

Overview



Transparency:

40 /100

(Open Budget Index score)



Public
Participation:

6 /100



Budget Oversight:

35 /100

About the survey

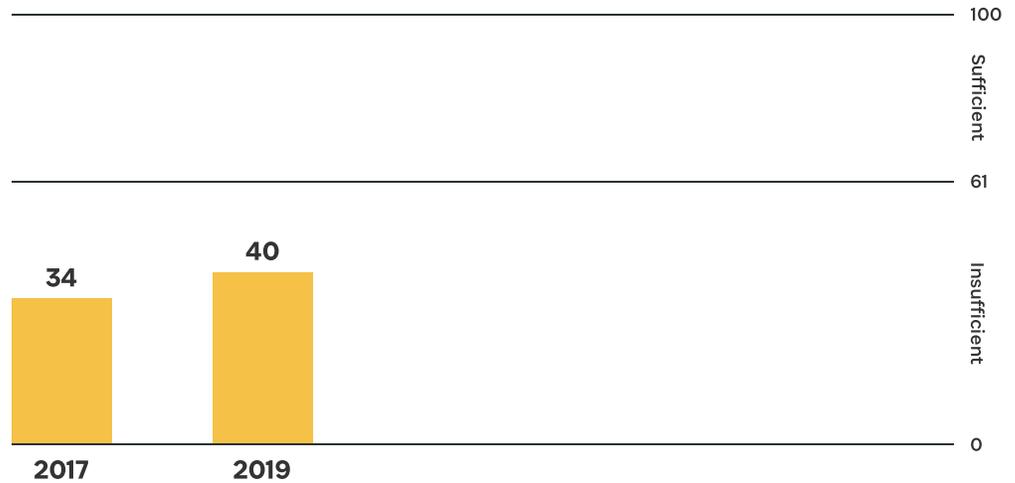
Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – affect how equal a society is and the well-being of its people, including whether the most disadvantaged will have real opportunities for a better life. It is critical that governments inform and engage the public on these vital decisions that impact their lives.

The Open Budget Survey (OBS) is the world's only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions such as the legislature and auditor in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 7th edition of the OBS covers 117 countries.

Visit www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2019 Global Report, findings for all surveyed countries, and the Data Explorer.

How has the transparency score for Madagascar changed over time?



Public availability of budget documents in Madagascar

- Available to the Public
- Published Late, or Not Published Online, or Produced for Internal Use Only
- ⊘ Not Produced

Document	2017	2019
Pre-Budget Statement	●	●
Executive's Budget Proposal	●	●
Enacted Budget	●	●
Citizens Budget	●	●
In-Year Reports	●	●
Mid-Year Review	⊘	⊘
Year-End Report	⊘	●
Audit Report	●	●

How comprehensive is the content of the key budget documents that Madagascar makes available to the public?

- 61-100 / 100
- 41-60 / 100
- 1-40 / 100

Key budget document	Document purpose and contents	Fiscal year assessed	Document content score
Pre-Budget Statement	Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.	2019	50
Executive's Budget Proposal	Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation.	2019	40
Enacted Budget	The budget that has been approved by the legislature.	2018	67
Citizens Budget	A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.	2018	50
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2017 & 2018	30
Mid-Year Review	A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.	2018	Not Produced
Year-End Report	Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.	2017	52
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2016	48

Madagascar's transparency score of **40** in the OBS 2019 is moderately higher than its score in 2017.

What changed in OBS 2019?

Madagascar has increased the availability of budget information by:

- Publishing the Year-End Report online.
- Publishing the Pre-Budget Statement, Citizens Budget, and Audit Report online in a timely manner.

However, Madagascar has decreased the availability of budget information by:

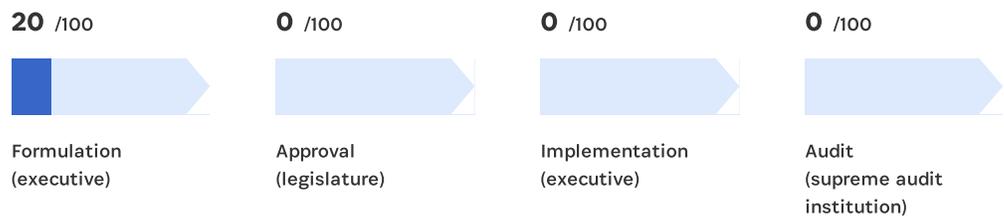
- Reducing the information provided in the In-Year Reports.

Recommendations

Madagascar should prioritize the following actions to improve budget transparency:

- Produce and publish the Mid-Year Review online in a timely manner.
- Include additional revenue and fiscal risk information in the Executive's Budget Proposal.
- Include additional revenue and policy information in the Year-End Report.
- Improve the comprehensiveness of the In-Year Reports by: providing additional information on actual expenditures for individual programs, adding information on individual sources of actual revenue, and providing expenditure and revenue comparisons to either the Enacted Budget or the same period in the previous year.
- Improve the comprehensiveness of the Audit Report by providing information on audits of extra-budgetary funds. In addition, the executive should report publicly on steps it has taken to address audit findings, and either the Court of Audit or Parliament should release a report tracking actions taken by the executive to respond to audit recommendations.

Extent of opportunities for public participation in the budget process



few: 0 - 40; limited: 41 - 60; adequate: 61 - 100

Recommendations

To further strengthen public participation in the budget process, Madagascar's Ministry of Economy and Finance should prioritize the following actions:

- Pilot mechanisms to engage the public during budget formulation and to monitor budget implementation.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.
- Introduce opportunities for citizen input and a public budget debate during the formulation phase of the official budget calendar.

Madagascar's Parliament should prioritize the following actions:

- Allow members of the public or civil society organizations to testify during its hearings on the budget proposal prior to its approval.
- Allow members of the public or civil society organizations to testify during its hearings on the Audit Report.
- Establish a memorandum of understanding with civil society organizations to define the public reporting methods of sector committees (e.g., health, education, defense) and ensure that the concerns of society are reflected in the budget.

Madagascar's Court of Audit should prioritize the following actions to improve public participation in the budget process:

- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.



Budget Oversight

The OBS also examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in Madagascar, together, provide weak oversight during the budget process, with a composite oversight score of **35** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

Legislative oversight



Audit oversight



weak: 0 - 40; limited: 41 - 60; adequate: 61 - 100

Recommendations

Madagascar's Parliament provides limited oversight during the planning stage of the budget cycle and weak oversight during the implementation stage. To improve oversight, the following actions should be prioritized:

- The legislature should debate budget policy before the Executive's Budget Proposal is tabled and approve recommendations for the upcoming budget.
- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.
- A legislative committee should examine in-year budget implementation and publish reports with their findings online.

- In practice, ensure the legislature is consulted before the executive shifts funds specified in the Enacted Budget between administrative units; spends any unanticipated revenue; or reduces spending due to revenue shortfalls during the budget year.
- A legislative committee should examine the Audit Report and publish a report with their findings online.

To strengthen independence and improve audit oversight by the Madagascar Court of Audit, the following actions are recommended:

- Require legislative or judicial approval to appoint and remove the head of the supreme audit institution. To reinforce this independence, the President of the Supreme Court should also be appointed via a mandate system (with a term of 5 years, for example).
- Ensure the supreme audit institution has adequate funding to perform its duties, as determined by an independent body (e.g., the legislature or judiciary). This could be done by classifying the Court of Audit as a Mission within the budget of the Ministry of Justice rather than a Program, allowing officials from the Court to negotiate their funding directly with the Ministry of Economy and Finance.
- Ensure audit processes are reviewed by an independent agency.

The emerging practice of establishing independent fiscal institutions

Madagascar does not have an independent fiscal institution (IFI). IFIs are increasingly recognized as valuable independent and nonpartisan information providers to the Executive and/or Parliament during the budget process.

**These indicators are *not* scored in the Open Budget Survey.*

Methodology

- Only documents published and events, activities, or developments that took place through 31 December 2018 were assessed in the OBS 2019.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
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- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Madagascar by a representative of the Ministry of Economy and Finance.