

## Overview

**Transparency:****70** /100

(Open Budget Index score)

**Public  
Participation:****24** /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.

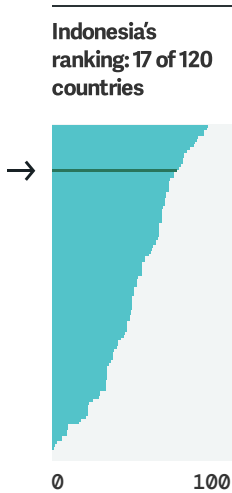
Visit [www.internationalbudget.org/open-budget-survey](http://www.internationalbudget.org/open-budget-survey) for more information, including the full OBS methodology, the 2021 Global and Regional Reports, findings for all surveyed countries, and the Data Explorer.

# 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.**

Indonesia has a transparency score of **70** (out of 100).

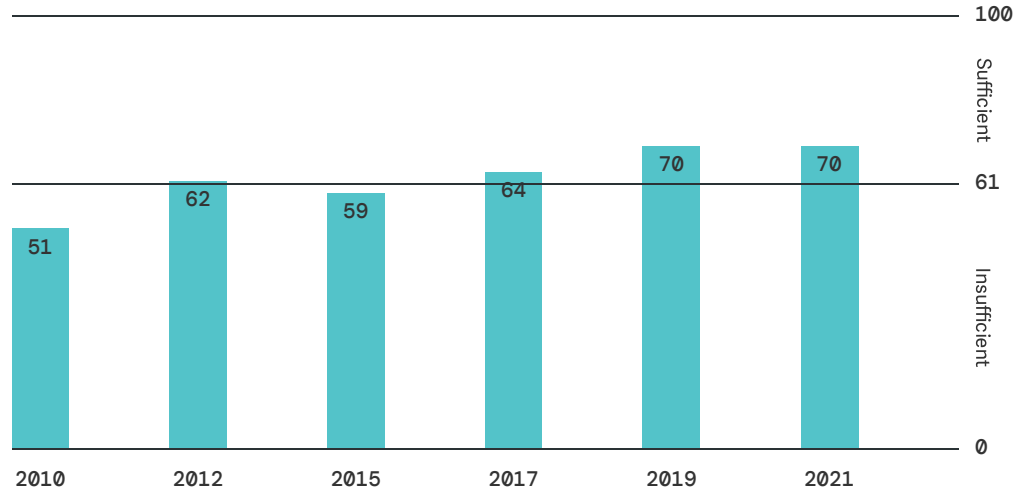
## Transparency in Indonesia compared to others



Global Average	45
Indonesia	70
Philippines	68
Thailand	58
Timor-Leste	52
Malaysia	47
Vietnam	44
Cambodia	33
Myanmar	30

0                      Insufficient                      61                      Sufficient                      100

# How has the transparency score for Indonesia changed over time?



## Public availability of budget documents in Indonesia

KEY	
<span style="color: green;">●</span>	Available to the Public
<span style="color: yellow;">●</span>	Published Late, or Not Published Online, or Produced for Internal Use Only
<span style="color: red;">⊘</span>	Not Produced

Document	2010	2012	2015	2017	2019	2021
Pre-Budget Statement	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Executive's Budget Proposal	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Enacted Budget	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Citizens Budget	<span style="color: red;">⊘</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
In-Year Reports	<span style="color: yellow;">●</span>	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Mid-Year Review	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Year-End Report	<span style="color: yellow;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
Audit Report	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>

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

KEY	
<span style="color: #00728f;">●</span> 61-100 / 100	
<span style="color: #00a0c0;">●</span> 41-60 / 100	
<span style="color: #90e0d0;">●</span> 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	61
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	65
Enacted Budget	The budget that has been approved by the legislature.	2021	89
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	78
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	89
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	81

Indonesia's transparency score of **70** in the OBS 2021 is largely the same as its score in 2019.

## What changed in OBS 2021?

Indonesia has increased the availability of budget information by:

- Publishing Buku III as part of the Budget Proposal Package which includes information on budget programs under each ministry.
- Creating an innovative mechanism linking a QR code to identify the public's requirement in the Citizens Budget.

## Recommendations

Indonesia should prioritize the following actions to improve budget transparency:

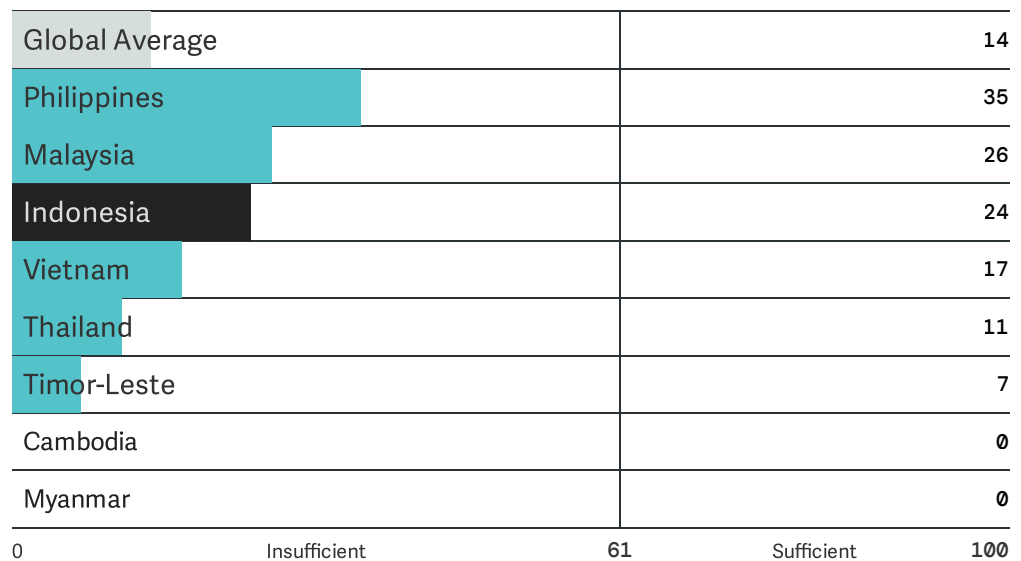
- Include the government's balance sheet as part of the Executive's Budget Proposal and Enacted Budget showing information on the government's financial and non-financial assets for the budget year.
- Increase the information in the Executive's Budget Proposal and Enacted Budget related to fiscal risks, such as quasi-fiscal activities of public corporations, contingent liabilities, arrears, and analysis of the long-term sustainability of the government's finances.
- Include information on the financial execution of budget programs in the In-Year Reports and Year-End Report.
- Report on the differences between the estimates and actual outcomes for performance indicators, such as non-financial data results, in the Year-End Report.

# Public Participation

The OBS assesses the formal opportunities offered to the public for meaningful participation in the different stages of the budget process. It examines the practices of the central government’s executive, the legislature, and the supreme audit institution (SAI) using 18 equally weighted indicators, aligned with the Global Initiative for Fiscal Transparency’s [Principles of Public Participation in Fiscal Policies](#), and scores each country on a scale from 0 to 100.

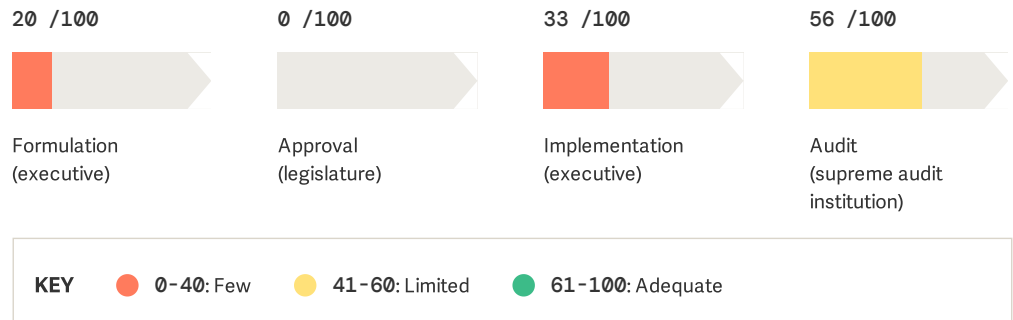
Indonesia has a public participation score of **24** (out of 100).

## Public participation in Indonesia compared to others



For more information, see [here](#) for innovative public participation practices around the world.

# Extent of opportunities for public participation in the budget process



## Recommendations

Indonesia's Ministry of Finance has established musrenbang during budget formulation and an online complaints mechanism during budget implementation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Expand mechanisms during budget formulation at the national level by engaging any civil society organization or member of the public who wishes to participate.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.
- Support line ministries to conduct public consultations on budgets for sector issues, such as health, education, or other sectors.

Indonesia's People's Representative Assembly 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.

Indonesia's Supreme Audit Institution (Badan Pemeriksa Keuangan) has established mechanisms for the public to assist in developing its audit program. It should prioritize the following actions to improve public participation in the budget process:

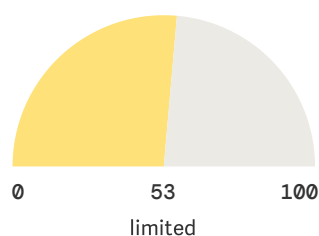
- Establish formal opportunities for the public to contribute to relevant audit investigations through mechanisms such as Citizen Participatory Audits.

# Budget Oversight

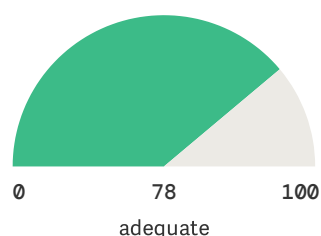
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The legislature and supreme audit institution in Indonesia, 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

Indonesia's People's Representative 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:

- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis 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.
- Parliament should work to regain budgetary powers during the annual budget process after its budgetary powers were modified during the pandemic.

### **The emerging practice of establishing independent fiscal institutions**

Indonesia 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

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- 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:  
Lukman Hakim  
Forum Indonesia untuk Transparansi Anggaran (FITRA)  
  
lukmanh.nihil@gmail.com;
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert.