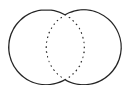
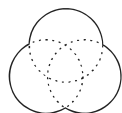
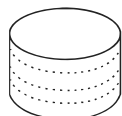


Overview

**Transparency:****71** /100

(Open Budget Index score)

**Public Participation:****26** /100**Budget Oversight:****61** /100

About the survey

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money is spent on public interests.

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 legislatures and national audit offices, 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 8th edition of the OBS covers 120 countries.

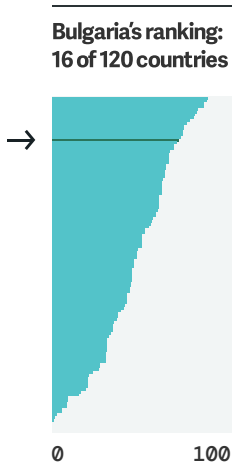
Visit www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2021 Global and Regional Reports, findings for all surveyed countries, and the Data Explorer.

Transparency

This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the **online availability, timeliness, and comprehensiveness** of eight key budget documents using 109 equally weighted indicators and scores each country on a scale of 0 to 100. **A transparency score of 61 or above indicates a country is likely publishing enough material to support informed public debate on the budget.**

Bulgaria has a transparency score of **71** (out of 100).

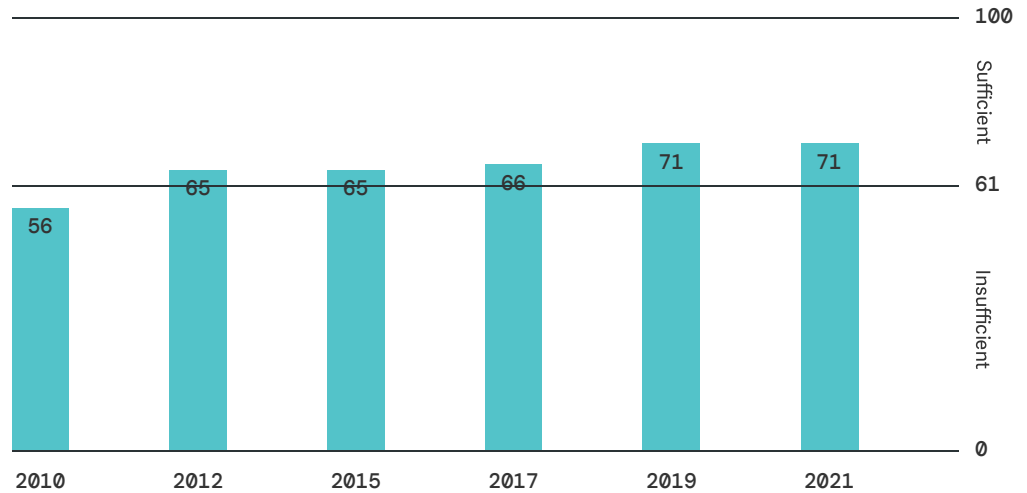
Transparency in Bulgaria compared to others



| | |
|-----------------|----|
| Global Average | 45 |
| Bulgaria | 71 |
| Moldova | 65 |
| Ukraine | 65 |
| Romania | 63 |
| Albania | 52 |
| Serbia | 46 |
| North Macedonia | 36 |

0 Insufficient 61 Sufficient 100

How has the transparency score for Bulgaria changed over time?



Public availability of budget documents in Bulgaria

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

| Document | 2010 | 2012 | 2015 | 2017 | 2019 | 2021 |
|-----------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| 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 Bulgaria makes available to the public?

| KEY | |
|---|--|
| ● 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. | 2021 | Not Produced |
| 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. | 2021 | 78 |
| Enacted Budget | The budget that has been approved by the legislature. | 2021 | 84 |
| 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. | 2021 | 67 |
| In-Year Reports | Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly. | 2020 | 93 |
| 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. | 2020 | 59 |
| 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. | 2019 | 64 |
| Audit Report | Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts. | 2019 | 76 |

Bulgaria's transparency score of **71** in the OBS 2021 is largely the same as its score in 2019.

What changed in OBS 2021?

Bulgaria has increased the availability of budget information by:

- Increasing the information provided in the Mid-Year Review.

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

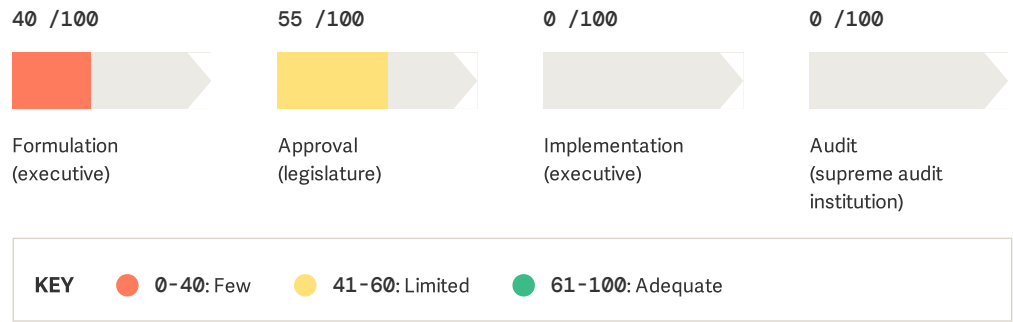
- Failing to produce the Pre-Budget Statement.

Recommendations

Bulgaria should prioritize the following actions to improve budget transparency:

- Produce and publish the Pre-Budget Statement online in a timely manner.
- Further improve the comprehensiveness of the Mid-Year Review by providing a more detailed macroeconomic forecast that includes comparisons of interest rates. In addition, the Mid-Year Review should provide updated expenditure estimates by administrative classification and individual programs, and more detailed updated revenue estimates by individual sources.

Extent of opportunities for public participation in the budget process



Recommendations

Bulgaria's Ministry of Finance has established policy consultations during budget formulation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Pilot mechanisms to monitor budget implementation.
- Actively engage with vulnerable and underrepresented communities, either directly or through civil society organizations representing them.

Bulgaria's National Assembly has established public hearings related to the approval of the annual budget, but should also prioritize the following actions:

- Allow any member of the public or any civil society organization 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.

Bulgaria's National Audit Office should prioritize the following actions to improve public participation in the budget process:

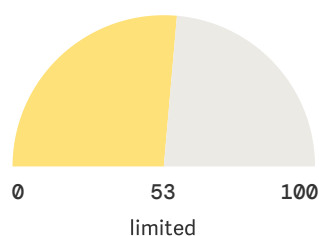
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

Budget Oversight

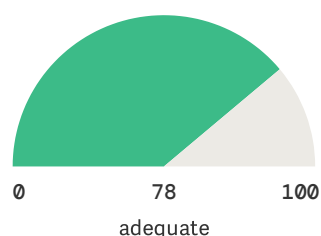
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The legislature and supreme audit institution in Bulgaria, together, provide adequate oversight during the budget process, with a composite oversight score of **61** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

Legislative oversight



Audit oversight



KEY ● 0-40: Few ● 41-60: Limited ● 61-100: Adequate

Recommendations

Bulgaria's National Assembly provides adequate 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.
- 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 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 Bulgaria's National Audit Office, the following actions are recommended:

- Ensure audit processes are reviewed by an independent agency.

The emerging practice of establishing independent fiscal institutions

Bulgaria's independent fiscal institution (IFI) is the Fiscal Council. Its independence is set in law, and it reports to the legislature. It publishes an assessment of the official macroeconomic and fiscal forecasts produced by the executive.

The indicators on IFIs are not scored in the Open Budget Survey.

Methodology

- Only documents published and events, activities, or developments that took place through 31 December 2020 were assessed in the OBS 2021.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
Lachezar Bogdanov
Institute for Market Economics
Sofia, Bulgaria
bogdanov@ime.bg
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Bulgaria by a representative of the Ministry of Finance.