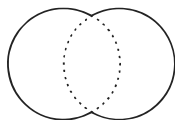


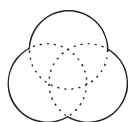
Overview



Transparency:

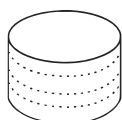
6 /100

(Open Budget Index score)



Public Participation:

11 /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.

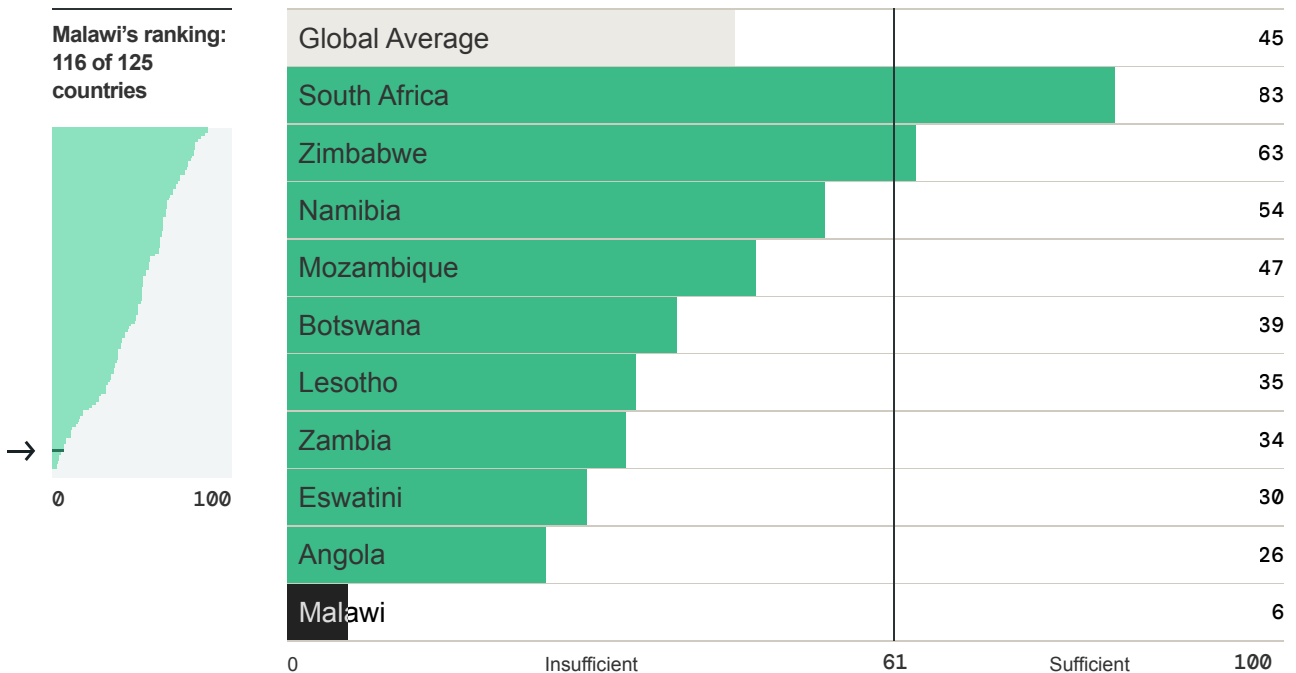
Visit www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2023 Global Report, findings for all surveyed countries, and the Data Explorer.

Transparency

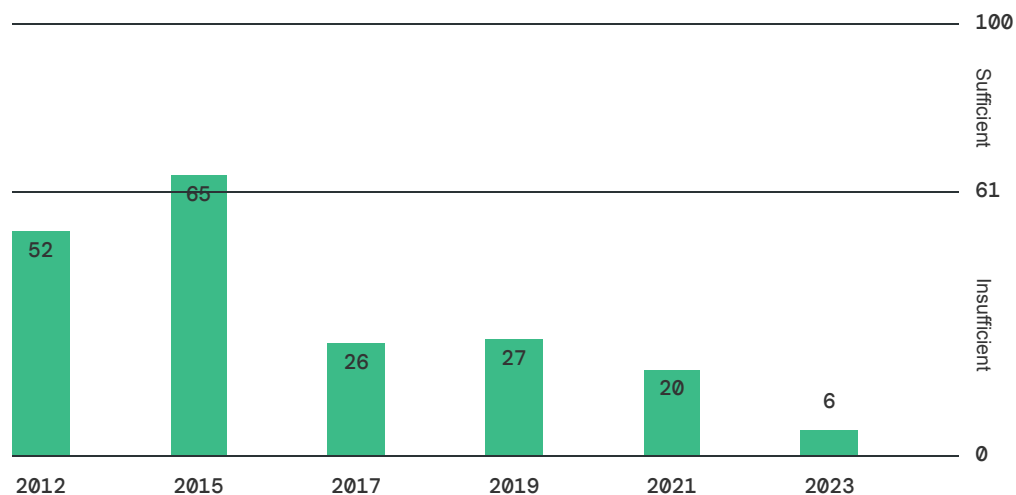
This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the **online availability, timeliness, and comprehensiveness** of eight key budget documents using 109 equally weighted indicators and scores each country on a scale 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.**

Malawi has a transparency score of **6** (out of 100).

Transparency in Malawi compared to others



How has the transparency score for Malawi changed over time?



Public availability of budget documents in Malawi

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 Malawi 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.	2022-23	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.	2022-23	Hard Copy
Enacted Budget	The budget that has been approved by the legislature.	2022-23	Published Late
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.	2022-23	Internal Use
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2021-22 & 2022-23	Internal Use
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.	2022-23	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.	2020-21	Hard Copy
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2020-21	Internal Use

Malawi's transparency score of **6** in the OBS 2023 is substantially lower than its score in 2021.

What changed in OBS 2023?

Malawi has increased the availability of budget information by:

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

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

- Producing the Executive's Budget Proposal in hard copy but not making it available online.
- Producing the Citizens Budget for internal use only.

Recommendations

Malawi should prioritize the following actions to improve budget transparency:

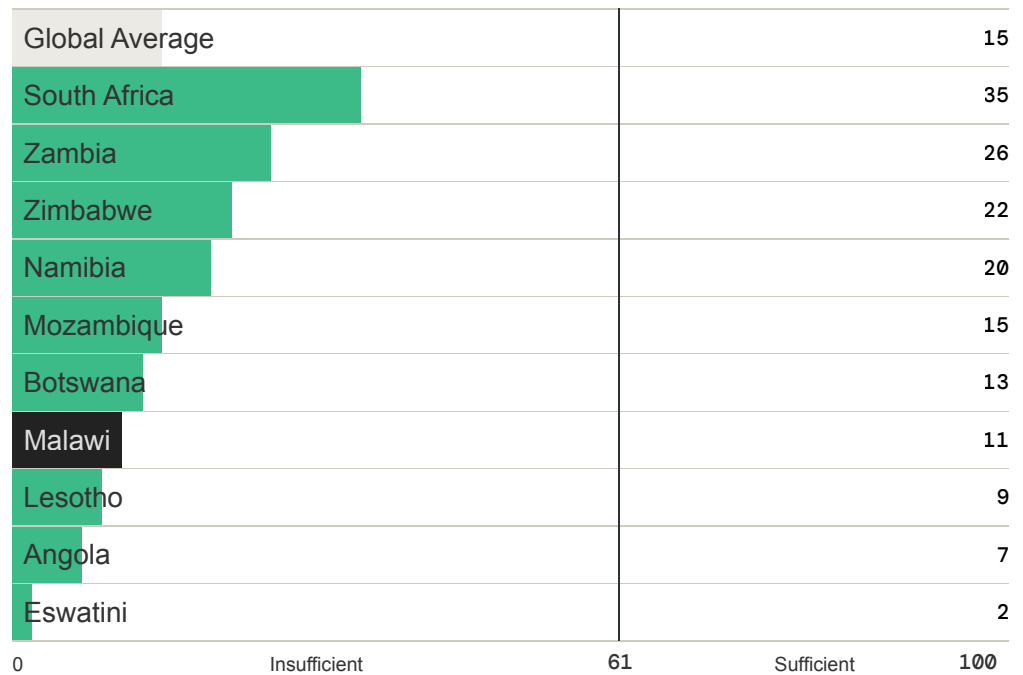
- Publish the Pre-Budget Statement online at least one month prior to the Executive's Budget Proposal being submitted to the Parliament.
- Publish the Executive's Budget Proposal online while the legislature is still considering it and before it is approved.
- Publish the Enacted Budget online no later than three months after being approved by the Parliament.
- Publish the In-Year Reports online (Budget Performance Quarterly Report) within three months of the end of the period that they report on.
- Publish the Year-End Report online (Annual Economic Report) within 12 months of the end of the fiscal year that it reports on.
- Publish the Audit Report elaborated by the National Audit Office (NAO) online within 18 months of the end of the fiscal year that it reports on. The Audit Report produced by NAO hasn't been uploaded to its website before endorsement by Parliament that has often taken longer to review and approve it.

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.

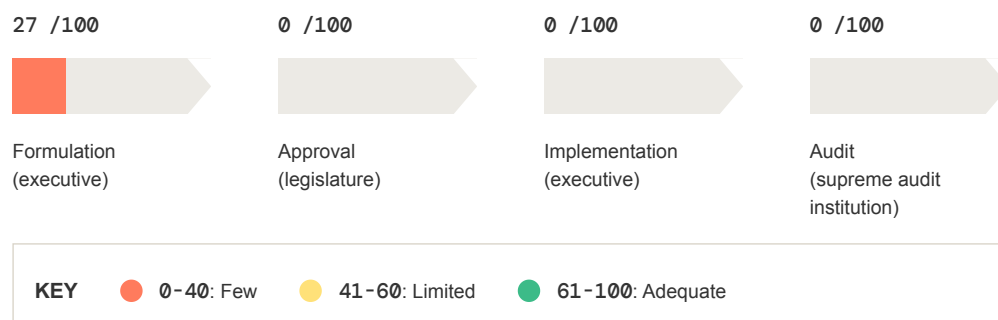
Malawi has a public participation score of **11** (out of 100).

Public participation in Malawi 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

Malawi's Ministry of Finance and Economic Affairs has established pre-budget deliberations during budget formulation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- After conducting the pre-budget consultations, the Ministry of Finance should provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget.
- Pilot mechanisms to monitor budget implementation.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

Malawi's National 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.

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

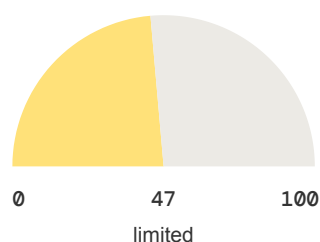
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

Budget Oversight

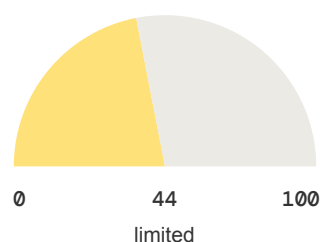
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The legislature and supreme audit institution in Malawi, 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

Malawi's National Assembly 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 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 make the reports of the debate public by publishing their analysis and recommendations online on Parliament's website.
- Legislative committees should examine in-year budget implementation and make the reports with their findings and recommendations public by publishing them online on Parliament's website.

- 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 on time and make the report of the debate public by publishing its findings and recommendations online on Parliament's website.

To strengthen independence and improve audit oversight by the Malawi National Audit Office, the following actions are recommended:

- Require legislative or judicial approval to remove the head of the supreme audit institution.
- Ensure the supreme audit institution has adequate funding to perform its duties, as determined by an independent body (e.g., the legislature or judiciary).
- Ensure audit processes are reviewed by an independent agency.

The emerging practice of establishing independent fiscal institutions

Malawi's independent fiscal institution (IFI) is the Parliamentary Budget Office. Its independence is not set in law, and it reports to the legislature, not making its analysis available to the public.

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 2022 were assessed in the OBS 2023.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
Henry Mchemba (National Coordinator), Desmond Mhango (Board Chairperson)
NGO Coalition on Child Rights
Private Bag A225 Malawi
www.ngoccrmw.org/mw
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Malawi by a representative of the Ministry of Finance and Economic Affairs and by a representative of the National Audit Office (NAO).