

Iraq

Overview



Transparency:

8 /100

(Open Budget Index score)



Public Participation:

0 /100



Budget Oversight:

46 /100

About the survey

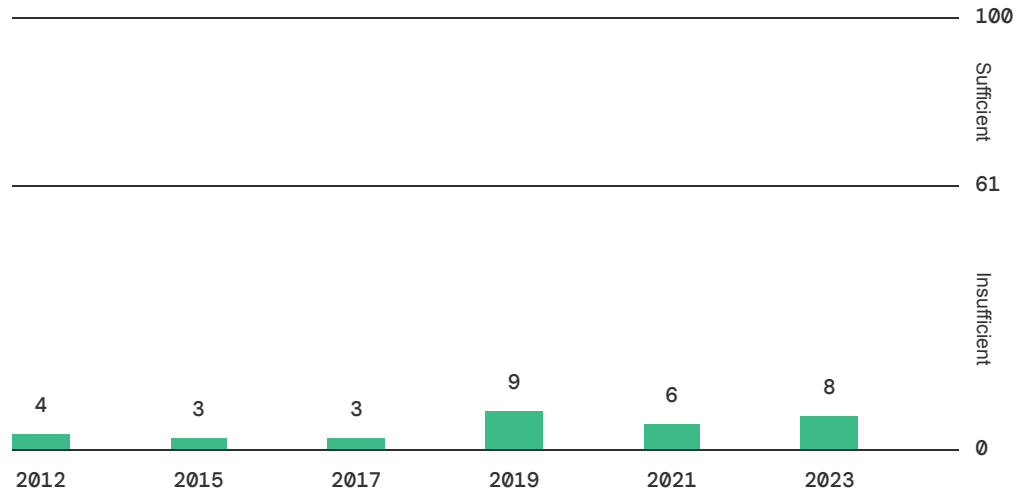
Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money 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 9th edition of the OBS covers 125 countries.

Visit www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2023 Global Report, findings for all surveyed countries, and the Data Explorer.

How has the transparency score for Iraq changed over time?



Public availability of budget documents in Iraq

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

Document	2012	2015	2017	2019	2021	2023
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 Iraq 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.	2023	Internal Use
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.	2023	Not Produced
Enacted Budget	The budget that has been approved by the legislature.	2021	56
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.	2023	Not Produced
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2022	22
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.	2022	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.	2021	17
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2021	Not Produced

Iraq's transparency score of 8 in the OBS 2023 is near its score in 2021.

What changed in OBS 2023?

Iraq has increased the availability of budget information by:

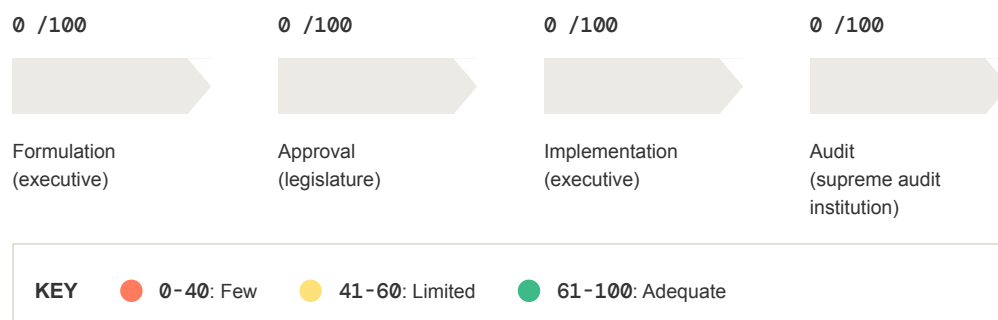
- Publishing the Year-End Report online.

Recommendations

Iraq should prioritize the following actions to improve budget transparency:

- Publish the Pre-Budget Statement online in a timely manner.
- Produce and publish the Executive's Budget Proposal, Citizens Budget, Mid-Year Review and Audit Report online in a timely manner. Due to political gridlock, no Executive's Budget Proposal was approved in 2022; to reduce volatility in the future, consider publishing the Executive's Budget Proposal on an annual basis. Additionally, restart publication of the Citizens Budget.
- Include in the Year-End Report comparisons between planned expenditures and actual outcomes, comparisons between planned revenues and actual outcomes, comparisons between borrowing estimates and actual outcomes, comparisons between planned nonfinancial outcomes and actual outcomes and comparisons between the original macroeconomic forecast and actual outcomes.. Further, reduce volatility in publication of the Year-End Report.
- Improve the comprehensiveness of the Enacted Budget and In-Year Reports.

Extent of opportunities for public participation in the budget process



Recommendations

To further strengthen public participation in the budget process, Iraq's Ministry of 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.

Iraq's Parliament Council 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.

Iraq's Federal Board of Supreme Audit (FBSA) should prioritize the following actions to improve public participation in the budget process:

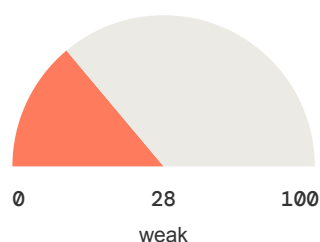
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

Budget Oversight

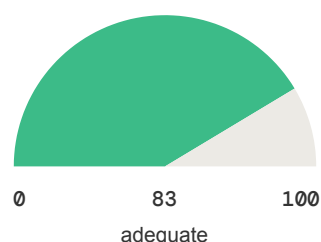
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The legislature and supreme audit institution in Iraq, together, provide limited oversight during the budget process, with a composite oversight score of **46** (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

Iraq's Parliament Council provides weak oversight during the planning stage of the budget cycle and limited 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.
- The Executive's Budget Proposal should be submitted to legislators at least two months before the start of the budget year.
- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.
- The legislature should approve the Executive's Budget Proposal before the start of the budget year.

- 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 reduces spending due to revenue shortfalls.
- 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 Iraq Federal Board of Supreme Audit (FBSA), the following actions are recommended:

- Ensure audit processes are reviewed by an independent agency.
- The Federal Financial Supervision Office should issue annual financial oversight reports at the end of the fiscal year.

The emerging practice of establishing independent fiscal institutions

Iraq 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 2022 were assessed in the OBS 2023.
- 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 Iraq by a representative of the Ministry of Finance.