intended to address climate change – see namely Table 2.6, where it is shown that the spending analysed in that box is worth 2.5bi euros, which is a small part of aggregate spending. The examples mentioned by the Gov Reviewer would indeed apply, however the first refers to the PBS rather than the EBP. Perhaps the second may be considered in the next OBS edition.

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Mapas%20da%20Lei/OE2023_doc17_Relatorio_ElementosInformativosEComplementares.pdf

Comment:

This report includes a section with the gender budgeting that shows the impacts of budget policies by gender. However, it does not include information by expenditures per gender.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Impacts of budget policies on climate

Comments: The 2023 EBP presents a first/pilot attempt at "green budgeting", collecting and classifying relevant measures and related expenditures across several ministries, according to the type of climate impact expected. This exercise is presented, in some detail, in pages 77-83, and then highlighted as well in the CB. Although it cannot be considered exhaustive, it qualifies as "one alternative display of expenditures to illustrate the financial impact..."

Government Reviewer

Opinion: Agree

IBP Comment

Please see researcher's response in Question 36.

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:

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

Source:

<https://www.dgo.gov.pt/politicaorcamental/Paginas/OEpagina.aspx?Ano=2023&TipoOE=Proposta+de+Or%u00e7amento+do+Estado&TipoDocumentos=Desenvolvimentos+Or%u00e7amentais>

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Desenvolvimentos%20Orcamentais/OE2023_MapaAC-DO-Min16.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Estimates of all transfers to public corporations are presented (see first hyperlink). Each file has information about a ministry and its transfers to different units, including public corporations. For example, in the second hyperlink, information about transfers to a public corporation can be found.

In the EBP Report (“Relatório do Orçamento do Estado”), there is a characterization of public corporations by sector (section 4.3.1 at page 160, third hyperlink), but there is no narrative discussing the purposes of transfers to public corporations. Most of the content of the referred section is related to “strategic options”.

Peer Reviewer

Opinion: Agree

Comments: There is some sparse narrative information that could be drawn from the description of the main measures (e.g. the public transportation state-owned corporations receive some compensation for the freezing of prices), but it is far from systematic.

Government Reviewer

Opinion: Agree

38. Does the Executive’s Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)

GUIDELINES:

Question 38 focuses on quasi-fiscal activities, asking whether “core” information related to such activities is presented. These core components include:

- *A statement of purpose or policy rationale for the quasi-fiscal activity (i.e., what is the reason for engaging in this activity?);*
- *The identification of intended beneficiaries of the quasi-fiscal activity.*

The term “quasi-fiscal activities” refers to a broad range of activities that are fiscal in character and could be carried out through the regular budget process but are not. For example, a quasi-fiscal activity could take place if, instead of providing a direct subsidy through the budget for a particular activity, a public financial institution provides an indirect subsidy by offering loans at below-market rates for that activity. Similarly, it is a quasi-fiscal activity when an enterprise provides goods or services at prices below commercial rates to certain individuals or groups to support the government’s policy goals.

The above examples are policy choices that may be approved by the government and legislature. However, quasi-fiscal activities can also involve activities that violate or circumvent a country’s budget process laws or are not subject to the regular legislative approval process for expenditures. For example, the executive may issue an informal order to a government entity, such as a public commercial enterprise, to provide the executive with goods and services that normally would have to be purchased with funding authorized by the legislature. All quasi-fiscal activities should be disclosed to the public and subject to public scrutiny.

Beyond the core information, some governments may also provide other information about quasi-fiscal activities, including for example: the anticipated duration of the quasi-fiscal activity; a quantification of the activity and the assumptions that support these estimates; and a discussion of the fiscal significance and potential risks associated with the activity, including the impact on the entity carrying out the activity. Principle 3.3.2 of the IMF’s Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) provides examples of quasi-fiscal activities that can be consulted as needed. And more details on quasi-fiscal activities can be found in the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer “a,” the Executive’s Budget Proposal or supporting documentation must present all of the core information related to all quasi-fiscal activities for at least the budget year as well as some additional information beyond the core elements. To answer “b,” the Executive’s Budget Proposal or supporting documentation must present all of the core components noted above. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to quasi-fiscal activities is presented, but some of the core pieces of information are not included. Answer “d” applies if no information is presented on quasi-fiscal activities.

If quasi-fiscal activities do not represent a significant problem in your country, please mark “e.” However, please exercise caution in answering this question.

Answer:

c. Yes, information is presented, but it excludes some core elements or some quasi-fiscal activities.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

In page 265 of the EBP Report, a new development bank (“Banco Português de Fomento”), that is referred to as essential in the process of economic recovery, is presented. This bank will provide solutions and advice that reinforce the supply of financing instruments to the economy. Companies of different sizes will benefit from this initiative.

In page 321 of the EBP Report, there is a brief reference to a program called “Programa de Apoio à Redução Tarifária dos Transportes Públicos” (PART). In 2023, this program will continue to support transport authorities in attracting passengers for public transportation. It is not clearly stated who the intended beneficiaries are.

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:

c. Yes, information is presented, but it excludes some core elements or some financial assets.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc06_Mapas05.pdf

Comment:

In the EBP Report ("Relatório do Orçamento do Estado"), full information is provided for the financial assets held by the Social Security system (Appendix VI, page 401). In some budgetary programs, the origin of the expenditure related to financial assets is also revealed. See, for example, the budgetary program PO02 regarding Governance ("Governação") at page 224. Table 5.31 (page 261) presents the exceptional expenditure of the central government, such as the one related to financial assets. A listing of these assets by type is provided for expenditures but estimates of the value of the assets were not found. Treasury balances, i.e. cash and equivalents held by the State, are also provided in the Report. For that, see Table 4.27 at page 185.

Map 5 ("Mapa relativo à classificação económica das receitas públicas do subsetor da Administração Central") contains information regarding the forecast for revenues generated by the financial assets of the central government but does not contain information on the assets or on their current value. See second hyperlink.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

c. Yes, information is presented, but it excludes some nonfinancial assets.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Full information is provided for the nonfinancial assets held by the Social Security system (Appendix VI, page 401). There is no information available for the remaining nonfinancial assets held by the central government, for example real estate assets.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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.

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:

d. No, estimates of expenditure arrears are not presented.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/2023_doc16_Relatorio.pdf

https://www.dgo.gov.pt/execucaorcamental/SintesdaExecucaoOrcamentalMensal/2022/dezembro/1222-SinteseExecucaoOrcamental_novembro2022.pdf

Comment:

Estimates of expenditure arrears are presented by budgetary program, along with a narrative discussion, in Section 6.2 of the EBP Report (page.344). The latest available information dates from August 2022 (BY-1). Information concerning 2020(BY-3) and 2021 (BY-2) is also available.

It should be noted that IYRs provide quite substantial up-to-date information on arrears e.g. the last available IYR, with reference date of November 2022 included an update on arrears (second link, p. 49).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

Since expenditure arrears are not provided for the budget year (2023), answer is scored at "D".

42. Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs, for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

GUIDELINES:

Question 42 focuses on contingent liabilities, asking whether “core” information related to these liabilities is presented. These core components include:

- a statement of purpose or policy rationale for each contingent liability;
- the new contingent liabilities for the budget year, such as new guarantees or insurance commitments proposed for the budget year; and
- the total amount of outstanding guarantees or insurance commitments at the end of the budget year. This reflects the gross exposure of the government in the case that all guarantees or commitments come due (even though that may be unlikely to occur).

Contingent liabilities are recognized under a cash accounting method only when the contingent event occurs and the payment is made. An example of such liabilities is the case of loans guaranteed by the central government, which can include loans to state-owned banks and other state-owned commercial enterprises, subnational governments, or private enterprises. Under such guarantees, government will only make a payment if the borrower defaults. Thus a key issue for making quantitative estimates of these liabilities is assessing the likelihood of the contingency occurring.

In the budget, according to the OECD, “[w]here feasible, the total amount of contingent liabilities should be disclosed and classified by major category reflecting their nature; historical information on defaults for each category should be disclosed where available. In cases where contingent liabilities cannot be quantified, they should be listed and described.”

Beyond the core information, some governments may also provide other information about contingent liabilities, including for example: historical default rates for each program, and likely default rates in the future; the maximum guarantee that is authorized by law; any special financing associated with the guarantee (e.g., whether fees are charged, whether a reserve fund exists for the purpose of paying off guarantees, etc.); the duration of each guarantee; and an estimate of the fiscal significance and potential risks associated with the guarantees.

For more details on contingent liabilities, see *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and page 59 (Box 11) and Principle 3.2.3 of the IMF’s *Fiscal Transparency Handbook* (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer “a,” the Executive’s Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to contingent liabilities as well as some additional information beyond the core elements. To answer “b,” the Executive’s Budget Proposal or supporting documentation must present all of the core components noted above. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to contingent liabilities is presented, but some of the core pieces of information are not included. Answer “d” applies if no information is presented on contingent liabilities.

Answer:

c. Yes, information is presented, but it excludes some core elements or some contingent liabilities.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20R%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Section 6.3.1 (page 345) provides some information about state guarantees. Information is divided in two categories: financial sector companies and other entities.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

43. Does the Executive’s Budget Proposal or any supporting budget documentation present projections that assess the government’s future liabilities and the sustainability of its finances over the longer term?

(The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

GUIDELINES:

Question 43 focuses on government's future liabilities and the sustainability of its finances over the longer-term, asking whether "core" information related to these issues is presented. These core components must include:

- Projections that cover a period of at least 10 years.
- The macroeconomic and demographic assumptions used in making the projections.
- A discussion of the fiscal implications and risks highlighted by the projections. Good public financial management calls for budgets to include fiscal sustainability analyses.

The IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) recommends that governments regularly publish the projected evolution of the public finances over the longer term (see Principle 3.1.3.). Future liabilities are a particularly important element when assessing the sustainability of public finances over the long term. Future liabilities are the result of government commitments that, unlike contingent liabilities, are virtually certain to occur at some future point and result in an expenditure. A typical example consists of government obligations to pay pension benefits or cover health care costs of future retirees. Under a cash accounting system, only current payments associated with such obligations are recognized in the budget. To capture the future impact on the budget of these liabilities, a separate statement is required.

Beyond the core information, some governments may also provide other information about the sustainability of their finances, including for example: projections that cover 20 or 30 years; multiple scenarios with different sets of assumptions; assumptions about other factors (such as the depletion of natural resources) that go beyond just the core macroeconomic and demographic data; and a detailed presentation of particular programs that have long time horizons, such as civil service pensions.

For more details on future liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to future liabilities and the sustainability of government finances over the longer term as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to future liabilities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on future liabilities and the sustainability of government's finances

Answer:

a. Yes, information beyond the core elements is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Mapas%20da%20Lei/OE2023_doc17_Relatorio_ElementosInformativosEComplementares.pdf

Comment:

The main future liabilities are public-private partnerships, pensions and public debt.

See Section 4.5 of the EBP Report (page 171; first hyperlink) for information concerning public-private partnerships.

Section 6.5.1 of the EBP Report (page 355; first hyperlink) provides an overview of the sustainability of public finances based on demographic projections.

Section 6.5.2 of the EBP Report (page 357; first hyperlink) highlights the main aspects regarding the sustainability of the social security system. A detailed report can be found in Section 2 (page 4) of the second hyperlink.

Section 6.5.3 of the EBP Report (page 358; first hyperlink) presents information about the sustainability of the public debt.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

44. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of the sources of donor assistance, both financial and in-kind, for at least the budget year?

GUIDELINES:

Question 44 asks about estimates of donor assistance, both financial and in-kind assistance. Such assistance is considered non-tax revenue, and the sources of this assistance should be explicitly identified. In terms of in-kind assistance, the concern is primarily with the provision of goods (particularly those for which there is a market that would allow goods received as in-kind aid to be sold, thereby converting them into cash) rather than with in-kind aid like advisors from a donor country providing technical assistance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all donor assistance and a narrative discussing the assistance. If a narrative discussion is not included, but estimates for all donor assistance are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, donor assistance (regardless of whether it also includes a narrative discussion). Answer "c" also applies if the sources of donor assistance are not presented, but the total amount of donor assistance is presented as a single line item. Answer "d" applies if no estimates of donor assistance are presented. Select answer "e" if your country does not receive donor assistance.

Answer:

e. Not applicable/other (please comment).

Source:

No sources.

Comment:

There is no donor assistance, EU funds received are considered intergovernmental transfers.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

45. Does the Executive's Budget Proposal or any supporting budget documentation present information on tax expenditures for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.)

GUIDELINES:

Question 45 focuses on tax expenditures, asking whether "core" information related to these tax preferences is presented. These core components must include for both new and existing tax expenditures:

- a statement of purpose or policy rationale;
- a listing of the intended beneficiaries; and
- an estimate of the revenue foregone.

Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. Tax expenditures often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, encouraging a company to engage in more research through a special tax break can have the same effect as subsidizing it directly through the expenditure side of the budget, as it still constitutes a cost in terms of foregone revenues. However, expenditure items that require annual authorization are likely to receive more scrutiny than tax breaks that are a permanent feature of the tax code.

Beyond the core information, some governments may also provide other information about tax expenditures, including for example: the intended beneficiaries by sector and income class (distributional impact); a statement of the estimating assumptions, including the definition of the benchmark against which the foregone revenue is measured; and a discussion of tax expenditures as part of a general discussion of expenditures for those program areas that receive both types of government support (in order to better inform policy choices). For more details on tax expenditures, see *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 1.1.4 of the IMF's *Fiscal Transparency Handbook* (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, all of the core information related to tax expenditures as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to tax expenditures is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on tax expenditures.

Answer:

c. Yes, information is presented, but it excludes some core elements or some tax expenditures.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Section 4.1.1.1.2 (pages 120-130) provides estimates of the revenue foregone from BY-3 (2020) to BY (2023) for all tax expenditures. For each tax expenditure, it is mentioned what are the main drivers of its evolution. It is presented the tax expenditure per tax (page. 120) and the tax expenditure by functions (page. 120). A statement of purpose or policy rationale was not found for most tax expenditures, although policy reasons for some of the changes forecast for the budget year are given. A listing of the intended beneficiaries is almost nonexistent. Comparing to the 2021 State Budget, 2023 State budget does not present a brief reference to a tax expenditure benefiting disabled people.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

46. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues for at least the budget year?**GUIDELINES:**

Question 46 asks about estimates of earmarked revenues, which are revenues that may only be used for a specific purpose (for example, revenues from a tax on fuel that can only be used for building roads). This information is important in determining which revenues are available to fund the government's general expenses, and which revenues are reserved for particular purposes.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all individual earmarked revenues and a narrative discussing the earmarks. If a narrative discussion is not included, but estimates for all individual 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:

b. Yes, estimates of all earmarked revenues are presented, but a narrative discussion is not included.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Earmarked revenues are defined by law or decree-law.

There is no systematic information about earmarked revenues, namely a total amount of earmarked revenues, nor its importance in total revenues. The amounts of individual earmarked revenue sources are provided, but scattered in different parts of the EBP (in the program-specific chapters in Section 5). A narrative discussion of earmarked revenues is not provided.

There is some discussion of how these revenues are spent: expenditure is broken down by source of funding (tax revenues assigned to each program, own revenues including earmarked revenues, European funding, and transfers between entities) for all budgetary programs in Section 5. In the case of culture, for example, it is mentioned that part of the expenditure is financed by € 381.9 millions from tax revenues and by € 152 millions from heritage lottery (page 283), which is earmarked.

However, as this does not directly address the revenues themselves, we consider this does not qualify as a narrative discussion for the purposes of this question.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

47. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

Answer:

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.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Sections 2, 3.2 and 5 of the EBP Report ("Relatório do Orçamento do Estado") present information on how the proposed budget is linked to government's policy goals for the budget year.

Table 3.3 (page 109) presents the impact of discretionary measures in the budget balance.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

48. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for a multi-year period (for at least two years beyond the budget year)?

GUIDELINES:

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear

description of the link between policy goals and the budget – that is, an explicit explanation of how the government’s policy goals are reflected in its budget choices. For an example of a discussion of a government’s policy goals in the budget, see pages 13-18 of New Zealand’s 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive’s Budget Proposal. So the question is examining whether government policy plans are “translated” into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer “a,” the Executive’s Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government’s policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer “b” for either question, the Executive’s Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government’s policy goals, but no narrative discussion is included. A “c” response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government’s policy goals (regardless of whether it also includes a narrative discussion). Answer “d” applies if no information is presented on how the budget is linked to government’s policy goals.

Answer:

d. No, information on the link between the budget and the government’s stated policy goals for a multi-year period is not presented.

Source:

No sources.

Comment:

There is no specific mention (or estimate) of how policy goals should continue to be pursued, in terms of fiscal measures, in the future beyond the budget year.

The multi-year definition of the Government’s policy goals is done, however, to some extent, in the PBS.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

49. Does the Executive’s Budget Proposal or any supporting budget documentation present nonfinancial data on inputs to be acquired for at least the budget year?

GUIDELINES:

Question 49 asks about the availability of nonfinancial data on inputs for the budget year. (Nonfinancial data on outputs and outcomes are addressed in Question 50.)

The budget should disclose not only the amount of money that is being allocated on a program but also any information needed to analyze that expenditure. Nonfinancial data and performance targets associated with budget proposals are used to assess the success of a given policy. For example, even when allocated funds are spent according to plan, there remains the question of whether the policy delivered the results that it aimed to achieve.

Nonfinancial data can include information on:

Inputs - These are the resources assigned to achieve results. For example, in regards to education, nonfinancial data on inputs could include the number of books to be provided to each school or the materials to be used to build or refurbish a school.

Outputs - These are products and services delivered as a result of inputs. For example, the number of pupils taught every year; the number of children that received vaccines; or the number of beneficiaries of a social security program.

Outcomes - These are the intended impact or policy goals achieved. For example, an increase in literacy rates among children under 10, or a reduction in rates of maternal mortality.

In addition, governments that set performance targets must use nonfinancial data for outputs and outcomes to determine if these targets have been met.

To answer “a,” the Executive’s Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on inputs for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on inputs for each individual program is organized by functions. To answer “b,” the Executive’s Budget Proposal or supporting documentation must present nonfinancial data on inputs for

all administrative units or all functions, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on inputs are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on inputs is presented.

Answer:

c. Yes, nonfinancial data on inputs are presented for some programs and/or some administrative units (or functions).

Source:

<https://oe2023.gov.pt/reforcar-rendimentos/>

<https://oe2023.gov.pt/areas-governativas/infraestruturas-e-habitacao/>

<https://oe2023.gov.pt/areas-governativas/secretario-de-estado-da-digitalizacao-e-da-modernizacao-administrativa/>

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

There is a website launched with the EBP (first link) features with some information on nonfinancial data on inputs in some measures. This is only available for some specific policy areas. Two examples:

- Infrastructure and Housing (2nd link): purchase of 117 new trains, of which 62 for Lisbon and Porto suburban lines and 55 for regional lines; and 12 high speed trains

- Digitalization (3rd link): opening of 12 new "Lojas do Cidadão" (one-stop shops for government services)

The information has a very limited scope, and it is in no way systematic.

Additionally, along Section 5 of the EBP Report ("Relatório do Orçamento do Estado"), some disperse information can be found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

50. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on results (in terms of outputs or outcomes) for at least the budget year?

GUIDELINES:

Question 50 asks about the availability of nonfinancial data on results for the budget year. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 49).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on results for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on results for each individual program is organized by functional classification. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on results for all administrative units or all functional classifications, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on results are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on results is presented.

Answer:

c. Yes, nonfinancial data on results are presented for some programs and/or some administrative units (or functions).

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

Nonfinancial data on results (in terms of outputs or outcomes) is very weak, almost inexistent, and it is in no way systematic.

Along Section 5 of the EBP Report ("Relatório do Orçamento do Estado"), some disperse information on results can be found. See, for example, alterations to the model for recruiting teachers and alterations to the model for initial teacher training (page. 294).

Note, however, that the EBP Report is part of the EBP but not a part of the EB.

Peer Reviewer

Opinion: Agree

Comments: The 2023 EBP presents a first/pilot attempt at "green budgeting", collecting and classifying relevant measures and related expenditures across several ministries, according to the type of climate impact expected. This exercise is presented, in some detail, in pages 77-83, and then highlighted as well in the CB.

Government Reviewer

Opinion: Agree

Comments: Nonfinancial data on results can however be found in the YER - "Conta Geral do Estado de 2021"

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:

d. No, performance targets are not assigned to nonfinancial data on results, or the budget does not present nonfinancial data on results.

Source:

No sources.

Comment:

No performance targets are assigned to nonfinancial data on results (the budget framework law does not include any obligation regarding performance budgeting).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Performance targets were defined for a pilot, and will be defined for all programmes on the 2025 budget cycle onwards.

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.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?" (<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of countries that have provided information on how its policies affect the poor.

For instance, Pakistan provides a detailed breakdown of pro-poor expenditure as part of its 2017-18 budget proposal. In one document, the government sets out policy priorities, expected outputs, and estimates of past and future spending for several programs aimed at poverty alleviation. Another supporting document provides a comprehensive overview of ongoing policies, including a chapter on social safety nets, covering both financial and performance information of poverty alleviation schemes over a period of eight years. (http://www.finance.gov.pk/budget/mtbf_2018_21.pdf and http://www.finance.gov.pk/survey_1718.html).

To answer "a," the Executive's Budget Proposal or supporting documentation must for at least the budget year both present estimates covering all policies that are intended to benefit the most impoverished populations and include a narrative discussion that specifically addresses these policies. (For countries using program budgeting that breaks out individual anti-poverty programs, there should be a separate narrative associated with each such program.) Answer "b" if a narrative discussion is not included, but estimates for all policies that are intended to benefit the most impoverished populations are presented. Answer "c" if the presentation includes estimates covering only some, but not all, policies that are intended to benefit the most impoverished populations (regardless of whether it also includes a narrative discussion). Answer "d" if no estimates of policies that are intended to benefit the most impoverished populations are presented.

Answer:

c. Yes, estimates of some but not all policies that are intended to benefit directly the country's most impoverished populations are presented.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc16_Relatorio.pdf

Comment:

The Budgetary Program section 5.14 ("Trabalho, Solidariedade e Segurança") contains a narrative about the main policies and measures concerning labour, solidarity and social security (page 298). In this narrative, aspects related to poverty, social exclusion and inequality are addressed, but estimates of policies are not presented. In table 5.46 (page 325) expenditure by measure is presented but its level of detail is weak. Each measure is very vague, which does not allow to understand what problem is addressed and to whom the measure is targeted.

In the section dedicated to social security, the value of the budgeted expenditure for some specific social transfers that aim to reduce poverty [Social Integration Income ("Rendimento Social de Inserção") and Elderly Pension Supplement ("Complemento Solidário para Idosos"), for example] are presented in table 4.17 (page 151).

Other Budgetary Programs (namely education and health) may also contain policies that target the country's most impoverished populations, but these are not explained neither quantified.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

53. Does the executive release to the public its timetable for formulating the Executive's Budget Proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation)?

GUIDELINES:

Question 53 asks about the budget timetable. An internal timetable is particularly important for the executive's management of the budget preparation process, in order to ensure that the executive accounts for the views of the different departments and agencies in the proposed budget. The timetable would, for instance, set deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. So that civil society is aware of the various steps in the budget formulation process, and when opportunities may exist to engage the executive, it is essential that this timetable be made available to the public.

To answer "a," the executive must prepare a detailed budget timetable and release it to the public. A "b" answer applies if the timetable is made public, but some details are not included. A "c" response applies if the timetable is made public, but many important details are excluded, reducing its value for those outside government. Answer "d" applies if no timetable is made available to the public. As long as a timetable for formulating the Executive's Budget Proposal is released, answer "a," "b," or "c" may be selected, even if the Executive's Budget Proposal is not made publicly available.

Answer:

a. Yes, a detailed timetable is released to the public.

Source:

https://www.dgo.gov.pt/instrucoes/Instrucoes/2023/Aviso_05DGO2023.pdf
https://www.dgo.gov.pt/instrucoes/Instrucoes/2023/Aviso_04DGO2023_Anexo.pdf
https://www.dgo.gov.pt/instrucoes/Instrucoes/2023/Aviso_04DGO2023.pdf

Comment:

Yes. Information related to timetables for formulating the EBP are publicly available in the links above.

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:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Comment:

Macroeconomic projections spanning from 2022 to 2026 can be found in chapter 2 (pages 9-26). There is information about all three of the core elements. See Quadro A1. 1. Perspetivas macroeconómicas and Quadro A1. 2. Preços (p.45), as well as Quadro A1. 14 Pressupostos (p. 50) Information about the composition of GDP growth, current and capital accounts, unemployment rate and employment can also be found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

c. Yes, information is presented, but it excludes some core elements.

Source:

No sources.

Comment:

Information related to the government's expenditure policies and priorities for future budget years was not found. While Quadro A3.1.18 (p. 53) gives an estimate of specific measures for future budget years, it refers essentially to policy measures approved as part of the Budget for 2022 and their estimated impact in subsequent budget years 2023 and beyond (with a couple of small exceptions, PRR investments and spending revision exercises). It does not give an estimate of policies and priorities in future budgets, so we consider d).

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: The timing of the PBS (Stability Programme) preparation and presentation in 2022 coincided with the process of formation of a new cabinet, resulting from general elections earlier in the year. In that political/institutional context, no new policies could have been formally considered back then. Given this atypical particular context, this question should be "not applicable" in this round.

Government Reviewer

Opinion: Agree

Comments: The 2023 PBS already included new measures besides those approved in the previous year (see Tabel III.1 on <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDY3tAQAY02BAAUAAA%3d>)

Researcher Response

Regarding the PR comment: While it is true that there was an exceptional January general election in this year, when the PBS was published, the new government had been in office for two weeks and could have already included some information about next year's priorities in the EBP. Further, off-season elections following early dismissal of Parliament are not that rare in Portugal: only considering the 21st century they occurred in 2002, 2005, 2011, 2022 and will occur again in 2024. In my opinion we cannot consider this an exceptional circumstance for the purposes of this question. As for the government review, they are correct that there is some discussion of priorities for next budgets, although they mainly are related to current year budget policies. There is also an estimate of expenditure for next years. Therefore we propose to change the answer to (b). Link:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAA%3d>

IBP Comment

Many thanks to the reviewers and researcher for the comment. For consistency across countries, this answer is revised to "C". There is some discussion of priorities for coming year budgets, but they are mainly related to current year budget policies.

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:

c. Yes, information is presented, but it excludes some core elements.

Source:

No sources.

Comment:

Information related to the government's revenue policies and priorities was not found. While Quadro A3.1.18 (p. 53) gives an estimate of specific revenue measures for future budget years, it refers essentially to policy measures approved as part of the Budget for 2022 and their estimated impact in subsequent budget years 2023 and beyond. It does not give an estimate of policies and priorities in future budgets, so we consider d).

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: The timing of the PBS (Stability Programme) preparation and presentation in 2022 coincided with the process of formation of a new cabinet, resulting from general elections earlier in the year. In that political/institutional context, no new policies could have been formally considered back then. Given this atypical particular context, this question should be "not applicable" in this round.

Government Reviewer

Opinion: Agree

Comments: See comment on question 55

Researcher Response

The same as our response in question 55 applies here. link: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

IBP Comment

Many thanks to the reviewers and researcher for the comment. For consistency across countries, this answer is revised to "C". There is some discussion of priorities for coming year budgets, but they are mainly related to current year budget policies.

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 in the PBS.

Answer:

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

Source:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAA%3d>

Comment:

Table A.1.10 (p.48) contains estimates for the budget deficit (proxy for net new borrowing) and interest payments for the BY-1, BY and subsequent 3 years. Table A.1.9 (p.48) contains this information for the debt burden. In all cases we refer to data given as a percent of GDP, but this can be reconciled to nominal euro amounts using the data on macroeconomic assumptions given in Table A1.1. (p.45)

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:

a. Yes, multi-year expenditure estimates are presented.

Source:

<https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBQAAAB%2bLCAAAAAABAAzNDI3MQEAVqL7uwUAAAA%3d>

Comment:

Quadro A1. 5., p.52, presents multi-year estimates for total expenditures and broad economic classification categories for the whole general government sector. Please note these are only given as a percentage of GDP.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

59. Does the Enacted Budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?**GUIDELINES:**

Question 59 asks if expenditure estimates in the Enacted Budget are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer “a,” the Enacted Budget must present expenditure estimates by all three of the expenditure classifications. To answer “b,” expenditure estimates must be presented by two of the three classifications. A “c” answer applies if expenditure estimates are presented by one of the three classifications. Answer “d” applies if expenditure estimates are not presented by any of the three classifications.

Answer:

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

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc02_Mapa01.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc03_Mapa02.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc04_Mapa03.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc05_Mapa04.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc08_Mapa07.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc09_Mapa08.pdf

Comment:

Administrative classification can be found on Map 1 (“Mapa das despesas por missão de base orgânica, desagregadas por programas dos subsectores da Administração Central e da Segurança Social”) and Map 4 (“Mapa relativo à classificação orgânica das despesas do subsector da Administração

Central”).

Economic classification on Map 3 (“Mapa relativo à classificação económica das despesas do subsector da Administração Central”) and Map 8 (“Mapa relativo à classificação económica das despesas de cada sistema e subsistema e do total do subsector da Segurança Social”).

Functional classification on Map 2 (“Mapa relativo à classificação funcional das despesas do subsector da Administração Central”) and Map 7 (“Mapa relativo à classificação funcional das despesas de cada sistema e subsistema e do total do subsector da Segurança Social”).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc02_Mapa01.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc03_Mapa02.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc04_Mapa03.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc05_Mapa04.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc08_Mapa07.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc09_Mapa08.pdf

Comment:

Administrative classification can be found on Map 1 (“Mapa das despesas por missão de base orgânica, desagregadas por programas dos subsectores da Administração Central e da Segurança Social”) and Map 4 (“Mapa relativo à classificação orgânica das despesas do subsector da Administração Central”).

Economic classification on Map 3 (“Mapa relativo à classificação económica das despesas do subsector da Administração Central”) and Map 8 (“Mapa relativo à classificação económica das despesas de cada sistema e subsistema e do total do subsector da Segurança Social”).

Functional classification on Map 2 (“Mapa relativo à classificação funcional das despesas do subsector da Administração Central”) and Map 7 (“Mapa relativo à classificação funcional das despesas de cada sistema e subsistema e do total do subsector da Segurança Social”).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

60. Does the Enacted Budget present expenditure estimates for individual programs?

GUIDELINES:

Question 60 asks if expenditure estimates in the Enacted Budget are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

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

To answer "a," the Enacted Budget must present all programs, which account for all expenditures, in the budget year. To answer "b," the Enacted Budget must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Enacted Budget presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Enacted Budget.

Answer:

c. Yes, the Enacted Budget presents estimates for programs accounting for less than two-thirds of expenditures.

Source:

https://www.dgo.gov.pt/legislacao/Documents/Lei_151-2015_LEO_3alteracao_Lei_41-2020.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20Informativos/OE2023_Mapa14_Informativos.pdf

Comment:

Expenditure by programs should be detailed for all central government and social security expenses, as mandated by the Budget Framework Law (Article 45, no. 1, first link).

In practice, though, the current classification system almost completely aligns "programs" with ministries (see second link).

There is however an effort towards true program budgeting, with the finer level of classification, known as "measures". This provides more insight into spending, as seen in "Mapa 14" (third link). However, only about 50% of effective total spending is covered by these breakdowns, as it does not cover social security spending nor a substantial share of central government spending that is put in a "general services" broad measure. This justifies option c) here. We cover this issue in more detail in our comments to Question 6.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc06_Mapa05.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc10_Mapa09.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20Informativos/OE2023_Mapa15D_Informativos.pdf

Comment:

The economic classification of revenues includes all revenues (including estimates by category such as tax and non-tax). All revenues within the budget perimeter are presented on Map 5 ("Mapa relativo à classificação económica das receitas públicas do subsetor da Administração Central") and Map 9 ("Mapa relativo à classificação económica das receitas de cada sistema e subsistema e do total do subsetor da Segurança Social"). Map 15-D disclosures information about how each program's measure will be funded but it does not provide further information regarding how the funds will be spent.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc06_Mapa05.pdf

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Mapas%20da%20Lei/OE2023_doc10_Mapa09.pdf

Comment:

The economic classification of revenues includes all revenues (including estimates by individual sources of revenue). All revenues within the budget perimeter are presented on Map 5 ("Mapa relativo à classificação económica das receitas públicas do subsetor da Administração Central") and Map 9 ("Mapa relativo à classificação económica das receitas de cada sistema e subsistema e do total do subsetor da Segurança Social").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Orcamento%20Estado%20Aprovado/Documentos%20do%20E/OE2023_doc01_Lei.pdf

Comment:

See Article 110 (page 74) for the amount of net new borrowing required during the budget year and Map 3 (page 284) for the interest payments on the debt for the budget year ("Juros e outros encargos").

The Enacted Budget is a legal text whereby the Parliament authorizes the Government to spend and issue new debt up to certain levels. Only flows, not stocks, are considered. Therefore, there are no estimates of the total debt outstanding at the end of the budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

b. The Citizens Budget provides the core information.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

Comment:

The citizens budget provides information for the core elements: p. 5 has the main expenditure and revenue totals, p. 2 points out main priorities of the 2023 budget with more detail on each priority and specific projects and measure in p.7 and later. In p. 3 there is some information on the macroeconomic forecast upon which the budget is based, namely GDP growth, unemployment and inflation. There is however no clear communication channel for citizens feedback, which means a core element is missing. However, this is significant additional information beyond the core elements, namely a lot of pedagogical explanations on the macroeconomic scenario, on the institutional framework of the budget, and on public debt. For these reasons we consider a b) grade is warranted.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

c. A Citizens Budget is disseminated only by using one means of dissemination.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

Comment:

Citizens budget is disseminated only by internet.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

66. Has the executive established mechanisms to identify the public's requirements for budget information prior to publishing the Citizens Budget?

GUIDELINES:

Question 66 asks whether the executive has established mechanisms to identify the public's requirements for budget information before publishing a Citizens Budget. What the public wants to know about the budget might differ from the information the executive includes in technical documents that comprise the Executive's Budget Proposal or the Enacted Budget; similarly, different perspectives might exist on how the budget should be presented, and this may vary depending on the context. For this reason the executive should consult with the public on the content and presentation of the Citizens Budget.

To answer "a," the executive must have established mechanisms to consult with the public, and these mechanisms for consultation are both accessible and widely used by the public. Such mechanisms can include focus groups, social networks, surveys, hotlines, and meetings/events in universities or other locations where people gather to discuss public issues. In countries where Citizens Budgets are consistently produced and released, it may be sufficient for the government to provide the public with contact information and feedback opportunities, and subsequently use the feedback to improve its management of public resources.

Option "b" applies if the executive has established mechanisms for consultation that are accessible to the public, but that the public nonetheless does not use frequently. That is, the public does not typically engage with the executive on the content of the Citizens Budget, even though the executive has created opportunities for such consultation. Option "c" applies if the executive has established mechanism for consultation with the public, but they are poorly designed and thus not accessible to the public. Option "d" applies if the executive has not created any mechanisms to seek feedback from the public on the content of the Citizens Budget.

Answer:

d. No, the executive has not established any mechanisms to identify the public's requirements for budget information in the Citizen's Budget.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20r%C3%A7amento/Documentos%20do%20E/OE2023_doc20_OE_Cidadao_2023.pdf

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

67. Are "citizens" versions of budget documents published throughout the budget process?

GUIDELINES:

Question 67 asks if "citizens" versions of budget documents are published throughout the budget process. While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle.

To answer "a," a citizens version of at least one budget document is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit) – for a total of at least four citizens budget documents throughout the process. Option "b" applies if a citizens version of a budget document is published for at least two of the four stages of the budget process. Option "c" applies if a citizens version of a budget document is published for at least one of the four stages of the budget process. Select option "d" if no "citizens" version of budget documents is published.

Answer:

b. A citizens version of budget documents is published for at least two of the four stages of the budget process.

Source:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc20_OE_Cidadao_2023.pdf

<https://online.dgo.gov.pt/DadosCidadao/EntradaExecucao.aspx>

<https://transparencia.gov.pt/pt/orcamento-do-estado/execucao/despesa-receita-execucao/>

<https://recuperarportugal.gov.pt/monitorizacao/>

https://online.dgo.gov.pt/DadosCidadao/Orcamento_CG.Entrada.aspx?modulo=CGE

<https://transparencia.gov.pt/pt/orcamento-do-estado/balanco/despesa-receita-balanco/>

Comment:

No comments.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

68. Do the In-Year Reports present actual expenditures by any of the three expenditure classifications (by administrative, economic, or functional classification)?

GUIDELINES:

Question 68 asks if expenditure estimates in In-Year Reports are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above.

Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.

To answer "a," In-Year Reports must present actual expenditures by all three of the expenditure classifications. To answer "b," actual expenditures must be presented by two of these three classifications. A "c" answer applies if actual expenditures are presented by one of the three classifications. Answer "d" applies if actual expenditures are not presented by any of the three classifications in In-Year Reports.

Answer:

c. Yes, the In-Year Reports present actual expenditures by only one of the three expenditure classifications.

Source:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2023&Mes=Janeiro>

<https://www.dgo.gov.pt/execucaoorcamental/Sintese-da-Execucao-Orcamental-Mensal/2023/janeiro/0123-Sintese-Execucao-Orcamental-dezembro2022.pdf>

Comment:

For any given month, expenditures by economic classification are disclosed and extensively broken down in an Excel file called "Statistical Annex".

Administrative and functional classifications were presented in the last time. However, are not presented in the links above. Last time, administrative and functional classifications were in the Excel file called "Budget Outturn Summary Report of November 2020 - Complementary Statistics Information", in which the administrative classification is in the 6th and 8th sheets, and the functional classification is in the 5th and 7th sheets.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

68b. Based on the response to Question 68, check the box(es) to identify which expenditure classifications are included in the In-Year Reports:

Answer:

Economic classification

Source:

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2023&Mes=Janeiro>

https://www.dgo.gov.pt/execucaoorcamental/SintesedaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

Comment:

For any given month, expenditures by economic classification are disclosed and extensively broken down in an Excel file called "Statistical Annex".

Administrative and functional classifications were presented in the last time. However, are not presented in the links above. Last time, administrative and functional classifications were in the Excel file called "Budget Outturn Summary Report of November 2020 - Complementary Statistics Information", in which the administrative classification is in the 6th and 8th sheets, and the functional classification is in the 5th and 7th sheets.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

69. Do the In-Year Reports present actual expenditures for individual programs?

GUIDELINES:

Question 69 asks if expenditure estimates in In-Year Reports are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

A note for francophone countries: "Program" level detail is sometimes referred to as *le plan comptable* or *le plan comptable 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," 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:

https://www.dgo.gov.pt/execucaoorcamental/SintesedaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

Comment:

There is no report included in the IYR concerning programs as such. However, the subsector of Social Security is well documented both in terms of the economic classification as well as a peculiar functional classification [by nature ("por natureza")]: pensions, unemployment benefits, Social Integration Income ("Rendimento Social de Inserção"), etc. Note that the Social Security subsector is not a program. See Annex 12 ("Execução Orçamental da Segurança Social, por natureza") at page A13.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Although the total expenditure by programme is not presented, when aggregating by economic classification, there is a division by programme. See, as an example, table 3 and 4 on:

https://www.dgo.gov.pt/execucaoorcamental/SintesedaExecucaoOrcamentalMensal/2023/agosto/0823-SinteseExecucaoOrcamental_julho2023.pdf

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:

https://www.dgo.gov.pt/execucaoorcamental/SintesedaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

Comment:

A comparison is made both with the same period in the previous year and the enacted levels. An "execution degree" figure is also presented (year-to-date expenditure divided by full year enacted level).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

71. Do In-Year Reports present actual revenue by category (such as tax and non-tax)?

GUIDELINES:

Questions 71 asks whether In-Year Reports present actual revenues by "category"—that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," In-Year Reports must present revenue estimates classified by category.

Answer:

a. Yes, In-Year Reports present actual revenue by category.

Source:

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Comment:

See, for example, table 16 of the first hyperlink (page 32).

For more information, see the Excel file called "Statistical Annex" in the second hyperlink.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

72. Do In-Year Reports present the individual sources of revenue for actual revenues collected?

GUIDELINES:

Question 72 asks whether In-Year Reports present actual collections of individual sources of revenue (such as income taxes, VAT, etc.). The question applies to both tax and non-tax revenue.

To answer "a," In-Year Reports must present actual collections for all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," In-Year Reports must present actual collections for individual sources of revenue that when combined account for at least two-thirds of all revenue collected, but not all revenue. A "c" answer applies if In-Year Reports present individual sources of actual revenue that account for less than two-thirds of all revenue collected. Answer "d" applies if individual sources of actual revenue are not presented.

Answer:

a. Yes, In-Year Reports present individual sources of actual revenue accounting for all revenue.

Source:

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

<https://www.dgo.gov.pt/execucaoorcamental/Paginas/Sintese-da-Execucao-Orcamental-Mensal.aspx?Ano=2022&Mes=Dezembro>

Comment:

See, for example, table 18 of the first hyperlink (page 34).

For more information, see the Excel file called "Statistical Annex" in the second hyperlink.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

73. Do the In-Year Reports compare actual year-to-date revenues with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

GUIDELINES:

Question 73 asks whether In-Year Reports compare actual revenues to-date with either the enacted levels or actual revenues for the same period in the previous year.

The OECD recommends that the reports contain the total year-to-date revenues in a format that allows for a comparison with the budget's forecast revenues (based on enacted levels) for the same period.

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

Answer:

a. Yes, comparisons are made for revenues presented in the In-Year Reports.

Source:

https://www.dgo.gov.pt/execucaoorcamental/SinteseDaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

Comment:

A comparison is made both with the same period in the previous year and the enacted levels. An "execution degree" figure is also presented (year-to-date revenues divided by full year enacted level).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

74. Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

GUIDELINES:

Question 74 asks about three key estimates related to borrowing and debt:

- the amount of net new borrowing so far during the year;*
- the central government's total debt burden at that point in the year; and*
- the interest payments to-date on the outstanding debt.*

Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.

Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt. 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.

Answer:

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

Source:

https://www.dgo.gov.pt/execucaoorcamental/SintesdaExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

https://www.igcp.pt/fotos/editor2/2023/Boletim_Mensal/04_BM_abr.pdf

Comment:

See table 1 (page 9 of the first hyperlink) for net borrowing/deficit information.

See table 10 (page 22, first hyperlink) and table 11 (page 23, first hyperlink) for interest payments information.

Information about the total debt outstanding can be found on page 2 of the second hyperlink.

As already stated in question 14, debt reports are updated on a monthly basis by the Portuguese Treasury and Debt Management Agency ("Agência de Gestão da Tesouraria e da Dívida Pública - IGCP"). This is not part of the IYR, but given that this information is published on an official website in a timely fashion and is easily accessible, we answered "a" (despite the fact that this information is not being explicitly linked to the IYRs).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

75. Do In-Year Reports present information related to the composition of the total actual debt outstanding?

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

GUIDELINES:

Question 75 focuses on the composition of government debt, asking whether "core" information related to its composition is presented. These core components include:

- interest rates on the debt;
- maturity profile of the debt; and
- whether the debt is domestic or external.

The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 74, domestic debt is held by a country's citizens and banks and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.

Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.

To answer "a," In-Year Reports must present all of the core information related to the composition of government debt to-date as well as some additional information beyond the core elements. To answer "b," In-Year Reports must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on

Answer:

a. Yes, information beyond the core elements is presented for the composition of the total actual debt outstanding.

Source:

https://www.dgo.gov.pt/execucaoorcamental/SinteseExecucaoOrcamentalMensal/2023/janeiro/0123-SinteseExecucaoOrcamental_dezembro2022.pdf

https://www.igcp.pt/fotos/editor2/2023/Boletim_Mensal/04_BM_abr.pdf

Comment:

In the IYRs, there is only information about interest payments made during the BY and BY-1 (2023 and 2022, respectively). See, for example, table 10 (page 22, first hyperlink) and table 11 (page 23, first hyperlink) for interest payments information. There is no information about the total actual debt outstanding.

Although, in practice, none of the core information is presented in the IYRs, it should be noted that information beyond the core elements is made available in a timely fashion regularly by the Portuguese Treasury and Debt Management Agency ("Agência de Gestão da Tesouraria e da Dívida Pública - IGCP"), as already stated in question 14. See second hyperlink.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

76. Does the Mid-Year Review of the budget include an updated macroeconomic forecast for the budget year underway?

GUIDELINES:

Question 76 asks whether the Mid-Year Review includes an updated macroeconomic forecast for the budget year 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:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no formal requirement in the Portuguese budgetary framework law - nor in the European Union fiscal framework either - for a mid-

year review of the budget. It should be noted, however, that the government revises the budgetary estimates - including the macroeconomic forecasts, revenue and expenditure, and public debt - twice a year: in April of the budget year underway in the context of the Stability Programme; and in October, in the context of the next Budget Proposal. This comment applies to all questions regarding the Mid-Year Review, 76-83.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no Mid-Year Review.

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. As a note to the peer reviewer, even though there is no formal requirement in Portuguese budgetary framework law, nor in the European Union fiscal framework, for a Mid-Year Review, international good practice calls for such a document. The Mid-Year Review represents an important opportunity to comprehensively assess a government's fiscal performance against the strategy established in the Enacted Budget. Please see more on page 31 here: <https://internationalbudget.org/wp-content/uploads/Guide-to-Transparency-in-Government-Budget-Reports-Why-are-Budget-Reports-Important-and-What-Should-They-Include-English.pdf>

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:

d. No, expenditure estimates have not been updated.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. Please also see the IBP comment in Question 76.

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:

d. No, the Mid-Year Review does not present expenditure estimates by any expenditure classification.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. Please also see the IBP comment in Question 76.

78b. Based on the response to Question 78, check the box(es) to identify which expenditure classifications are included in the Mid-Year Review:

Answer:

None of the above

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Agree

Comments: My comment to question 76 applies here as well.

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 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 Mid-Year Review must present expenditures for all individual programs, accounting for all expenditures. To answer "b," the Mid-Year Review must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Mid-Year Review presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Mid-Year Review.

Answer:

d. No, the Mid-Year Review does not present expenditure estimates by program.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. Please also see the IBP comment in Question 76.

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:

d. No, revenue estimates have not been updated.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. Please also see the IBP comment in Question 76.

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:

b. No, the Mid-Year Review does not present revenue estimates by category.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

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

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: Disagree

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

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "B". Answer is maintained. Please also see the IBP comment in Question 76.

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:

d. No, the Mid-Year Review does not present individual sources of revenue.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. Please also see the IBP comment in Question 76.

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:

d. No, estimates of government borrowing and debt have not been updated.

Source:

No sources.

Comment:

No Mid-Year Review is published.

Peer Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: My comment to question 76 applies here as well.

Government Reviewer

Opinion: I choose not to review this question

Comments: There is no Mid-Year Review

IBP Comment

Many thanks to the peer and government reviewers for the comments. By Open Budget Survey methodology, since no Mid-Year Review is published, this question must score a "D". Answer is maintained. Please also see the IBP comment in Question 76.

84. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

GUIDELINES:

Question 84 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual expenditures for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion. Answer "b" if estimates of the differences for all expenditures are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all expenditures, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report

Answer:

a. Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, along with a narrative discussion.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

The report (first hyperlink) presents the differences for all revenues and discusses them extensively.

More information can be found on the Maps that are present in the second hyperlink

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:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

See sources for expenditure estimates by all three expenditure classifications.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

85b. Based on the response to Question 85, check the box(es) to identify which expenditure classifications are included in the Year-End Report:

Answer:

Administrative classification
Economic classification
Functional classification

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

See sources for expenditure estimates by all three expenditure classifications.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

86. Does the Year-End Report present expenditure estimates for individual programs?

GUIDELINES:

Question 86 asks if expenditure estimates in the Year-End Report are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.

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

To answer "a," the Year-End Report must present expenditure estimates for all individual programs, accounting for all expenditures. Answer "b" if the Year-End Report presents expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. Answer "c" if the Year-End Report presents programs that account for only less than two-thirds of expenditures. Answer "d" if expenditures are not presented by program in the Year-End Report.

Answer:

c. Yes, the Year-End Report presents estimates for programs accounting for less than two-thirds of expenditures.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

Data about expenditure estimates for individual programs are not very much informative for three reasons:

- 1 - They mix financial and nonfinancial expenditures in the so-called total expenditures ("Despesas totais");
- 2 - The budgetary program PO13 ("Trabalho, Solidariedade e Segurança Social"), which should include all expenditures on vocational training and social security, does not include all the expenditures under this label;
- 3 - It does not provide information, in each program, of the transfers to other programs.

Therefore, it does not enable a rigorous treatment of expenditures on intergovernmental programs.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

87. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

GUIDELINES:

Question 87 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual revenues for the year, and whether these estimates are accompanied by a narrative discussion.

To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all revenues, along with a narrative discussion. Answer "b" if estimates of the differences for all revenues are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all revenues, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report.

Answer:

a. Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>
<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

The report (first hyperlink) presents the differences for all revenues and discusses them extensively. More information can be found on the Maps that are present in the second hyperlink.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

88. Does the Year-End Report present revenue estimates by category (such as tax and non-tax)?

GUIDELINES:

Question 88 asks whether revenue estimates in the Year-End Report are presented by "category" – that is, whether tax and non-tax sources of revenue are shown separately.

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

Answer:

a. Yes, the Year-End Report presents revenue estimates by category.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

See Map 9 and 10 ("Receitas de cada sistema e subsistema e do total do subsector da Segurança Social, por classificação económica") and ("Receitas

tributárias cessantes dos subsectores da administração central e segurança social").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

89. Does the Year-End Report present individual sources of revenue?

GUIDELINES:

Question 89 asks whether revenue estimates for individual sources of revenue are presented in the Year-End Report. The question applies to both tax and non-tax revenue.

To answer "a," the Year-End Report must present all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. Answer "b" if the Year-End Report presents individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. Answer "c" if the Year-End Report presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" if individual sources of revenue are not presented in the Year-End Report.

Answer:

a. Yes, the Year-End Report presents individual sources of revenue accounting for all revenue.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

See Maps 5 and 9 of the YER, respectively ("Receitas públicas do subsector da administração Central, por Classificação Económica") and ("Receitas de cada sistema e subsistema e do total do subsector da Segurança Social, por classificação económica").

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90. Does the Year-End Report present the differences between the original estimates of government borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 90 asks whether the Year-End Report includes estimates of the differences between the original estimates and the actual outcome for the fiscal year for borrowing and debt, including its composition, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:

- *the amount of net new borrowing required during the budget year;*
- *the central government's total debt burden at the end of the budget year; and*
- *the interest payments on the outstanding debt for the budget year.*

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between some but not all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

Differences between the original estimates for the fiscal year and the actual outcome for that year are only presented for the amount of net new borrowing required during the budget year (table 3.57, page 151) and the interest payments on outstanding debt for the budget year (table 3.60, page 153).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90b. Based on the response to Question 90, check the box(es) to identify which estimates of government borrowing and debt, including its composition, have the differences between the original forecast and the actual outcome for the year presented in the Year-End Report:

Answer:

The amount of net new borrowing required during the budget year
The interest payments on outstanding debt for the budget year

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

Differences between the original estimates for the fiscal year and the actual outcome for that year are only presented for the amount of net new borrowing required during the budget year (table 3.57, page 151) and the interest payments on outstanding debt for the budget year (table 3.60, page 153).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

91. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

GUIDELINES:

Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.

To answer "a," the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. 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:

b. Yes, estimates of the differences between all the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, but a narrative discussion is not included.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

Contrary to the YER of 2019, in this edition there are no comparisons between original forecasts and outcomes for macroeconomic variables relevant in budget estimates.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

Comments: The YER under analysis in this round is 2021, not 2022. See table 2, page 4, and the narrative that follows, covering most of the relevant comparisons. source: <https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/2021/CGE%202021%20vol1tomo01.pdf>

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

Comments: As the fiscal year of the YER evaluated in this Open Budget Survey questionnaire is 2021, it should be considered a. Check table 2 of the YER: <https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/2021/CGE%202021%20vol1tomo01.pdf>

Researcher Response

Indeed this was a mistake on our side. As mentioned by both the PR and the GR, Table 2, p.4 includes some required information. I leave a more detailed description below. Table 2, p. 4 in the YER includes the original assumptions for the fiscal year (as well as FY-1), and the actual outcomes for real GDP growth and inflation rate, and a narrative discussion follows in the ensuing pages. The missing nominal GDP level is not critical, in our view, as all the nominal euro amounts for spending and revenue aggregates are provided (so in principle the nominal GDP could even be backed out). However, interest rates are missing. As such we consider this merits a (b) answer.

IBP Comment

Thank you to the reviewers and researcher for the comments. Answer is revised from "D" to "B" given the evidence provided in the researcher's response, in addition to the fact that information beyond the core is presented.

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:

Real GDP growth
Information beyond the core elements
Inflation rate

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

Regarding the required core information, differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year exist only for real GDP growth. There is also information beyond the core elements. See Section 1.2 (pages 4-8).

Peer Reviewer

Opinion: Disagree

Suggested Answer: Inflation rate Real GDP growth Information beyond the core elements

Comments: The YER under analysis in this round was reported in question YER-1 as FY2021, not 2022. See table 2, page 4, and the narrative that follows, in the YER 2021. source: <https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/2021/CGE%202021%20vol1tomo01.pdf>

Government Reviewer

Opinion: Disagree

Suggested Answer: Inflation rate Real GDP growth Information beyond the core elements

Researcher Response

Agreed, see also our response in question 91. Table 2.1, page 4, includes this information.

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/2021/CGE%202021%20vol1tomo01.pdf>

92. Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?**GUIDELINES:**

Question 92 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 49 for the nonfinancial data on inputs included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

d. No, estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome are not presented.

Source:

No sources.

Comment:

Original estimates of nonfinancial data on inputs were scarce, and differences between the original estimates and the actual outcome were not found in the YER.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

93. Does the Year-End Report present the differences between the original estimates of nonfinancial data on results and the actual outcome?

GUIDELINES:

Question 93 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 92).

Refer to Question 50 for the nonfinancial data on results included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

Original estimates of nonfinancial data on results are scarce. Nevertheless, there is some information about the achieved results in a very few budgetary programs [see, for example, table 4.35 (page 270) referring to Culture]. A narrative discussion is also included. Justice has just a few narrative indicators on results. The majority of programs have no indicators of results.

It is not possible to ascertain whether these are the original estimates, since they are not presented in the EBP or EB. For transparency reasons, it is crucial that original estimates are presented in the original budget (ex ante) in order that differences can be identified.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome are not presented.

Comments: Based on the researcher's arguments, I conclude for answer "d. No...".

Government Reviewer

Opinion: Agree

Researcher Response

Even though it is scarce and very limited in scope, there is some nonfinancial quantitative data on outputs in specific sectors, namely in the Culture program as mentioned in our earlier comment. Therefore we believe this is enough to warrant a (c) answer, as a (d) would imply that there is exactly zero information. However, we must correct the reference to the Culture program table discussed in our comments. It is table 169, p. 292 in the YER 2021. link: <https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/2021/CGE%202021%20vol1tomo01.pdf>

94. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

GUIDELINES:

Question 94 asks whether the Year-End Report includes estimates of the differences between the enacted level of funds for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 52 for assistance to the most impoverished populations in the Executive's Budget Proposal.

To answer "a," the Year-End Report must present estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit the country's most impoverished populations and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

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.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

Since the level of detail is weak, there is a shortage of information about the policies that are intended to benefit directly the country's most impoverished populations. It was found information about the differences between the enacted level of funds and the actual outcome of two specific social transfers that aim to reduce poverty [Social Integration Income ("Rendimento Social de Inserção") and Elderly Pension Supplement ("Complemento Solidário para Idosos")]. See table CSS2 (page 428).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

95. Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

GUIDELINES:

Question 95 asks whether the Year-End Report presents estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.

Refer to Question 33 for estimates of extra-budgetary funds in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

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:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol2tomo08.pdf>

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol2tomo09.pdf>

Comment:

Information can be found in Volume II, Number VIII and IX of the YER. Here, it is presented side by side budget estimates (after any fund shifting operations) and actual outcomes for the complete budgets of all extra-budgetary entities. No narrative discussion is presented. The actual differences are not computed, but given the level of detail we scored this b).

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

96. Is a financial statement included as part of the Year-End Report or released as a separate report?

GUIDELINES:

Question 96 asks whether a financial statement is included as part of the Year-End Report, or whether it is released as a separate report. The financial statement can include some or all of the following elements: a cash flow statement, an operating statement, a balance sheet, and notes on accounting. For purposes of responding to this question, the financial statement in question does not need to be audited. For an example of a financial statement, see the document "Financial Statements of the Government of New Zealand 2013" (<https://treasury.govt.nz/sites/default/files/2013-10/fsgnz-year-jun13.pdf>)

To answer "a," a financial statement must either be included in the Year-End Report or must be released as a separate report. Answer "a" applies if a financial statement is released as a separate report, even if the Year-End Report is not publicly available. Answer "b" applies if no financial statement is released either as part of the Year-End Report or as a separate report.

Answer:

a. Yes, a financial statement is part of the Year-End Report or is released as a separate report.

Source:

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo03.pdf>

Comment:

The YER includes various elements of a financial statement. See, for example, general accounting statements 7-112.

Peer Reviewer
Opinion: Agree

Government Reviewer
Opinion: Agree

97. What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

GUIDELINES:

Question 97 asks about the types of audits conducted by the Supreme Audit Institution (SAI). There are three basic types of audits:

- Financial audits are intended to determine if an entity's financial information is accurate (free from errors or fraud) and presented in accordance with the applicable financial reporting and regulatory framework. See ISSAI 200 (<https://www.issai.org/pronouncements/issai-100-fundamental-principles-of-public-sector-auditing/>) 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:

<https://www.tcontas.pt/pt-pt/ProdutosTC/Relatorios/RelatoriosAuditoria/Pages/detalhe.aspx?dset=2022>

<https://www.tcontas.pt/pt-pt/ProdutosTC/Relatorios/RelatoriosAuditoria/Documents/2022/rel009-2022-2s.pdf>

<https://www.tcontas.pt/pt-pt/ProdutosTC/Relatorios/RelatoriosAuditoria/Documents/2022/rel005-2022-2s.pdf>

Comment:

Examples of all the audits concluded in 2022 can be found at the first hyperlink provided in the sources. See further hyperlinks for some examples.

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.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Comment:

As stated in its introduction and summary (eg p. 5), the Audit Report analyses all budget accounts, including the whole of the central government ("administração central do Estado"), integrated services ("serviços integrados"), autonomous services and funds ("serviços e fundos autónomos") and social security ("segurança social"). The universe of entities falling under this scope is detailed in p. 33.

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:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

Comment:

The Audit Report analyses all budget accounts, including the whole of the central government and social security sectors, i.e. including funds allocated or transferred to extra-budgetary units.

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:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

<https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Pages/detalhe.aspx?dset=2021>

Comment:

See pages I to VIII of the Audit Report.

On the SAI website (second link), there is also a short version ("Parecer em duas paginas") and an English version of the summary.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetalleActividadeParlamentar.aspx?BID=126658&ACT_TP=CGE

Comment:

We could not find evidence of any publicly disclosed systematic review by the executive of the SAI recommendations and plans to address them.

However, in section D.2 of the Audit Report, the SAI itself provides a systematic review of actions taken and government comments on steps taken to address recommendations formulated in the Audit Report of 2019.

Also, there are extensive discussions and reports on the Year-End Report in the Parliament (second link). This includes hearings where the government is inquired about the findings of the report. However, we could not find in hearing recordings and reports evidence of an explicit discussion on steps taken to address audit recommendations. Rather, discussions are mostly related to financial outcomes and fiscal policy options.

Although there is no significant change with respect to previous OBS editions, we would suggest, having looked deeper into the publicly available information, to reassess the situation in this question and assign a (d) answer.

Peer Reviewer

Opinion: Agree

Comments: This could be "c", based on the fact that the SAI report of the actions taken by the government takes into account information provided by the government. But since there is no explicit public report by the government, I agree with the researcher's "d".

Government Reviewer

Opinion: Agree

102. Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

GUIDELINES:

Question 102 asks whether the Supreme Audit Institution (SAI) or the legislature track actions by the executive to address audit recommendations. After audit results and recommendations are discussed and validated by the legislature, the executive is normally asked to take certain actions to address the audit findings. For accountability purposes, the public needs to be informed about the status of those actions, and steps the executive has taken to address audit recommendations. In addition to the executive reporting on its actions (see Question 101), the SAI and legislature – as the key oversight institutions – have a responsibility to keep the public informed by tracking the executive’s progress in addressing audit recommendations.

To answer “a,” the SAI or legislature must report publicly on what steps the executive has taken to address all audit findings. A “b” response applies if the SAI or legislature reports publicly on what steps the executive has taken to address most, but not all, audit findings. A “c” response applies if the SAI or legislature reports publicly on what steps the executive has taken to address only some audit findings. As long as the SAI or legislature reports publicly on the steps the executive has taken, answer “a,” “b,” or “c” may be selected, even if the Audit Report is not made publicly available. A “d” response applies if neither the SAI nor the legislature reports on the executive’s steps to address audit findings.

Answer:

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

Source:

https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Documents/2021/PCGE2021_final.pdf

<https://www.dgo.gov.pt/politicaorcamental/ContaGeraldoEstado/CGE%202022%20vol1tomo01.pdf>

Comment:

As mentioned in the previous question, in section D.2 of the Audit Report, the SAI itself provides a systematic review of actions taken and government comments on steps taken to address recommendations formulated in the Audit Report of 2019.

Further, in the Year End Report for 2022, there are a couple of changes mentioned that the government made in response to audit recommendations (see e.g. p. 90, second link).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

103. Is there an Independent Fiscal Institution (IFI) that conducts budget analyses for the budget formulation and/or approval process?

GUIDELINES:

Question 103 examines whether an Independent Fiscal Institution (IFI) exists that contributes budget analyses to the budget formulation and/or approval process. According to the Principles for Independent Fiscal Institutions, adopted by the OECD Council in 2014, “independent fiscal institutions are publicly funded, independent bodies under the statutory authority of the executive or the legislature which provide non-partisan oversight and analysis of, and in some cases advice on, fiscal policy and performance”, and with “a forward-looking ex ante diagnostic task”. In practice, they come in two main forms:

- Parliamentary budget offices (also known as PBOs) such as the Congressional Budget Office in the United States (<https://www.cbo.gov/>), the Parliamentary Budget Office in South Africa (<https://www.parliament.gov.za/parliamentary-budget-office>), and the Center for Public Finance Studies in Mexico (Centro de Estudios de las Finanzas Públicas, <http://www.cefp.gob.mx/>); or
- Fiscal councils such as the Office for Budget Responsibility in the United Kingdom (<https://obr.uk/>) and the High Council for Public Finances in France (Haut Conseil des finances publiques, <https://www.hcfp.fr/>).

For more information, see von Trapp et al. ‘Principles for Independent Fiscal Institutions and Case Studies’, *OECD Journal on Budgeting* 15:2 (special issue, 2016), <https://doi.org/10.1787/budget-15-5jm2795tv625>.

To answer “a,” there must be an IFI, and its independence must be set in law. In addition, it must have sufficient staffing and resources, including funding, to carry out its tasks. Answer “b” applies if an IFI exists, but either its independence is not set in law or its staffing and resources are insufficient to carry out its

tasks. Answer "c" applies if an IFI exists, but its independence is not set in law and it lacks sufficient staffing and resources. Answer "d" applies if no IFI exists.

If the answer is "a," "b," or "c," please specify in the comments the name and type of IFI that exists (e.g., parliamentary budget office or fiscal council). If the answer is "a" or "b," identify the law that guarantees its independence, and provide evidence in support of the assessment of the adequacy of its staffing and resources. This can include the IFI's total budget allocation over recent years, any press reports that discuss perceived funding shortfalls, assessments by international organizations, and/or information from interviews with staff of the IFI.

Answer:

a. Yes, there is an IFI, its independence is set in law, and it has sufficient staffing and resources, including funding, to carry out its tasks.

Source:

<https://www.cfp.pt/en/cfp>

<https://www.cfp.pt/en/cfp/about-cfp>

<https://www.cfp.pt/en/cfp/about-cfp/mission-and-tasks>

<https://www.cfp.pt/en/cfp/technical-staff>

https://www.cfp.pt/uploads/canais_ficheiros/statutes-2014%5b1%5d.pdf

https://www.parlamento.pt/OrcamentoEstado/Paginas/UTAO_UnidadeTecnicaApoioOrcamental.aspx

https://www.cfp.pt/uploads/eventos_horario_ficheiros/conferencia-10-anos-cfp-intervencao_keynotespeaker_niels-thygesen.pdf

Comment:

The portuguese IFI that contributes with budget analyses is a fiscal council named "Conselho das Finanças Públicas" (CFP), created in 2012 according to art. 3.º of Law n.º22/2011. According to its statutes, the CFP has necessary technical services to carry out its assignments, and it is fully independent from both the Government and legislature. The Government can remove members of the CFP board, but only under joint proposal by the Head of the SAI and the Governor of the central bank.

There is wide public recognition that the CFPs activities are independent also in practice. A good example of this is a recent speech by the Chairman of the European Fiscal Board , on the occasion of the CFP's 10th anniversary in 2022 (last link above).

We should also mention UTAO ("Unidade Técnica de Apoio Orçamental"), the parliamentary budget office, is a semi-autonomous institution that reports to the budgetary commission and that, following the revision of the Budgetary Framework Law from 2020, is now entitled to review some amendments to the Executive's Budget Proposal (EBP).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

104. Does the Independent Fiscal Institution (IFI) publish macroeconomic and/or fiscal forecasts?

GUIDELINES:

Question 104 assesses whether an Independent Fiscal Institution (IFI) has a role in producing the macroeconomic forecast (e.g., GDP growth, inflation, interest rates, etc.) and/or the fiscal forecast (revenues, expenditure, deficits, and debt), and if so, what kind of role it has. Macroeconomic and/or fiscal forecasting is a typical core function across IFIs, but their role in forecasting takes several forms (von Trapp et al. 2016, p. 17 and Table 2). Some IFIs produce just a macroeconomic forecast, while others produce a complete fiscal forecast (which also typically requires an underlying macroeconomic forecast). In some cases, the fiscal forecast reflects continuation of current budget policies; such forecasts can be used by the legislature, the media, or the public to assess the projections in the executive's budget reflecting the government's policy proposals.

Some IFIs produce the official macroeconomic and fiscal forecasts used in the executive's budget. In other cases, IFIs do not prepare their own independent forecasts, but rather produce an assessment of the official estimates, or provide an opinion on, or endorsement of, the government's forecasts. Some others have no role at all in forecasting.

To answer "a", there must be an IFI that publishes both its own macroeconomic AND fiscal forecasts. Answer "b" applies if an IFI publishes its own macroeconomic OR fiscal forecast (but not both). Answer "c" applies if the IFI does not publish a macroeconomic or fiscal forecast, but rather publishes an assessment of the official forecasts produced by the executive and used in the budget. Choose option "d" if there is no IFI; or if there is an IFI that neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts for the budget.

Macroeconomic forecasts may include indicators relating to economic output and economic growth, inflation, and the labor market, amongst others. Fiscal

forecasts may include estimates of revenues, expenditures, the budget balance, and debt. If the answer is "a" or "b," please specify which indicators and estimates are included in the forecasts and whether the forecast is used by government as the official forecast. If the answer is "c," please describe the nature and depth of the assessment (e.g., the length of the commentary, or whether it covers both economic and fiscal issues).

Answer:

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

Source:

https://www.cfp.pt/uploads/publicacoes_ficheiros/cfp-rel-03-2023_peo_23-27.pdf

https://www.cfp.pt/uploads/publicacoes_ficheiros/cfp-parecer-01-2023.pdf

https://www.cfp.pt/uploads/publicacoes_ficheiros/cfp-rel-10-2022_poe2023.pdf

Comment:

CFP publishes its own macroeconomic and fiscal forecasts and assesses the official macroeconomic forecast produced by the executive, in its evaluations of the main budgetary documents (PBS and EBP).

1st hyperlink - "Perspetivas económicas e orçamentais 2023-2027."

2nd hyperlink - "Perspetivas macroeconómicas subjacentes ao Programa de Estabilidade 2023-2027."

3rd hyperlink - "Análise da Proposta de Orçamento do Estado 2023."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

105. Does the Independent Fiscal Institution (IFI) publish its own costings of new policy proposals, to assess their impact on the budget?

GUIDELINES:

Question 105 assesses whether an Independent Fiscal Institution (IFI) has a costing function that involves assessing the budgetary implications of new policy proposals for both revenues and expenditures, and if so, what kind of role it has. Many IFIs have a costing role, but with substantial diversity in the nature and extent of this work (von Trapp et al 2016, pp. 17-18 and Table 2). Some assess virtually all new policy proposals, while others cost only a selection of new policy proposals. Others only publish opinions on, or scrutinize the costings of, budget measures produced by the executive.

To answer "a," the IFI must publish its own costings of all (or virtually all) new policy proposals. Answer "b" applies if the IFI publishes its own costings, but only for major new policy proposals – for instance, only those proposals that cost or save above a certain amount. Answer "c" applies if the IFI publishes its own costings, but only on a limited number of proposals. This could occur, for instance, if the IFI lacked the capacity to assess proposals dealing with certain sectors. Instead of producing a cost estimate, it can also publish an assessment of the estimates produced by the executive. Answer "d" applies if there is no IFI; or if the IFI does not publish its own costings of new policy proposals or provide an assessment of the official costings of new policy proposals.

Answer:

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

Source:

https://www.cfp.pt/uploads/publicacoes_ficheiros/cfp-rel-10-2022_poe2023.pdf

Comment:

IFI does not publish its own costings of new policy proposals. However, IFI produces an assessment of the estimates produced by the executive.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

d. No, there is no IFI; or the IFI does not publish its own costings of new policy proposals.

Researcher Response

The question guidelines clearly state that "Instead of producing a cost estimate, [the IFI] can also publish an assessment of the estimates produced by the executive." in order for a (c) answer to be considered.

IBP Comment

Thank you to the government reviewer and the researcher. IBP agrees with the researcher that here, answer "C" fits the Portuguese situation most closely.

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:

c. Rarely (i.e., once or twice).

Source:

<https://www.cfp.pt/pt/noticias/intervencoes-publicas/audicao-parlamentar-sobre-a-proposta-de-orcamento-do-estado-para-2023>

<https://www.cfp.pt/pt/noticias/intervencoes-publicas/audicao-na-comissao-de-orcamento-e-financas>

Comment:

The head member of CFP (and sometime with other senior staff members) took part and testified in two hearings in the last 12 months.

The parliamentary budget office is, naturally, in frequent contact with fiscal committee members, but not in public hearings.

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).

Answer:

c. Yes, the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but it does not approve recommendations for the upcoming budget.

Source:

<https://dre.pt/dre/detalhe/lei/10-b-2022-182727790>

<https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a79394562324e31625756756447397a5357357059326c6864476c3259338314e7a49344f47466c4d53316c4f474d354c54526a4e5455745957566c5a5330334f47597a4d7a4d3159544a694f5451755a47396a&fich=57288ae1-e8c9-4c55-aeee-78f3335a2b94.doc&inline=true>

https://www.rtp.pt/noticias/economia/orcamento-do-estado-parlamento-inicia-discussao-e-votacao-na-especialidade_n1448416

Comment:

The PBS is discussed by the full legislature in the Parliament well in advance of the Proposal being tabled (around six months earlier), and budget policy for the upcoming is then formally discussed. However, there are no recommendations issued by the Assembly as a whole, and laws are not adopted to guide the upcoming budget. It should be noted that often, as it was the case in 2023, that generic recommendations for the policies to be included in the upcoming budget are discussed, though in practice these are rarely approved by the legislature. We maintain option c) as there is currently no formal requirement or regular procedure for the legislature to discuss and approve recommendations in the frame of the PBS discussion. The first link refers to the amendments to the budgetary framework law and the second link refers to the general policy options law from 2022 to 2026. It should be noted that the current budget framework law includes a formal requirement for a so-called "general policy options law" ("Lei das Grandes Opções") spanning from 2022 to 2026, to be approved by the legislature together with the PBS. This would include binding recommendations for the budget would then be approved.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

108. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

GUIDELINES:

Question 108 examines how far in advance of the start of the 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:

b. The legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year.

Source:

https://www.dgo.gov.pt/legislacao/Documents/Lei_151-2015_LEO_3alteracao_Lei_41-2020.pdf

Comment:

The deadline in force as of 2022 to present the EBP to the legislature was October 10th (See Law No. 41/2020, Article 36, No. 1).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

109. When does the legislature approve the Executive's Budget Proposal?

GUIDELINES:

Question 109 examines when the legislature approves the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be approved by the legislature before the start of the fiscal year the budget proposal refers to. This gives the executive time to implement the budget in its entirety, particularly new programs and policies.

In some countries, the expenditure and revenue estimates of the Executive's Budget Proposal are approved separately; for purposes of this question, at least the expenditure estimates must be approved. Further, approval of the budget implies approval of the full-year budget, not just a short-term continuation of spending and revenue authority.

To answer "a," the legislature must approve the Executive's Budget Proposal at least one month before the start of the budget year. Answer "b" applies if the legislature approves the Executive's Budget Proposal less than one month in advance of the start of the budget year, but at least by the start of the budget year. Answer "c" applies if the legislature approves the Executive's Budget Proposal less than one month after the start of the budget year. Answer "d" applies if the legislature approves the Executive's Budget Proposal more than one month after the start of the budget year, or does not approve the budget.

Answer:

a. The legislature approves the budget at least one month in advance of the start of the budget year.

Source:

<https://dre.pt/dre/legislacao-consolidada/lei/2015-105756679>
<https://www.parlamento.pt/Paginas/2022/outubro/Orcamento-do-Estado-para-2023.aspx>
<https://www.dn.pt/politica/aprovado-orcamento-do-estado-para-2023-15387053.html>

Comment:

By law, the budget proposal must be approved by the Parliament after at most 50 days from its submission by the executive (that occurs on October 10th at most), leaving always at least a month before the start of the budget year. By approval we mean the vote in final reading in plenary ("votação

final global”) and not the final approval in the Budget Commission that only corrects eventual mistakes (“redação final”).

In 2022, the legislature approved the 2023 budget on November 25th.

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:

a. Yes, the legislature has unlimited authority in law to amend the Executive’s Budget Proposal.

Source:

<https://dre.pt/dre/legislacao-consolidada/lei/2015-105756679>

Comment:

See articles 38, 59 and 60 of the budget framework law (Lei n.º 151/2015).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: However, the legislature must respect the approved expenditure ceilings (changes must be compensated)

Researcher Response

We appreciate the GR’s comment. We point out that the question refers to possible amendments to the EBP before it is approved and enacted. Such amendments can and often do result in increases in expenditure and changes to the projected deficit compared to those foreseen in the original EBP. It sounds like the GR is discussing policies approved by the Parliament after the budget is enacted, which indeed must respect the budget’s expenditure ceilings.

111. During the most recent budget approval process, did the legislature use its authority in law to amend the Executive’s Budget Proposal?

GUIDELINES:

Question 111 assesses whether any formal authority of the legislature to amend the Executive’s Budget Proposal is used in practice. The responses to this

question should be determined based on action by the legislature related to the Enacted Budget used in the OBS. Choose answer "a" if the legislature used its authority in law to amend the Executive's Budget Proposal during the most recent budget approval process, and amendments were adopted (all, or at least some of them). Answer "a" also applies if the legislature used its authority in law to amend the Executive's Budget Proposal, but the amendments were rejected by executive veto. Answer "b" applies if the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but none of these amendments were adopted. Answer "c" applies if the legislature has the authority in law to amend the budget, but no amendments were proposed during its consideration. Answer "d" applies when the legislature does not have any authority to amend the budget (that is, Question 110 is answered "d").

If the answer is "a" or "b", please specify in the comments the number of amendments introduced by the legislature (and in the case of an "a" response, the number adopted, or if applicable, information about an executive veto) and describe their nature. For example, did the amendments result in an increase or decrease of the deficit? What were the most significant amendments to revenues and to expenditures in terms of the sums involved? How did amendments affect the composition of expenditures? If the answer is "a," please specify which amendments were adopted, and provide evidence for it.

Answer:

a. Yes, the legislature used its authority in law to amend the Executive's Budget Proposal, and (at least some of) its amendments were adopted.

Source:

<https://www.parlamento.pt/OrcamentoEstado/Paginas/PesquisaPropAlteracao38XV.aspx>

<https://sicnoticias.pt/especiais/orcamento-do-estado/2022-11-25-Aprovadas-71-propostas-de-alteracao-ao-Orcamento-do-Estado-para-2023-d4035c3e>

<https://expresso.pt/politica/2022-11-21-Orcamento-2023.-PS-aprova-nove-propostas-de-alteracao-de-outros-partidos-56ca64f3>

Comment:

Budget options are discussed both in plenary sessions and in the budgetary affairs committee after the EBP is presented in Parliament, leading (almost always) to the inclusion of amendments, that are individually analyzed and voted on. This can be illustrated by the fact that the EBP and the final budget present always (at least) minor changes.

This year, more than eighteen hundred proposals of change were presented and seventy one proposals of change were approved. The significant reduction in the number of changes may be linked to the fact that unlike in previous years the party supporting the executive has a majority in Parliament.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

112. During the last budget approval process, did a specialized budget or finance committee in the legislature examine the Executive's Budget Proposal?

GUIDELINES:

Question 112 assesses the role of a specialized budget or finance committee during the budget approval stage. Effective committee involvement is an essential condition for legislative influence in the budget process. Specialized committees provide opportunities for individual legislators to gain relevant expertise, and to examine budgets and policy in depth. Yet, the involvement of committees differs across legislatures. Some legislatures have separate committees to examine spending and tax proposals, while others have a single finance committee. Not all legislatures have a specialized budget or finance committee to examine the budget. In addition, there can be differences in the time available for the committee's analysis of the budget.

A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, therefore it must be published before the legislature has adopted the budget.

Response "a" requires that, in the last budget approval process, a specialized budget or finance committee had one month or more to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted. Response "b" applies where such a committee examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if a committee examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where a specialized budget or finance committee did not examine the Executive's Budget Proposal.

Please specify in your comment the name of the committee and the number of days it had available to examine the budget. 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:

[https://app.parlamento.pt/webutils/docs/doc.pdf?
path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a793950525338794d44497a4d6a41794d6a45774d544176554746799a74e6c636d567a4c314268636d566a5a58496c4d6a42515545776c4d6a42665430556c4d6a41794d44497a4c6e426b5a673d3d&fich=Parecer+PPL+_OE+2023.pdf&inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a793950525338794d44497a4d6a41794d6a45774d544176554746799a74e6c636d567a4c314268636d566a5a58496c4d6a42515545776c4d6a42665430556c4d6a41794d44497a4c6e426b5a673d3d&fich=Parecer+PPL+_OE+2023.pdf&inline=true)

<https://www.parlamento.pt/sites/COM/XVLeg/5COF/Paginas/OE2023.aspx>

<https://www.parlamento.pt/Documents/2022/outubro/Calendario-OE2023.pdf>

Comment:

The "Comissão de Orçamento e Finanças" is the legal specialized budget and finance committee responsible for a first examine to the EBP. It has about 1.5 months to analyze it, and it does publish a report with findings and recommendations prior to the budget being adopted (first link above)

Additionally, the minutes of the meetings and other information submitted by different third parties is publicly available on the budget area in the Parliament website (second link)

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:

a. Yes, sector committees had at least one month to examine the Executive's Budget Proposal, and they published reports with findings and recommendations prior to the budget being adopted.

Source:

<https://www.parlamento.pt/sites/COM/XVLeg/5COF/Paginas/OE2023.aspx>

<https://www.parlamento.pt/Documents/2022/outubro/Calendario-OE2023.pdf>

Comment:

All the specialized committees have about 1.5 months to analyze the EBP, and most of them do publish reports with findings and recommendations prior to the budget being adopted.

Additionally, the minutes of the meetings are publicly available.

This can be seen in the calendar for all the main hearings and deadlines in the internal programming of the Parliament's activities to examine the EBP (second link).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

114. In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

GUIDELINES:

Question 114 is about legislative oversight of budget execution. It assesses whether and how often a committee examined the implementation of the budget during the budget execution period (i.e., financial year) for which it was approved, and whether this resulted in an official report with findings and recommendations. This question does not apply to the ex post review of implementation following the end of the budget year as part of the audit stage, which is assessed separately. Nor does it apply to the legislature's review of the budget that it may undertake as part of the process of considering a supplemental budget during the year. In-year monitoring by the legislature will be affected by the frequency that the executive publishes In-Year Reports.

To answer "a," a committee must have examined in-year implementation of the Enacted Budget at least three times during the course of the relevant budget year and published reports with findings and recommendations. Answer "b" applies where this occurred only once or twice during the year.

Exception: If a legislature is in session only twice during the year, and it examines the implementation of the budget during both sessions, then it would be eligible for an "a" response.

Choose "c" if a committee examined in-year implementation (without regard to frequency), but did not publish any report with findings and recommendations. Answer "d" applies where no committee examined in-year implementation.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed budget implementation, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation.

For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.

Answer:

d. No, a committee did not examine in-year implementation.

Source:

https://www.parlamento.pt/OrcamentoEstado/Paginas/UTAO_UnidadeTecnicaApoioOrcamental.aspx

[https://app.parlamento.pt/webutils/docs/doc.pdf?](https://app.parlamento.pt/webutils/docs/doc.pdf?Path=6148523063446f764c324679626d56304c334e706447567a4c3168575447566e4c304e5054533831513039474c30467963585670646d3944623231706334e6862793950636d526c626e4d675a47556756484a68596d46736147387651303947587a68664f5463756347526d&Fich=COF_8_97.pdf&Inline=true)

[Path=6148523063446f764c324679626d56304c334e706447567a4c3168575447566e4c304e5054533831513039474c30467963585670646d3944623231706334e6862793950636d526c626e4d675a47556756484a68596d46736147387651303947587a68664f5463756347526d&Fich=COF_8_97.pdf&Inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?Path=6148523063446f764c324679626d56304c334e706447567a4c3168575447566e4c304e5054533831513039474c30467963585670646d3944623231706334e6862793950636d526c626e4d675a47556756484a68596d46736147387651303947587a68664f5463756347526d&Fich=COF_8_97.pdf&Inline=true)

[https://app.parlamento.pt/webutils/docs/doc.pdf?](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a793944543030764e554e5052693942636e463161585a76513239746184e7a5957387655477868626d397a4a5449775a5355794d464a6c6247463077374e796157397a4a5449775a47556c4d6a424264476c32615752685a4755765577868626d386c4d6a426b5a5355794d45463061585a705a47466b5a584e664d564e4d4c6e426b5a673d3d&fich=Plano+de+Atividades_1SL.pdf&inline=true)

path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a793944543030764e554e5052693942636e463161585a76513239746184e7a5957387655477868626d397a4a5449775a5355794d464a6c6247463077374e796157397a4a5449775a47556c4d6a424264476c32615752685a4755765577868626d386c4d6a426b5a5355794d45463061585a705a47466b5a584e664d564e4d4c6e426b5a673d3d&fich=Plano+de+Atividades_1SL.pdf&inline=true

<https://www.parlamento.pt/sites/COM/XVLeg/5COF/Reunioes/Paginas/Reunioes.aspx>

Comment:

UTAO (the parliamentary budget office) makes public several reports (at least monthly) during the relevant budget execution period regarding the implementation of the Enacted Budget, and these are distributed to budget committee members. But UTAO documents cannot be considered as committee reports, they are only support documents for committees discussions.

The budget committee (“Comissão de Orçamento e Finanças”) may occasionally call the government for hearings regarding budget implementation, but neither reports with findings and recommendations are prepared, nor do these hearings take place on a regular basis.

In fact, although the Budget committee explicitly states among its goals, in its own activities plan (third link), to hold hearings with government officials with the objective of accompanying budget implementation, we could not find any records of such meetings in the committee minutes (fourth link).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

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

Comments: As the researcher comments, there are indeed in-year parliamentary examinations/hearings at the budget committee level, although regular reports are only technical and their conclusions are not formally endorsed by the committee. In addition, the monthly reports published by UTAO (the parliamentary budget office) have been requested by the budget committee.

Government Reviewer

Opinion: Agree

Researcher Response

We could not find any evidence that the hearings referred to by the PR specifically dealt with budget execution, but typically are about financial/fiscal aspects of ad hoc policy issues. If the PR were available to provide such evidence we would be happy to consider switching this to (c).

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:

<https://files.dre.pt/1s/2022/04/08201/0000400006.pdf>

<https://dre.pt/dre/detalhe/lei/151-2015-70262477>

https://www.pgdlisboa.pt/leis/lei_mostra_articulado.php?nid=2572&tabela=leis&so_miolo=

[https://www.dgo.gov.pt/execucaoorcamental/Paginas/Alteracoes-Orcamentais.aspx?Ano=2023&Per%C3%ADodo=1.%20Trimestre&AO=Encargos%20Gerais%20do%20Estado%20\[EGE\]](https://www.dgo.gov.pt/execucaoorcamental/Paginas/Alteracoes-Orcamentais.aspx?Ano=2023&Per%C3%ADodo=1.%20Trimestre&AO=Encargos%20Gerais%20do%20Estado%20[EGE])

Comment:

The way this question is formulated does not fully cover the case of Portugal where some "shifting" needs parliament approval and other doesn't. We choose a) because the most relevant situations, in terms of shifting funds between sectors and/or changing overall debt authorizations and targets does require parliament approval, and it does so in practice.

The Budget Framework law establishes the general framework for shifting funds. The vast majority of shifting ("alterações orçamentais") has to be approved by parliament (see Art. 59). Government only has the competence to shift funds in relation with programs under some specific circumstances defined by law (see Art. 60), most notably in the use of "own funds" by independent agencies, whether they result of profits from previous years or from earmarked/own revenues.

In practice, the vast majority of budget revisions are of very small value, and do not really shift funds between programs, but only between different units within programs. These revisions are reported online in the DGO website, as explicitly determined by the Budget Framework Law, Article 61, and as can be found in link no. 4 above.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: In addition to the comment above, some budget changes are pre-approved in the Budget Law (e.g. Budget 2023 - article 8.º -

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc01_Lei.pdf)

Researcher Response

Following the GR's relevant comment, we can add to our comments the following note: "In addition, the government typically requests, within the Budget Law, prior approval to shift funds in certain specific circumstances, such as when there are changes in the organization of the government (e.g. reallocation of responsibilities between ministries) (Article 8, 1.a) or when they are necessary to ensure execution of investment programs co-financed by European funds (Article 8, 4). Src:

https://www.dgo.gov.pt/politicaorcamental/OrcamentodeEstado/2023/Proposta%20do%20Or%C3%A7amento/Documentos%20do%20OE/OE2023_doc01_Lei.pdf

IBP Comment

After further discussion with the researcher, please note that, similar to what is already described above, any funds shifted under Article 8 are likely to make up less than 3% of the overall budget (given the share of investment spending in the overall budget). The possible exception would be when there are major changes to the overall organization of the cabinet (changing responsibilities between ministries), but those are rare and even when they do occur this is a purely administrative issue. We have not heard of such occasions being used to hide shifting of funds between policy priorities. As such, answer is maintained at "A".

116. Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

GUIDELINES:

Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do

so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.

Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

Answer:

a The executive is required by law or regulation to obtain approval from the legislature prior to spending excess revenues, and it does so in practice.

Source:

https://www.pgdlisboa.pt/leis/lei_mostra_articulado.php?nid=2572&tabela=leis&so_miolo=

https://dre.pt/home/-/dre/70262477/details/maximized?p_auth=uo09u3KB

Comment:

The budget framework law (articles 59 and 60) clearly states that any change that leads to an increase in overall spending must be approved by the Parliament, as would be the case with spending excess revenues, except in some specific situations, such as, namely, if the revenues in excess come from an earmarked revenue source (and are spent on the item to which they are earmarked) or if they are own revenues of autonomous special agencies, spent by the same agency within the scope of its management freedom.

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.

Typically, legislative approval of proposals to reduce spending below the levels reflected in the Enacted Budget would occur as part of the supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before implementing spending cuts in response to revenue shortfalls or for other reasons, and it does so in practice. Answer "b" applies if the executive received legislative approval before implementing such cuts, but is not legally required to do so. Answer "c" applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to implement such cuts and the executive does not obtain such approval in practice. A "d" response applies if the legislature only approves the spending cuts after they have already occurred.

Answer:

d. There is no law or regulation requiring the executive to obtain approval from the legislature prior to reducing spending below enacted levels, and in practice the executive implements these spending cuts before seeking prior approval from the legislature.

Source:

https://www.pgdlisboa.pt/leis/lei_mostra_articulado.php?nid=2572&tabela=leis&so_miolo=

https://dre.pt/home/-/dre/70262477/details/maximized?p_auth=uo09u3KB

Comment:

The budget framework law clearly states that only a change that leads to an "increase" in overall spending must be approved by the Parliament (except in some specific situations), not the reduction of spending below the levels in the Enacted Budget (Article 59).

The law actually states that, in case of a "significant deviation", the government must prepare a plan that gives priority to "expenditure reduction measures", which must be presented to the Parliament in the 30 days after said "deviation" was recognized, but it does not require the Parliament's approval of this plan (Articles 22 and 23).

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 Enacted Budget during the relevant budget execution period, which is assessed separately. Also, the question is asking specifically about the SAI's annual report on the execution of the budget, not about other audit reports that the SAI may produce. (This is the Audit Report used for responding to Question 98.)

To answer "a," a legislative committee must have examined the annual Audit Report within three months of it being released by the SAI, and then published a report (or reports) with findings and recommendations. (Note that the three-month period should only take into account time when the legislature is in session.)

Answer "b" applies when the committee examines it within six months of it being released (but more than three months), and then published a report with its findings and recommendations. Choose "c" if a committee examined the annual Audit Report more than six months after it became available or it did not publish any report with findings and recommendations. Answer "d" applies where no committee examined the annual Audit Report.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed the Audit Report, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation. Answers "a," "b," or "c" may be selected if the Audit Report is produced by the SAI but not made publicly available.

Answer:

c. Yes, a committee examined the Audit Report on the annual budget, but it did so after the report had been available for more than six months or it did not publish any report with findings and recommendations.

Source:

<https://www.tcontas.pt/pt-pt/ProdutosTC/PareceresTribunalContas/ParecerCGE/Pages/detalhe.aspx?dset=2021>

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetalheAudicao.aspx?BID=127911>

<https://canal.parlamento.pt/?cid=6458&title=audicao-do-tribunal-de-contas>

Comment:

Usually, the budget and finance committee ("Comissão de Orçamento e Finanças") holds a public hearing to review and scrutinize the main Audit Report on the Budget Account ("Parecer sobre a Conta Geral do Estado"), but does not publish any report with the findings and recommendations, only the video recording of proceedings (third link above for the latest hearing). The most recent main Audit Report on the Budget Account was made available on October 4th, far earlier than the previous usual practice (late December). However, the public hearing only took place on 17th January 2023 (as per second link above).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

119. Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

GUIDELINES:

Question 119 concerns the appointment process of the current head of the Supreme Audit Institution (SAI). Appointment procedures vary greatly across countries, as well as across different types of SAIs. Moreover, conventions and informal practices can greatly affect the de facto independence of the head of the SAI. While these factors make it difficult to devise a single metric against which all SAIs can be assessed with regard to this particular aspect, this question focuses on whether the legislature or judiciary must appoint or approve the appointment of the head of the SAI as a way to ensure the SAI's independence from the executive. However, if the appointment is carried out in another way that nonetheless ensures the independence of the SAI head, then that approach could be also considered.

To answer "a," the legislature or judiciary must appoint (or re-appoint) the head of the SAI, or approve the recommendation of the executive, as a way that ensure his or her independence from the executive. (As noted above, alternative approaches may also be acceptable.) Choose "b" if the appointment process does not ensure the independence of the head of the SAI, e.g. the executive may appoint the head of the SAI without the final consent of the legislature or judiciary.

Irrespective of which answer you selected, provide a description of how the head of the SAI is appointed.

Answer:

a. Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.

Source:

<https://www.parlamento.pt/legislacao/documents/constitution7threv2010en.pdf>

<https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Pages/n20210901-1.aspx>

Comment:

The terms of the post of head of the SAI ("Presidente do Tribunal de Contas") are defined in the Constitution of the Portuguese Republic (article 133). The head of the SAI can only be removed (as well as designated, under proposal by the government) by the President of the Republic who, in the Portuguese system, is an entity clearly separate from the executive, with separate democratic legitimacy, although is not quite the same as neither the "legislature", nor the "judiciary", and rather a sort of "4th power".

The current head of the SAI José Tavares was designated in October 2020 (mandate is for four years), after being appointed by the President, after a proposal by the government. All legal procedures were followed, although this appointment was met by some controversy (refer to OBS 2021 information regarding this question).

Peer Reviewer

Opinion: Agree

Comments: The controversy around the appointment of the current head of SAI (referred to by the researcher) does not impinge on the institutional independence of the head of the SAI.

Government Reviewer

Opinion: Agree

120. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

GUIDELINES:

Question 120 covers the manner in which the head or senior members of the SAI may be removed from office. This question draws on best practices identified in the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>), including measures intended to guarantee the office's independence from the executive.

To answer "a," the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before the head of the SAI is removed. For example, the legislature or judiciary may give final consent following a certain external process, such as a criminal proceeding. So while the executive may initiate a criminal proceeding, the final consent of a member of the judiciary – or a judge – is necessary to render a verdict of wrongdoing that may lead to the removal from office of the head of the SAI. Answer "b" applies if the executive may remove the head of the SAI without the final consent of the judiciary or legislature.

Answer:

a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.

Source:

<https://www.parlamento.pt/legislacao/documents/constitution7threv2010en.pdf>

Comment:

The terms of the post of head of the SAI ("Presidente do Tribunal de Contas") are defined in the Constitution of the Portuguese Republic (article 133). The head of the SAI can only be removed (as well as designated, under proposal by the government) by the President of the Republic who, in the Portuguese system, is an entity clearly separate from the executive, with separate democratic legitimacy, although is not quite the same as neither the "legislature", nor the "judiciary", and rather a sort of "4th power".

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

121. Who determines the budget of the Supreme Audit Institution (SAI)?

GUIDELINES:

Question 121 asks who determines the budget of the Supreme Audit Institution (SAI). To ensure objective audits of government budgets, another important component of the SAI's independence from the executive is the extent to which the SAI's budget is determined by a body other than the executive, and whether the SAI has adequate resources to fulfill its mandate.

Answer "a" applies if the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate, AND either the SAI determines its own budget and then submits it to the executive (which accepts it with little or no change) or directly to the legislature, or the budget of the SAI is determined directly by the legislature or judiciary (or some independent body). Answer "b" applies if the SAI's budget is determined by the executive (absent a recommendation from the SAI), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. Answer "c" applies if the legislature or judiciary (or some independent body) determines the SAI's budget, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Answer "d" applies if the executive determines the SAI's budget, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Please provide evidence in support of the assessment that the funding level is or is not broadly consistent with the resources the SAI needs to fulfill its mandate.

Answer:

a. The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

Source:

<https://www.tcontas.pt/pt-pt/TribunalContas/Publicacoes/ColetaneasLegislacao/Documents/LOPTC.pdf> (article 31)

<https://www.tcontas.pt/pt-pt/Transparencia/PlaneamentoGestao/RelatoriosAnuaisAtividade/Documents/2021/ra2021.pdf>

Comment:

The SAI's budget is prepared internally and sent to the government in preparation of the following year's Budget Proposal (article 31 of SAI organization and process law), who allocates a commensurate amount to the SAI as part of the general expenditures for the year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

122. Does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

GUIDELINES:

Question 122 explores the scope of the investigative powers of the Supreme Audit Institution (SAI) as prescribed in law.

Question 97 asks which of the three types of audits – financial, compliance, and performance – the SAI conducts. This question asks if the SAI is constrained by law (rather than by a lack of capacity or an inadequate budget) from undertaking any form of audit or investigating irregularities in any program or activity.

There are numerous examples of limitations. For instance, some SAIs are not permitted by their legal mandate to audit joint ventures or other public-private arrangements. Others are only allowed to undertake financial audits, precluded from conducting performance or value-for-money audits. The SAIs in some countries do not have the legal mandate to review arrangements involving oil or stabilization funds, or other types of special or extra-budgetary funds. The SAI may also not have the ability to audit commercial projects involving the public and private sector.

To answer "a," the SAI must have full discretion in law to decide which audits to undertake. Answer "b" applies if some limitations exist, but the SAI enjoys significant discretion to undertake those audits it wishes to. Answer "c" applies if the SAI has some discretion, but significant legal limitations exist. Answer "d" applies if the SAI has no power at all to choose which audits to undertake

Consulting the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>) may be useful in answering this question as its provisions serve to define the appropriate scope of a SAI's legal mandate and jurisdiction.

Answer:

a. The SAI has full discretion to decide which audits it wishes to undertake.

Source:

<https://www.tcontas.pt/pt-pt/TribunalContas/Publicacoes/ColetaneasLegislacao/Documents/LOPTC.pdf> (article 2).

Comment:

Article 2 from SAI organization and process law determines the scope of the SAI's control powers. It seems sufficiently general to merit option a), covering basically all state or state-owned entities, including at the regional and local levels. Number 3 of this article states that "any entities that receive, under any pretext, any pecuniary or other public resources" can also be controlled by the SAI.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

123. Are the audit processes of the Supreme Audit Institution (SAI) reviewed by an independent agency?

GUIDELINES:

Question 123 assesses whether and to what extent the audit processes of the Supreme Audit Institution (SAI) are subject to review by an independent agency. The latter could be a peer SAI, an international organization, an academic institution with relevant expertise, or an independent domestic agency with quality

assurance functions in the area of financial reporting.

To answer "a," an independent agency must conduct and publish a review of the audit processes of the SAI on an annual basis. Answer "b" applies if a review was carried out within the past five years, and published, but it is not conducted annually, but. Choose answer "c" if the SAI has an internal unit that reviews the audit processes of the SAI on a regular basis, but an independent agency does not conduct such a review. Answer "d" applies if the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.

If the answer is either "a" or "b," please specify the name of the independent agency and when last it conducted such a review, and provide a copy of the published report. If the answer is "c," please specify the name of the unit within the SAI that is tasked with conducting such reviews.

Answer:

c. No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

Source:

<https://www.tcontas.pt/pt-pt/TribunalContas/Equipa/Pages/Composicao-Estrutura.aspx#ancorg>
https://www.tcontas.pt/pt-pt/NormasOrientacoes/ManuaisTC/Documents/mapf_20161107.pdf
https://www.tcontas.pt/pt-pt/NormasOrientacoes/ManuaisTC/Documents/mar_20161107.pdf
https://www.tcontas.pt/pt-pt/Transparencia/autoavaliacao/Documents/autoavaliacao_texto_final.pdf

Comment:

The SAI has an internal audit unit ("Gabinete de Auditoria Interna") as shown in the Court's organizational chart.

While evidence of this unit's activities is hard to find, two procedure manuals published in 2016 briefly mention its "quality control" initiatives.

Further, a large self-assessment effort was conducted by the SAI in 2018, which reviewed processes according to international standards as set by INTOSAI (see fourth link above). This "performance report" was reviewed by an independent expert from INTOSAI, however, this only checked the report, wholly produced by national SAI members, for internal consistency and with INTOSAI guidelines. In our view, this is not sufficient to merit a (b) answer.

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:

b. Sometimes (i.e., three times or more, but less than five times).

Source:

<https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Pages/n20221028-1.aspx>
<https://canal.parlamento.pt/?cid=6268&title=audicao-do-tribunal-de-contas>
<https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Pages/n20230117-1.aspx>

<https://www.parlamento.pt/sites/com/XVLeg/5COF/Paginas/Audicoes.aspx>

Comment:

In the 12 months leading up to 31 Dec 2022, the head or senior staff members of the SAI took part and testified in four hearings of a committee of the legislature (in May 2022 to discuss the State Budget Law, in June 2022 to discuss the 2020 Budget Account, in September 2022 at the request of a political party, in October 2022 to discuss the EBP).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

GUIDELINES:

This question reflects the GIFT principles on “Inclusiveness” and “Timeliness” and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of “involvement” (option “a” in the responses) and “consultation” (option “b”). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf.

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms (“the executive”) is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government’s efforts to incorporate citizens’ input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and revenue levels, and macro-fiscal planning .

To answer “a,” the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.

Answer “b” applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer “c” applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options “a” and “b” apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice “c”, there should be some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a “c” response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a

public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

https://www.consultalex.gov.pt/ConsultaPublica_Detail.aspx?Consulta_Id=183

Comment:

We are not aware of any structured consultation of civil society by the Government at the budget formulation stage. In the past, there were two initiatives to promote citizens participation, the Portugal Participatory Budget and the Youth Participatory Budget that do not exist today (refer to the response to this question in OBS 2021).

There was a large-scale public consultation in 2021 regarding a multi-annual investment package ("Plano de Recuperação e Resiliência"), see link above, which was highly participated. Presumably, the inputs received then affected the drafting of the package and therefore investment allocations in the annual budgets in subsequent years. However, following the IBP guidelines, we did not consider this as meriting (c) as it did not pertain directly to annual budgets, and was not undertaken by the finance ministry or the central coordinating entity, but rather by the line ministry responsible for public works and investment (Ministério do Planeamento).

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the executive uses participation mechanisms during the budget formulation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Comments: The arguments put forward by the researcher point to "c".

Government Reviewer

Opinion: Agree

Researcher Response

We appreciate the PR comment but we maintain our understanding that these initiatives are not enough to warrant a (c) answer.

IBP Comment

Many thanks to the peer reviewer and the researchers for the comments. As the researcher notes above, since the large-scale public consultation in 2021 was not undertaken by the finance ministry or the central coordinating entity, but rather by the line ministry responsible for public works and investment (Ministério do Planeamento), we cannot use it to score this question. However, we have added it to Question 135 on line ministry participation mechanisms - please see the IBP response there.

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:

No sources.

Comment:

The executive does not use relevant and significant public participation mechanisms during the budget formulation stage, as stated before.

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:

Comment:

The executive does not use relevant and significant public participation mechanisms during the budget formulation stage, as stated before.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. The executive's engagement with citizens covers at least one (but less than three) of the above-mentioned topics.

Comments: Quoting the researcher's comment to question 125, "There was a large-scale public consultation in 2021 regarding a multi-annual investment package ("Plano de Recuperação e Resilência"), see link above, which was highly participated. Presumably, the inputs received then affected the drafting of the package and therefore investment allocations in the annual budgets in subsequent years."

Government Reviewer

Opinion: Agree

Researcher Response

Please see the response in Q. 125.

IBP Comment

With thanks to the peer reviewer, please see the response in Question 125. Answer is maintained at "D".

128. Does the executive use participation mechanisms through which the public can provide input in monitoring the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.

The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:

https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf

Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in monitoring the implementation of the annual budget. If the executive has designated a central coordinating agency to implement participation mechanisms throughout the national budget process, researchers may consider these mechanisms. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the implementation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenue administration, public service delivery, public investment project implementation, including procurement, and the administration of social transfer schemes.

To answer "a," the executive must use open participation mechanisms that involve the public in the implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings, online, deliberative exchanges, procurement complaint mechanisms, and social monitoring and dialogue.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input on the implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include public hearings, surveys, focus groups, report cards, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to provide input on budget implementation, but:

1) *The mechanisms are not structured, happen only on ad-hoc basis, or not regularly.*

and/or

2) *The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.*

In cases where there is discretion in who is allowed to participate, to select answer choice "c", the researcher must have evidence that the government is holding participation mechanisms that have some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples include hotlines, Facebook announcements, one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No sources.

Comment:

No evidence of engagement with the public during the budget implementation/execution stage could be found.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

129. With regard to the mechanism identified in question 128, does the executive take concrete steps to receive input from vulnerable and underrepresented parts of the population on the implementation of the annual budget?

GUIDELINES:

This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on national government's efforts to obtain input from members of the public who are from socially vulnerable groups and/or underrepresented in national processes during the implementation of the annual budget.

To answer "a," the executive must actively seek out individuals from 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.

Answer:

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

Source:

No sources.

Comment:

No evidence of engagement with the public during the budget implementation/execution stage could be found, as stated before.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

130. During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels
6. Implementation of public investment projects

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the implementation of the annual budget.

Please note that while the public engagement can/may cover other topics -- and for this reason the other questions assessing the executive's engagement with the public during budget implementation can be answered on the basis of engagement on topics other than the six listed above -- for the purpose of answering this question, "key topics" are considered to be ONLY the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

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.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No sources.

Comment:

No evidence of engagement with the public during the budget implementation/execution stage could be found, as stated before.

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:

No sources.

Comment:

No evidence of engagement with the public could be found regarding neither the budget formulation nor the implementation/execution stages, as stated before.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

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:

No sources.

Comment:

The executive does not use relevant and significant public participation mechanisms during the budget formulation stage, as stated before.

Peer Reviewer

Opinion: Agree

Comments: I agree with the choice of answer "d", but not with the researcher's comment.

Government Reviewer

Opinion: Agree

IBP Comment

Many thanks to the peer reviewer for the comment. Please see our response in Question 125.

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:

No sources.

Comment:

No evidence of engagement with the public during the budget implementation/execution stage could be found, as stated before.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

134. Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

GUIDELINES:

This question reflects the GIFT principles on "Sustainability," "Timeliness" and "Complementarity" and addresses whether the executive is able to link participation mechanisms to the administrative processes that are used to create the annual budget.

Please note that "timetable" refers to a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. This document is sometimes referred to as the budget calendar and is the same document referenced in Question 53.

Answer "a" applies if the national executive establishes a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget. For answer choice "a", the timetable must be available to the public prior to the budget preparation process beginning.

Answer "b" applies if the executive does not establish a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget or if the executive does not use public participation mechanisms during the budget formulation or implementation stage.

Answer:

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

Source:

No sources.

Comment:

The executive does not use relevant and significant public participation mechanisms during the budget formulation stage, as stated before.

Peer Reviewer

Opinion: Agree

Government Reviewer
Opinion: Agree

135. Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

GUIDELINES

While questions 125 – 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 official. Examples include public meetings and online deliberative exchanges.

Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation or implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which a line ministry seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if a line ministry has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) A line ministry consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the line ministry determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that 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:

b. Yes, at least one line ministry uses open participation mechanisms through which members of the public provide their inputs on the budget.

Source:

<https://opescolas.pt/>

<https://opescolas.pt/materiais/>

<https://opescolas.pt/regulamento/>

<https://participa.gov.pt/base/results>

Comment:

The Schools' Participatory Budget ("Orçamento Participativo das Escolas" - OPE) was launched by the Ministry of Education. The purpose of this project is to integrate high school students' ideas in the Ministry's budget proposal (upon a voting process, similar to the Portugal Participatory Budget, limited to students).

The government has actually set up an online platform in 2021 with the intention that it could be used by different levels of the public administration for participatory processes. However, it hasn't seem to taken off and no central government entities have used it. Only a few municipalities have used it for participation processes.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

Many thanks to the researcher for the above notes - the Schools' Participatory Budget should indeed score "C". However, for consistency across countries, we are revising this indicator to "B" in relation to another new mechanism: https://www.consultalex.gov.pt/ConsultaPublica_Detail.aspx?Consulta_Id=183 There was a large-scale public consultation in 2021 regarding a multi-annual investment package ("Plano de Recuperação e Resilência"), see link above, which was highly participated. Presumably, the inputs received then affected the drafting of the package and therefore investment allocations in the annual budgets in subsequent years. It was undertaken by the line ministry responsible for public works and investment (Ministério do Planeamento).

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:

c. Yes, public hearings on the budget are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

<https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetalleAudicao.aspx?BID=127783>

<https://ces.pt/home-en/#concertation>

<https://ces.pt/home-en/#council>

Comment:

There is a public hearing by the budget legislative committee ("Comissão de Orçamento e Finanças") of the President of the aforementioned CES, where he presents this institution's report on the Budget (see first link). This report is approved by the CES in a plenary session, with the contribution and vote of a few civil society organizations.

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:

https://ces.pt/wp-content/uploads/2022/11/Parecer-do-CES-sobre-OE-2023_Aprovado-Plenario_7nov.pdf

https://ces.pt/wp-content/uploads/2022/10/Parecer-do-CES-Aprovado-no-Plenario_4out2022.pdf

Comment:

The first link is a CES report about the State Budget Proposal 2023.

The second link is a CES report about the "Grandes Opções 2023-2026 e Programa Nacional de Reformas 2023."

The reports of CES, discussed and presented in their hearing in the budget committee, include opinions on all of the topics mentioned in the question.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

GUIDELINES:

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- The inputs received from the public (e.g., a written transcript) and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).

Answer "b" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).

Answer "c" applies when the legislature 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:

[https://app.parlamento.pt/webutils/docs/doc.pdf?
path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a793944543030764e554e505269394562324e31625756756447397a5174e3061585a705a47466b5a554e7662576c7a633246764c32566c4f445531596d526a4c54566b596a55744e4749794f5331694f4451334c544e694e444e6c4c44a6b597a677a4e6935775a47593d&fich=ee855bdc-5db5-4b29-b847-3b43e02dc836.pdf&inline=true](https://app.parlamento.pt/webutils/docs/doc.pdf?path=6148523063484d364c793968636d356c6443397a6158526c63793959566b786c5a793944543030764e554e505269394562324e31625756756447397a5174e3061585a705a47466b5a554e7662576c7a633246764c32566c4f445531596d526a4c54566b596a55744e4749794f5331694f4451334c544e694e444e6c4c44a6b597a677a4e6935775a47593d&fich=ee855bdc-5db5-4b29-b847-3b43e02dc836.pdf&inline=true)

<https://www.youtube.com/watch?v=sSMNlmVPRIM>

<https://www.youtube.com/watch?v=M7Oo9IQ7ij0>

Comment:

As mentioned in the previous questions, the report with CES opinions on all aspects of the budget (i.e. their inputs to the hearing) is publicly available. Further, a video record of the hearing is publicly available on Youtube. However, no report is issued by the committee and there is no record of how the CES opinions might be used.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

139. Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?

GUIDELINES:

This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the 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; BUT*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise*

discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.

Answer "c" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- No testimony is allowed from the public;
- No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, BUT
- The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the Audit Report.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

No sources.

Comment:

No opportunities are provided for the public to provide input to deliberations on the Audit Report.

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:

a. Yes, the SAI maintains formal mechanisms through which the public can suggest issues/topics to include in its audit program.

Source:

<https://econtas.tcontas.pt/denuncias/>

https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Documents/relatorio_denuncias_2021.pdf

Comment:

There are no formal mechanisms where the public can assist in formulating SAI's general audit program, such as in identifying priority areas for regular audits or in the budget implementation oversight.

However, the SAI has established mechanisms for citizens to report particular issues to the SAI. Such mechanism works through different communication channels, namely a portal for "denúncias" (accusations) where they can securely and anonymously report such issues, and where telephone hotlines for such reports are also announced. (see first link) In this web portal, basic legislation is also mentioned to clarify, for any citizen considering reporting, the scope of action of the SAI, how it will use the information provided, and the "whistleblower protection" rights that are ensured to any citizen that reports something.

The SAI has also published in 2022 a report (second link) where it examines how it has treated external reports and complaints over the year 2021.

Peer Reviewer

Opinion: Agree

Comments: I agree with the arguments put forward by the researcher.

Government Reviewer

Opinion: I choose not to review this question

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:

b. Yes, the SAI provides a written record which includes both the list of inputs received and a summary of the how the inputs were used to determine its audit program.

Source:

https://www.tcontas.pt/pt-pt/MenuSecundario/Noticias/Documents/relatorio_denuncias_2021.pdf

<https://www.tcontas.pt/pt-pt/Transparencia/PlaneamentoGestao/RelatoriosAnuaisAtividade/Documents/2021/ra2021.pdf>

Comment:

While the report issued by the SAI does not individually list the inputs received (which presumably could pose confidentiality issues) it does present a summary of the different inputs received in sectorial terms. It details the steps taken by the SAI to treat this information and the types of audit activities that were initiated in response. We consider this enough to merit (b), even though it seems that this report was a one-off evaluation that might not be undertaken regularly.

Additionally, in its annual activities report, the SAI provides a brief summary of complaints and accusations it received from the public, including a status report on how many it received and treated each year (pp. 65-66, second link).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: I choose not to review this question

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:

a. Yes, SAI maintains formal mechanisms through which the public can contribute to audit investigations.

Source:

<https://www.tcontas.pt/pt-pt/TribunalContas/Publicacoes/ColetaneasLegislacao/Documents/LOPTC.pdf>

<https://www.tcontas.pt/pt-pt/ProdutosTC/Sentencas/3s/Documents/2021/st002-2021-3s.pdf>

Comment:

Yes, according to SAI law, Article 11 (number 2) and Article 36 (number 2).

SAI cooperates, regarding information, training activities and others, with interested civil society organizations. It also audits the budget execution, and pursuant to that, it can request necessary information from any public or private entities.

We cannot find evidence of civil society inputs in reports of audit investigations strictly speaking. We can find, however, several instances of witness testimonies in judicial decisions by the SAI on matters of adherence to public financial legislation. An example is the decision linked below regarding unlawful practices in procurement in a hospital, where external parties related to the case were consulted as witnesses. (second link)

Peer Reviewer

Opinion: Agree

Comments: I agree with the arguments put forward by the researcher.

Government Reviewer

Opinion: Agree