This questionnaire was completed by:

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International Budget Partnership
OPEN BUDGET QUESTIONNAIRE

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Section One: The Availability of Budget Documents
Table 1. Budget Year of Documents Used in Completing the Questionnaire

<table>
<thead>
<tr>
<th>Budget Documents Used in Completing the Questionnaire</th>
<th>Budget Year Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Budget Statement</td>
<td>2009</td>
</tr>
<tr>
<td>Budget Summary</td>
<td>2009</td>
</tr>
<tr>
<td>Executive’s Budget Proposal</td>
<td>2009</td>
</tr>
<tr>
<td>Supporting Budget Documents</td>
<td>2009</td>
</tr>
<tr>
<td>Citizens Budget</td>
<td>Not Available</td>
</tr>
<tr>
<td>Enacted Budget</td>
<td>2009</td>
</tr>
<tr>
<td>In-Year Reports</td>
<td>2009</td>
</tr>
<tr>
<td>Mid-Year Report</td>
<td>Not Available</td>
</tr>
<tr>
<td>Year-End Report</td>
<td>2008</td>
</tr>
<tr>
<td>Audit Report</td>
<td>2007</td>
</tr>
<tr>
<td>Budget Document</td>
<td>Full Title, Date, and Internet Link</td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Budget Summary</td>
<td>More Funding for Infrastructure, Social Spending, Education and Health in the Budget 2009, 30 October 2008: <a href="http://old.government.bg/cgi-bin/e-cms/vis/vis.pi?s=001&amp;p=0011&amp;n=1218&amp;g=">http://old.government.bg/cgi-bin/e-cms/vis/vis.pi?s=001&amp;p=0011&amp;n=1218&amp;g=</a></td>
</tr>
<tr>
<td>Citizens Budget</td>
<td>Not Produced</td>
</tr>
<tr>
<td>Mid-Year Review</td>
<td>Produced but Not Available to the Public</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>
| Audit Report | Produced, but Not Available to the Public

Reports on audits are usually produced within 12 months of the end of the fiscal year, but not all of them are released to the public. The Supreme Audit Institution has discretion to publish the reports.

| Other Documents | Council of Ministers' Decree on the implementation of the State Budget for 2009: http://www.minfin.bg/document/6253:1 |
| Relevant Ministries & Departments | Ministry of Finance: www.minfin.bg |

* Government Comments for Table 2 are available at the end of the Questionnaire
Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

<table>
<thead>
<tr>
<th>DISTRIBUTION OF BUDGET DOCUMENTS</th>
<th>Pre-budget</th>
<th>Executive’s Budget Proposal</th>
<th>Citizens budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Main document</td>
<td>Budget summary*</td>
</tr>
<tr>
<td>A. Not produced, even for internal purposes</td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>B. Produced for internal purposes, but not available to the public</td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>C. Produced and available to the public, but only on request</td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?*

<table>
<thead>
<tr>
<th>Pre-budget</th>
<th>Executive’s Budget Proposal</th>
<th>Citizens budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Main document</td>
<td>Budget summary*</td>
</tr>
<tr>
<td>1. The release date is known at least one month in advance</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>2. Advance notification of release is sent to users, media</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>3. Released to public same day as official release to media</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>4. Available on the Internet free of charge</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>5. Free print copies available, limited distribution</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>6. Free print copies available, mass distribution</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>7. Readily available outside capital and/or big cities+</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>8. Written in more than one language</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>9. News conference is held to discuss release</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

+Mark "Yes" if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.
Table 4. Distribution of the Enacted Budget and Other Reports*

<table>
<thead>
<tr>
<th>DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS</th>
<th>Enacted budget</th>
<th>In-year reports</th>
<th>Mid-year review</th>
<th>Year-end report</th>
<th>Audit report</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Not produced, even for internal purposes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Produced for internal purposes, but not available to the public</td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>C. Produced and available to the public, but only on request</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?

<table>
<thead>
<tr>
<th>Steps</th>
<th>Enacted budget</th>
<th>In-year reports</th>
<th>Mid-year review</th>
<th>Year-end report</th>
<th>Audit report</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The release date is known at least one month in advance</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>2. Advance notification of release sent to users, media</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>3. Released to public same day as official release to media</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4. Available on the Internet free of charge</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>5. Free print copies available, limited distribution</td>
<td>No</td>
<td>No</td>
<td>NA</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>6. Free print copies available, mass distribution</td>
<td>No</td>
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<td>NA</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>7. Readily available outside capital/big cities*</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>8. Written in more than one language</td>
<td>No</td>
<td>No</td>
<td>NA</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>9. News conference is held to discuss release</td>
<td>No</td>
<td>No</td>
<td>NA</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

*Mark "Yes" if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

* Government Comments for Table 4 are available at the end of the Questionnaire
Section Two: The Executive’s Budget Proposal

Notes on abbreviations:
BY = budget year (year for which the budget proposals are being made)
BY+1 = one year beyond the budget year
BY-1 = one year before the budget year

Note 1: The Open Budget Survey research process was carried out over a 12-month period and the final version of the Open Budget Questionnaires reflect decisions made after multiple rounds of discussions between Survey researchers, peer reviewers, and the International Budget Partnership (IBP) (in several countries these decisions also considered comments received from governments). When peer reviewers or governments agreed with the answers provided by researchers, they often provided no comment. Thus for many questions, the section in the questionnaire that should contain peer reviewer comments is left blank. However, if the government did not provide any comments to a question (because it did not dispute the answer), the section within the questionnaire that is meant to reflect government comments specifies the answer that the government agreed with (by default).

Since the IBP continued its discussions with the researchers even after receiving peer reviewer and government comments, for some questions these discussions resulted in a mutual decision to change the answers, even if the peer reviewers and governments agreed with the original answer provided by the researcher. Such changes may have happened as a result of:

1. A more consistent application of the Survey methodology;
2. New information identified by the researcher or by IBP that had a bearing on the answer for a particular question; or
3. Decisions made to ensure cross-country comparability of answers.

For more information on these changes for any question please write to info@internationalbudget.org.
### The Executive’s Budget Proposal

#### Estimates for the Budget Year and Beyond

1. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?

   a. All expenditures are classified by administrative unit.
   b. Expenditures are classified by administrative unit, but some small units are not shown separately.
   c. Expenditures are classified by administrative unit, but a significant number of units are not shown separately.
   d. No expenditures classified by administrative unit are presented.
   e. Not applicable/other (please comment).

**Citation:**

Additional information is presented in the program budgets of the ministries which are part of the budget 2009 documentation and are available at: http://parliament.bg/pub/Budget2009/Prog-budgets-2009/

**Comment:**

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s original answer “b,” which the IBP modified for consistency purposes.

**Researcher Response:** I suggest the answer should be changed to “a.”

**IBP Comment:** IBP editors chose answer “a” to maintain consistency with the criteria used for selecting answers across countries.
2. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?

   a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.
   b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by function.
   d. No expenditures classified by function are presented.
   e. Not applicable/other (please comment).

Citation:
This information is presented in the Report on the State Budget 2009 Draft Act, Appendix 2b, entitled “State Expenditures by Functions,” available at:
http://minfin.bg/document/5933:1

Comment:

Researcher Response to this Question was “b”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be “a.” All expenditures are classified by functional classification, and the categorization is close to the international standards, though not fully compatible with it. Link to the Unified Budget Classification:
http://www.minfin.bg/bg/page/253

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “b.” The government also confirms that classification is not fully compatible with international standards. This is a matter of judgment.

IBP Comment: IBP editors chose answer “b” as originally suggested by the researcher.
3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?

   a. All expenditures are classified by economic classification, and the categorization is compatible with international standards.
   b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by economic classification.
   d. No expenditures classified by economic classification are presented.
   e. Not applicable/other (please comment).

Citation:

Comment:

Researcher Response to this Question was “b”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be “a.” All expenditures are classified by economic classification, and the categorization is compatible with international standards. Link to the Unified Budget Classification: http://www.minfin.bg/bg/page/253

Researcher Response: I suggest the answer should be changed as suggested by the Government to “a.”

IBP Comment: IBP editors chose answer “a” to maintain consistency with the criteria used for selecting answers across countries.
4. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?

   a. Program-level data are presented for all expenditures.
   b. Program-level data are presented for at least two-thirds of, but not all, expenditures.
   c. Program-level data are presented, but for less than two-thirds of expenditures.
   d. No program-level data are presented.
   e. Not applicable/other (please comment).

   **Citation:**
   This information is presented at the program budgets of the ministries which are part of the budget 2009 documentation and are available at: http://parliament.bg/pub/Budget2009/Prog-budgets-2009/

   **Comment:**
   
   **Researcher Response to this Question was “a”**

   **Peer Reviewer One Comment:**
   
   **Peer Reviewer Two Comment:**
   
   **Government Comment:** Government did not dispute researcher’s original answer “a,” which the IBP modified for consistency purposes.

   **IBP Comment:** IBP editors chose to answer "b" to maintain consistency with the criteria used for selecting answers across countries.

5. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?

   a. Yes, multi-year estimates of aggregate expenditure are presented.
   b. No, multi-year estimates of aggregate expenditure are not presented.
   c. Not applicable/other (please comment).

   **Citation:**

   **Comment:**
   
   **Peer Reviewer One Comment:**
   
   **Peer Reviewer Two Comment:**
   
   **Government Comment:** Government did not dispute researcher’s answer.
6. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?

   a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).
   b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.
   c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.
   d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all.
   e. Not applicable/other (please comment).

Citation:
Budget forecast for 2009-2011, 31 October 2008:
http://www.minfin.bg/document/6189:2

Comment:
Economic and administrative classification.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
7. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?

   a. All sources of tax revenue are identified individually.
   b. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually.
   c. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually.
   d. No sources of tax revenue are identified individually.
   e. Not applicable/other (please comment).

Citation: http://minfin.bg/document/5933:1

Comment:
In the Report on the State Budget 2009 Draft Act (Appendix 2a entitled “State Expenditures by Economic Elements”) all major tax revenues are identified. However, the data is too aggregated and less than two-thirds of taxes are identified individually by their source. There is no detailed data (except of the aggregate totals) on different excise taxes, social security taxes.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** A more appropriate response to this question would be “b.” It is true that the data presented in the report mentioned is aggregated but it provides enough level of detailed information to identify at least two-thirds of the sources of tax revenue (for example: VAT – 28,6%; income tax -7,1%; corporate tax – 8%; excise duties – 13,1%; revenues from social and health insurance – 18,4 %, financial assistance – 9,2 % etc.).

**Government Comment:** A more appropriate response to this question would be “b.” All sources of tax revenue are identified individually, by types of taxes, such as VAT, excises, social security contributions, corporate taxes, income tax, etc. in the Report on State Budget 2009 Draft Act.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire “c.” It is true that all types of taxes are identified – but there is no detailed data on different excise taxes and social security taxes, only aggregate totals.

**IBP Comment:** IBP editors chose answer “b.” The information provided justifies such answer.
8. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?

   a. All sources of non-tax revenue are identified individually.
   b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually.
   c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually.
   d. No sources of non-tax revenues are identified individually.
   e. Not applicable/other (please comment).

   Citation:
   State Budget 2009 Draft Act, October 2008, page 4:
   http://parliament.bg/?page=app&lng=bg&aid=4&action=show&lid=2298

   Comment:
   Major non-tax revenues are identified. However, the data are too aggregated and there is no data on different types of fees (they comprise one third of the non-tax revenues) or on different types of property incomes.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.

9. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?

   a. Yes, multi-year estimates of aggregate revenue are presented.
   b. No, multi-year estimates of aggregate revenue are not presented.
   c. Not applicable/other (please comment).

   Citation:
   Budget forecast for 2009-2011, 31 October 2008:
   http://www.minfin.bg/document/6189:2

   Comment:

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</td>
</tr>
<tr>
<td>a.</td>
<td>Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, multi-year estimates are presented, but only for some individual sources of revenue.</td>
</tr>
<tr>
<td>d.</td>
<td>No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
Budget forecast for 2009-2011, 31 October 2008:
http://www.minfin.bg/document/6189:2

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
11. Does the executive's budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?

- a. Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget).
- b. Yes, the data reflect the outstanding debt at the end of the budget year.
- c. Yes, the data reflect the outstanding debt at the start of the budget year.
- d. No, data on the outstanding debt are not presented.
- e. Not applicable/other (please comment).

Citation:

Comment:

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's answer.

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12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?

- a. Yes, interest payments on the debt are presented.
- b. No, interest payments on the debt are not presented.
- c. Not applicable/other (please comment).

Citation:

Comment:

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher's answer.
13. Does the executive’s budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?

   a. Yes, extensive information related to the composition of government debt is presented.
   b. Yes, key additional information is presented, but some details are excluded.
   c. Yes, some additional information is presented, but it lacks important details.
   d. No, additional information related to the composition of government debt is not presented.
   e. Not applicable/other (please comment).

Citation:

Comment:
There is improvement since the last report.

**Researcher Response to this Question was “a”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s original answer “a,” which the IBP modified for consistency purposes.

**IBP Comment:** IBP editors chose answer “b” because the provided information is not detailed enough.
14. Does the executive’s budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?

a. Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.
b. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.
c. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.
d. No, information related to the macroeconomic forecast is not presented.
e. Not applicable/other (please comment).

Citation:
http://minfin.bg/document/5933:1

Comment:

**Researcher Response to this Question was “a”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “b.” This is because the information in this part does not overlap with the real situation in the market.

**Government Comment:** Government did not dispute researcher’s original answer “a,” which the IBP modified for consistency purposes.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire. I chose my answer because the situation on the market is not part of question 14.

**IBP Comment:** IBP editors chose answer “a” to maintain the consistency of the assumptions used in selecting answers across the countries. The question asks about the scope, rather than the quality, of the macroeconomic assumptions.
15. Does the executive’s budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?

   a. Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the impact of different macroeconomic assumptions on the budget is not presented.
   e. Not applicable/other (please comment).

   Citation:
   Report on the State Budget 2009 Draft Act:
   http://minfin.bg/document/5933:1

   Comment:
   There has been a deterioration since the last report.

   Researcher Response to this Question was “d”

   Peer Reviewer Two Comment: A more appropriate response to this question would be “c.” It is true that there has been a certain deterioration regarding the quality and the scope of the economic analysis included in the report on the state budget. Yet there is some analysis of the different macroeconomic assumptions that makes me think that the answer “c” is more precise.

   Government Comment: Government did not dispute researcher’s answer.

   Researcher Response: I suggest the answer should remain as I indicated in the questionnaire; I chose my answer because there is no sensitivity analysis.

   IBP Comment: IBP editors chose answer “d” as originally suggested by the researcher.
16. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?

   a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the impact of policy proposals on expenditures is not presented.
   e. Not applicable/other (please comment).

   Citation:
   Report on the State Budget 2009 Draft Act:
   http://minfin.bg/document/5933:1

   Comment:
   Some information is presented in the 2009 budget report and the program budgets of the ministries. This represents some improvement because of the usage of program budgets by the ministries.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “c.”

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “b.”

**IBP Comment:** IBP editors chose answer “b” as originally suggested by the researcher.
17. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?

   a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the impact of policy proposals on revenues is not presented.
   e. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act:
http://minfin.bg/document/5933:1

Comment:
There is detailed information on the effects of excise increases (proposed changes and effect on revenues). However, there is no information on the effect of the social security reform on revenues.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** The new insurance policies reflect the revenue part of the Public Social Insurance Budget, which is part of the Consolidated Fiscal Programme. The effects of the new insurance policies in 2009 have been described in the motives to the Draft of the Budget Public Social Insurance Act, published on the website of the National Assembly:
http://www.parliament.bg/bills/40/802-01-84.pdf

**Researcher Response:** I suggest the answer should be changed as suggested by the Government to “a.” I chose my answer because the Draft of the Budget Public Social Insurance Act should be included as part of the executive budget proposal.

**IBP Comment:** IBP editors chose answer “a” as suggested by the Government.
### Estimates for Years Prior to the Budget Year

18. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?

   a. All expenditures are classified by administrative unit for BY-1.
   b. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately.
   c. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately.
   d. No expenditures classified by administrative unit are presented for BY-1.
   e. Not applicable/other (please comment).

**Citation:**

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
19. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?

a. All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards.
b. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards.
c. Some, but not all, expenditures are classified by function for BY-1.
d. No expenditures classified by function are presented for BY-1.
e. Not applicable/other (please comment).

Citation:
This information is presented in the Report on the State Budget 2009 Draft Act, Appendix 2b, entitled “State Expenditures by Functions,” available at:
http://minfin.bg/document/5933:1

Comment:

Researcher Response to this Question was “b”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be “a.” All expenditures are classified by functional classification, and the categorization is very close to the international standards, though not fully compatible with it. The link to the Unified Budget Classification is: http://www.minfin.bg/bg/page/253

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “b.” The government also confirms that classification is not fully compatible with international standards. This is a matter of judgment.

IBP Comment: IBP editors chose answer “b” as originally suggested by the researcher.
20. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?

   a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.
   b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.
   c. Some, but not all, expenditures are classified by economic classification for BY-1.
   d. No expenditures classified by economic classification are presented for BY-1.
   e. Not applicable/other (please comment).

Citation:

Comment:

Researcher Response to this Question was “b”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be “a.” All expenditures are classified by economic classification, and the categorization is compatible with international standards. In the above-quoted document, the estimates are presented under aggregated indicators based on the classification by economic elements, compatible with international standards. The link to the Unified Budget Classification is: http://www.minfin.bg/bg/page/253.

Researcher Response: I suggest the answer should be changed as suggested by the Government to “a.”

IBP Comment: IBP editors chose answer “a” as suggested by the Government, to maintain consistency within the questionnaire (see question 3).
21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

a. Program-level expenditure data are presented for all expenditures for BY-1.
b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1.
c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1.
d. No program-level expenditure data are presented for BY-1.
e. Not applicable/other (please comment).

Comment:

Researcher Response to this Question was “a”

Peer Reviewer One Comment: A more appropriate response to this question would be “b.”

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s original answer “a,” which the IBP modified for consistency purposes.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “a.” I chose my answer because there is data at the program level.

IBP Comment: IBP editors chose answer “b” to maintain consistency within the questionnaire (see question 4).
22. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?

   a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.
   b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.
   c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.
   d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.
   e. Not applicable/other (please comment).

   Citation:
   Report on the State Budget 2009 Draft Act, p. 29:
   http://minfin.bg/document/5933:1

   Comment:
   [Peer Reviewer One Comment]
   [Peer Reviewer Two Comment]
   [Government Comment]: Government did not dispute researcher’s answer.

23. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?

   a. Yes, such prior-year estimates of aggregate expenditure are presented.
   b. No, such prior-year estimates of aggregate expenditure are not presented.
   c. Not applicable/other (please comment).

   Citation:
   Report on the State Budget 2009 Draft Act:
   http://minfin.bg/document/5933:1

   Comment:
   There has been a deterioration since the last report.

   [Peer Reviewer One Comment]
   [Peer Reviewer Two Comment]
   [Government Comment]: Government did not dispute researcher’s answer.
24. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?

a. Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).
b. Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.
c. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.
d. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all.
e. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act:
http://minfin.bg/document/5933:1

Comment:
There has been deterioration since the last report.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
25. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

a. Two years prior to the budget year (BY-2).
b. Three years prior to the budget year (BY-3).
c. Before BY-3.
d. No actual data for all expenditures are presented in the budget or supporting budget documentation.

e. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act:
http://minfin.bg/document/5933:1

Comment:
There has been a deterioration since the last report.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?

   a. Yes, prior-year data are always adjusted to be comparable to the budget year data.
   b. Yes, in most cases, prior-year data are adjusted to be comparable.
   c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist.
   d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented.
   e. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act:
http://minfin.bg/document/5933:1

Comment:
For example, in 2008, the State agency for national security was created, combining several existing structures (including some from the Ministry of the Interior). Nevertheless, the 2009 draft budget of the Ministry of the Interior did not adjust prior-year data in order to reflect the structural changes and make the data comparable.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
27. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?

   a. All tax revenues are identified individually for BY-1.
   b. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually.
   c. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually.
   d. No tax revenues are identified individually for BY-1.
   e. Not applicable/other (please comment).

Citation: 

Comment: 
In the Report on the State Budget 2009 Draft Act (Appendix 2a entitled “State Expenditures by Economic Elements”) all major tax revenues are identified. However, the data is too aggregated and less than two-thirds of taxes are identified individually by their source. There is no detailed data (except of the aggregate totals) on different excise taxes and social security taxes.

Researcher Response to this Question was “c”

Peer Reviewer One Comment:

Peer Reviewer Two Comment: A more appropriate response to this question would be “b.” The information is aggregated but for the purpose of this question the level of detail provides enough information to identify at least two-thirds of tax revenues for BY-1.

Government Comment: A more appropriate response to this question would be “b.” All sources of tax revenue are identified individually, in numbers as well as percentage of the GDP, by types of taxes, such as VAT, excises, social security contributions, corporate taxes, individual persons' tax, etc., in the Report on State Budget 2009 Draft Act.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “c.” I chose my answer because there is no detailed data on different excise duties and social security taxes, only aggregate totals.

IBP Comment: IBP editors chose answer “b” since the provided information is sufficient and consistent with question 7.
28. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?

   a. All non-tax revenues are identified individually for BY-1.
   b. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually.
   c. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually.
   d. No non-tax revenues are identified individually for BY-1.
   e. Not applicable/other (please comment).

Citation:
State Budget 2009 Draft Act, October 2008, page 4:
http://parliament.bg/?page=app&lng:bg&aid=4&action=show&lid=2298

Comment:
Major non-tax revenues are identified. However, the data are too aggregated and there is no data on different types of fees (they comprise one third of the non-tax revenues) or on different types of property income.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
29. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?

- a. All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections.
- b. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections.
- c. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections.
- d. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented.
- e. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act, page 29:
http://minfin.bg/document/5933:1

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.

30. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?

- a. Yes, such prior-year estimates of aggregate revenue are presented.
- b. No, such prior-year estimates of aggregate revenue are not presented.
- c. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act:
http://minfin.bg/document/5933:1

Comment:
There has been a deterioration since the last report.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
31. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?

   a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).
   b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.
   c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue.
   d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all.
   e. Not applicable/other (please comment).

   Citation:

   Comment:
   There has been a deterioration since the last report.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.

32. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

   a. Two years prior to the budget year (BY-2).
   b. Three years prior to the budget year (BY-3).
   c. Before BY-3.
   d. No actual data for all revenues are presented in the budget or supporting budget documentation.
   e. Not applicable/other (please comment).

   Citation:

   Comment:
   There has been deterioration since the last report.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
33. Does the executive’s budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?

   a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.
   b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.
   c. Yes, but only information on the level of debt is presented.
   d. No, information related to the government debt for BY-1 is not presented.
   e. Not applicable/other (please comment).

   Citation:
   Report on the State Budget 2009 Draft Act, pages 51-53:
   http://minfin.bg/document/5933:1

   Comment:

   **Researcher Response to this Question was “a”**

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s original answer "a," which the IBP modified for consistency purposes.

   **IBP Comment:** IBP editors chose answer “b” since the information provided is not detailed enough for an “a.”

34. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

   a. Two years prior to the budget year (BY-2).
   b. Three years prior to the budget year (BY-3).
   c. Before BY-3.
   d. No actual data for government debt are presented in the budget or supporting budget documentation.
   e. Not applicable/other (please comment).

   Citation:
   Report on the State Budget 2009 Draft Act, pages 51-53:
   http://minfin.bg/document/5933:1

   Comment:

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>Comprehensiveness</th>
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<tr>
<td>35. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</td>
</tr>
<tr>
<td>a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</td>
</tr>
<tr>
<td>b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded.</td>
</tr>
<tr>
<td>c. Yes, some information is presented, but it lacks important details.</td>
</tr>
<tr>
<td>d. No, information on extra-budgetary funds is not presented.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**


**Comment:**

Appendix 9 of the draft budget presents a list of the extrabudgetary funds. There is information about the expenditurers of the state extrabudgetary funds in the 2007 draft budget and in the 2009 budget report.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “c.” Listing them is not enough; there must be more information on these.

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “b.” I chose my answer because there is some information, but not enough details.

**IBP Comment:** IBP editors chose answer “b” as originally suggested by the researcher.
36. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?

a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.
b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.
c. Yes, some information is presented, but it lacks important details.
d. No, information on intergovernmental transfers is not presented.
e. Not applicable/other (please comment).

Citation:
2009 Draft budget law:
http://www.parliament.bg/pub/Budget2009/Proect%20zakon%20Budget%202009.pdf

Comment:
Data for all transfers is available in the draft budget law. The mechanism for defining transfers to the local authorities is part of the draft budget law, appendix 5.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment**: A more appropriate response to this question would be “c.”

**Peer Reviewer Two Comment**:

**Government Comment**: Government did not dispute researcher’s answer.

**Researcher Response**: I suggest the answer should remain as I indicated in the questionnaire: “b.” I chose my answer because there is data, but not enough details.

**IBP Comment**: IBP editors chose answer “b” as originally suggested by the researcher.
37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?

   a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on transfers to public corporations is not presented.
   e. Not applicable/other (please comment).

   **Citation:**
   Data on subsidies - Report on the State Budget 2009 Draft Act, pages 68-70:
   http://minfin.bg/document/5933:1

   **Comment:**
   There is information on the amount of subsidies to state railway companies and public city transport (on pages 68-70), but a very limited narrative discussion. There is data on the amount of capital transfers to railways and harbors (pages 72-73) with some long-term goals, but no details. There is data on the budgets of national TV and national radio (pages 69-72) with a limited discussion.

   **Researcher Response to this Question was “c”**

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** A more appropriate response to this question would be “b.” Information presenting key transfers to public corporations (excluding narrative discussion) could be found in the Council of Ministers' Decree on the implementation of the State Budget for the respective year (for example on pages 13, 15, 16, 198): http://www.minfin.bg/document/6253:1

   **Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “c.” The decree on the implementation of the State Budget is not part of the Executive budget proposal – it is approved after the budget is passed by the Parliament.

   **IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
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<tr>
<td>38. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</td>
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<td></td>
</tr>
<tr>
<td>a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.</td>
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<tr>
<td>b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.</td>
<td></td>
<td></td>
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<tr>
<td>c. Yes, some information is presented, but it lacks important details.</td>
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<tr>
<td>d. No, information on quasi-fiscal activities is not presented.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
<td></td>
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</tr>
</tbody>
</table>

**Citation:**

**Comment:**

No.

**Researcher Response to this Question was “d”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “c.” Some information could be found in the Council of Ministers’ Decree on the implementation of the State Budget for the respective year: [http://www.minfin.bg/document/6253:1](http://www.minfin.bg/document/6253:1)

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “d.” The decree on the implementation of the State Budget is not part of the Executive budget proposal – it is approved after the budget is passed by the Parliament.

**IBP Comment:** IBP editors chose answer “d” as originally suggested by the researcher.
39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?

   a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value.
   b. Yes, information is presented, highlighting key information, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on financial assets is not presented.
   e. Not applicable/other (please comment).

   **Citation:**
   Report on the State Budget 2009 Draft Act, page 35:
   http://minfin.bg/document/5933:1

   **Comment:**
   Only data on the aggregate level of the fiscal reserve of the government (financial assets held in the central bank and commercial banks) is presented. No other information is presented.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.

40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?

   a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value.
   b. Yes, information is presented, highlighting key information, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on non-financial assets is not presented.
   e. Not applicable/other (please comment).

   **Citation:**

   **Comment:**
   No.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
41. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?

   a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on expenditure arrears is not presented.
   e. Not applicable/other (please comment).

   **Citation:**
   This is not a significant problem in Bulgaria.

   **Comment:**

   **Researcher Response to this Question was “e”**

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** A more appropriate response to this question would be “b.” Information on Payment Arrears of Central and Local Government is published on a quarterly basis: [http://www.minfin.bg/document/7031:1](http://www.minfin.bg/document/7031:1)

   **Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “e.” Answer “e” is justified because when the 2009 budget was approved arrears were not significant problem in Bulgaria.

   **IBP Comment:** IBP editors chose answer “e” as originally suggested by the researcher.
42. Does the executive’s budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?

a. Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates.
b. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded.
c. Yes, some information is presented, but it lacks important details.
d. No, information on contingent liabilities is not presented.
e. Not applicable/other (please comment).

Citation:
2009 Draft budget law:
http://www.parliament.bg/pub/Budget2009/Proect%20zakon%20Budget%202009.pdf

Comment:
In the 2009 draft budget law there is a list of new loans that will receive a state guarantee (appendix 8). However, no other information on state guarantees is presented - for example, amount of existing guarantees, historical information and probabilities of defaults etc.

Researcher Response to this Question was “c”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be “a.” The Report on the Execution of the 2008 State Budget covers information about the amount of the debt and the currency structure of government guaranteed loans, page 160:
http://www.minfin.bg/document/7056:1
Monthly Bulletin on Public Debt covers extensive amount of detail on size, structure and service of government guaranteed debt:
http://www.minfin.bg/bg/page/71

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “c.” I chose my answer because in the executive’s budget there is not enough information and narrative discussion. Even in the Monthly Debt Bulletin - there are only a few short sentences.

IBP Comment: IBP editors chose answer “c” as originally suggested by the researcher.
43. Does the executive’s budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?

   a. Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting key future liabilities, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on future liabilities is not presented.
   e. Not applicable/other (please comment).

Citation:
Report on the State Budget 2009 Draft Act, page 49:
http://minfin.bg/document/5933:1

Comment:
There has been a clear improvement as government started producing assessment of the costs connected to aging and the sustainability of the budget position.

**Researcher Response to this Question was “a”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “b.” The improvement is not large enough to justify an “a.”

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s original answer “a,” which the IBP modified for consistency purposes.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire “a.”

**IBP Comment:** IBP editors chose answer “b” as suggested by Peer Reviewer One, to maintain consistency of the assumptions used in selecting answers across the countries.
44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?

   a. All sources of donor assistance are identified individually.
   b. At least two-thirds of, but not all, sources of donor assistance, are identified individually.
   c. Less than two-thirds of sources of donor assistance are identified individually.
   d. No sources of donor assistance are identified individually.
   e. Not applicable/other (please comment).

   **Citation:**
   Report on the State Budget 2009 Draft Act, pages 90-97:
   http://minfin.bg/document/5933:1

   **Comment:**
   The different EU funds are identified, with financial details and narrative discussion. This is a clear improvement.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.

45. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on tax expenditures?

   a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on tax expenditures is not presented.
   e. Not applicable/other (please comment).

   **Citation:**

   **Comment:**
   No.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?

a. All earmarked revenues are identified individually.
b. At least two-thirds of, but not all, earmarked revenues are identified individually.
c. Less than two-thirds of earmarked revenues are identified individually.
d. No earmarked revenues are identified individually.
e. Not applicable/other (please comment).

**Citation:**

**Comment:**
No earmarked revenues are identified individually. One needs prior knowledge to know that some revenues are earmarked.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:**Government did not dispute researcher’s answer.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>46. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. One percent or less of expenditure is dedicated to secret items.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Citation:**

**Comment:**
There is no mention of secret information in the budget documents.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:**Government did not dispute researcher’s answer.
**The Budget Narrative & Performance Monitoring**

48. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals, by administrative unit (or functional category), for the budget year?

   a. Yes, extensive information on the link between the budget and the government’s stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates.
   
   b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.
   
   c. Yes, some information is presented, but it lacks important details.
   
   d. No, information on the link between the budget and the government’s stated policy goals is not presented.
   
   e. Not applicable/other (please comment).

**Citation:**

**Comment:**
There is some information in the program budgets.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “b.” With Annex № 2 to the 2009 State Budget Act Parliament approves the expenditure of all line ministries and state agencies by policies on the basis of the government’s strategic policy objectives set within the programme budgets (pages 31-34) - [http://www.minfin.bg/document/6138:2](http://www.minfin.bg/document/6138:2)

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “c.”

**IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
49. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals for a multi-year period (for at least two years beyond the budget year)?

   a. Yes, extensive information on the link between the budget and the government’s stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, information is presented, highlighting the major policy goals, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented.
   e. Not applicable/other (please comment).

Citation:

Comment:
There is some information in the program budgets

Researcher Response to this Question was “c”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be “b.” Programme budgets approved by the Parliament are based on the Three-Year Budget Forecast of the ministries and state agencies. These documents reflect the implementation of stated government's policy goals in a multi-year horizon. See attached Three-Year Budget Forecast with the expenditure ceiling per First Level Spending Units (excluding municipalities) for the period 2009-2011: http://www.minfin.bg/document/6189:2

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “c.”

IBP Comment: IBP editors chose answer “c” as originally suggested by the researcher.
<table>
<thead>
<tr>
<th>50.</th>
<th>Does the executive’s budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</th>
</tr>
</thead>
</table>
|     | a. Non-financial data are presented for all programs.  
     | b. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.  
     | c. Non-financial data are presented for programs representing less than two-thirds of expenditure.  
     | d. No non-financial data are presented.  
     | e. Not applicable/other (please comment). |

**Citation:**
http://www.parliament.bg/pub/Budget2009/Prog-budgets-2009/

**Comment:**
There is such data in most of the program budgets.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
</table>
| 51. Are the non-financial data presented useful for assessing how an expenditure program is performing? | a. The non-financial data are very useful for assessing program performance.  
   b. The non-financial data are mostly useful for assessing program performance.  
   c. The non-financial data are somewhat useful for assessing program performance.  
   d. No non-financial data are provided or they are not useful for assessing program performance.  
   e. Not applicable/other (please comment). |

**Citation:**  
Program-oriented budgets of ministries for 2009, 30 October 2008:  
http://www.parliament.bg/pub/Budget2009/Prog-budgets-2009/  

**Comment:**  
There is not much experience with program budgets and the focus of the data is not clear in many cases.

**Reseacher Response to this Question was “c”**

**Peer Reviewer One Comment:** An appropriate response to this question could also be “d.”

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** There is some non-financial data and it is somewhat useful.

**IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?

   a. Performance indicators are presented for all programs.
   b. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures.
   c. Performance indicators are presented for programs representing less than two-thirds of expenditures.
   d. No performance indicators are presented.
   e. Not applicable/other (please comment).

Citation:

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.

53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?

   a. All performance indicators are well designed.
   b. Most performance indicators are well designed.
   c. Some performance indicators are well designed, but most are not.
   d. No programs have performance indicators, or they are not well designed.
   e. Not applicable/other (please comment).

Citation:

Comment:
There is not much practice and know-how.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>Question</th>
<th>Options</th>
</tr>
</thead>
</table>
| 54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation? | a. All performance indicators are used in conjunction with performance targets.  
b. Most performance indicators are used in conjunction with performance targets.  
c. Some performance indicators are used in conjunction with performance targets, but most are not.  
d. No performance indicators are used in conjunction with performance targets.  
e. Not applicable/other (please comment). |
| Citation: Program-oriented budgets of ministries for 2009, 30 October 2008: http://www.parliament.bg/pub/Budget2009/Prog-budgets-2009/ |
| Comment: Peer Reviewer One Comment:  
Peer Reviewer Two Comment:  
Government Comment: Government did not dispute researcher’s answer. |
| 55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations? | a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.  
b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.  
c. Yes, some information is presented, but it lacks important details.  
d. No, information on policies intended to alleviate poverty is not presented.  
e. Not applicable/other (please comment). |
| Citation: Program budget, Ministry of Labour and Social Policy: http://parliament.bg/pub/Budget2009/Prog-budgets-2009/MLSP/ |
| Comment: Peer Reviewer One Comment:  
Peer Reviewer Two Comment:  
Government Comment: Government did not dispute researcher’s answer. |
### Additional Key Information for Budget Analysis & Monitoring

Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive’s budget proposal or supporting documents, but may be found in other documents issued by the executive.

<table>
<thead>
<tr>
<th>56.</th>
<th>Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, some information is presented, but it lacks important details.</td>
</tr>
<tr>
<td>d.</td>
<td>No, information is not presented.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**

**Comment:**
Tax rates, fees and revenues are published in relevant laws and decisions in the State gazette. There are some non-transparent contracts, such as the contract with the Russian gas monopolist Gazprom.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “c.”

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “b.” Bulgaria is not heavily reliant on extractive industries and data is available for almost all rates, fees etc.

**IBP Comment:** IBP editors chose answer “b” to maintain the consistency of the assumptions used in selecting answers across the countries.
57. Does the executive make available to the public an analysis of the distribution of the tax burden?
   a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded.
   c. Yes, some analysis is presented, but it lacks important details.
   d. No analysis on the distribution of the tax burden is presented.
   e. Not applicable/other (please comment).

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.

58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?
   a. Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.
   b. Yes, information is presented, but some details are excluded.
   c. Yes, some information is presented, but it lacks important details.
   d. No, information on conditions associated with IFI assistance is not presented.
   e. Not applicable/other (please comment).

Citation:
EU funds website: http://www.eufunds.bg/

Comment:
Information on the EU programs is available at the websites of the relevant ministries. Information on World Bank projects is available on its website. Bulgaria repaid its debt to the IMF.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>59.</th>
<th>Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, information is presented, but some details are excluded.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, some information is presented, but it lacks important details.</td>
</tr>
<tr>
<td>d.</td>
<td>No, information on conditions associated with donor country assistance is not presented.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
EU funds website: http://www.eufunds.bg/

**Comment:**
Information on the EU programs is available at the websites of the relevant ministries.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

<table>
<thead>
<tr>
<th>60.</th>
<th>Does the executive make available to the public a summary that describes the budget and its proposals?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, it provides a summary that is very informative.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, it provides a summary that is somewhat informative.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, but the summary is not very informative.</td>
</tr>
<tr>
<td>d.</td>
<td>No, it does not provide a summary.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
More Funding for Infrastructure, Social Spending, Education and Health in Budget 2009, 30 October 2008: http://old.government.bg/cgi-bin/e-cms/vis/vis.pl?s=001&p=0011&n=1218&g=

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
61. Does the executive publish a “citizens budget” or some non-technical presentation intended for a wide audience that describes the budget and its proposals?

   a. Yes, it publishes a citizens budget that is very informative.
   b. Yes, it publishes a citizens budget that is somewhat informative.
   c. Yes, but the citizens budget is not very informative.
   d. No, it does not publish a citizens budget.
   e. Not applicable/other (please comment).

   Citation:

   Comment:

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.

62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?

   a. Yes, thorough definitions of budget terms are provided.
   b. Yes, definitions are provided, but some details are excluded.
   c. Yes, some definitions are provided, but it lacks important details.
   d. No, definitions are not provided.
   e. Not applicable/other (please comment).

   Citation:

   Comment:

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
63. Do citizens have the right *in law* to access government information, including budget information?

- Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information.
- Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information.
- Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information.
- No, the right to access government information has not been codified into law, or this right does not include access to budget information.
- Not applicable/other (please comment).

**Citation:**

**Comment:**

*Researcher Response to this Question was “a”*

*Peer Reviewer One Comment*: A more appropriate response to this question would be “b.” The information is there but there are some other restrictions like the use of an electronic signature that is required by some of the government institutions.

*Peer Reviewer Two Comment:*

*Government Comment*: Government did not dispute researcher’s answer.

*Researcher Response*: I suggest the answer should remain as I indicated in the questionnaire: “a.” The citizens can use an e-signature or send regular mail (or go to the Ministry by foot) and use paper signature. Both e-sign and regular mail are not so expensive.

*IBP Comment*: IBP editors chose answer “a” as originally suggested by the researcher.
64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?

- a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.
- b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
- c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.
- d. In practice, no highly disaggregated expenditure information is available.
- e. Not applicable/other (please comment).

Citation:

Comment:
There were several data requests for budget data by an NGO (IME-Sofia), and the ministries presented the data. The Ministry of finance even got the “Right to know award” for its good practice on access to information.

**Researcher Response to this Question was “a”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “b.” See comment to question 63.

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “a.” I chose my answer because access to information is improving.

**IBP Comment:** IBP editors chose answer “a” as originally suggested by the researcher.
Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it from a ministry or agency?

a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.
b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.
d. In practice, no highly disaggregated non-financial expenditure information is available.
e. Not applicable/other (please comment).

Citation:

Comment:
There were several data requests for budget data by an NGO (IME-Sofia) and the ministries presented the data.

**Researcher Response to this Question was “a”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “b.”

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “a.” The practice is improving in most ministries.

**IBP Comment:** IBP editors chose answer “a” as originally suggested by the researcher.
Section Three: The Budget Process
## The Budget Process

### Executive’s Formulation of the Budget

<table>
<thead>
<tr>
<th>66. How far in advance of the release of the budget is the day of its release known?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. The release date is set in permanent law.</td>
</tr>
<tr>
<td>b. The executive announces the release date at least two months in advance.</td>
</tr>
<tr>
<td>c. The executive announces the release date less than two months but more than two weeks in advance.</td>
</tr>
<tr>
<td>d. The executive announces the release date two weeks or less before the release, or makes no announcement.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
The deadline is 31 October, it is set in the State Budget Compilation Act (1996), article 20:
http://www.minfin.bg/document/3542

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
67. Does the executive release to the public its timetable for preparation of the executive’s budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or whatever central government agency is in charge of coordinating the budget’s formulation)?

| a. Yes, a detailed timetable is released to the public. |
| b. Yes, a timetable is released, but some details are excluded. |
| c. Yes, a timetable is released, but it lacks important details. |
| d. No, a timetable is not issued to the public. |
| e. Not applicable/other (please comment). |

**Citation:**
Decision of the Council of Ministers, published in the State Gazette, e.g. for Budget Year 2009:
http://minfin.bg/document/4879:1

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

68. Does the executive adhere to its timetable for the preparation and release of the budget?

| a. The executive adheres to the dates in its timetable. |
| b. The executive adheres to most of the key dates in its timetable. |
| c. The executive has difficulty adhering to most of the dates in its timetable. |
| d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. |
| e. Not applicable/other (please comment). |

**Citation:**

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

- a. Yes, the executive holds extensive consultations with a wide range of legislators.
- b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded.
- c. Yes, the executive holds very limited consultations, involving only a few members of the legislature.
- d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process.
- e. Not applicable/other (please comment).

Citation:
Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party).

Comment:

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
70. Does the executive hold consultations with the public as part of its process of determining budget priorities?

a. Yes, the executive holds extensive consultations with a wide range of constituencies.
b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.
c. Yes, the executive holds very limited consultations, involving only a few constituencies.
d. No, the executive does not typically consult with the public as part of the budget preparation process.
e. Not applicable/other (please comment).

**Citation:**

**Comment:**
Some good practices were introduced since 2007 - e.g. the Minister of Finance launched regular (once 2-3 months) consultations with selected economists from NGOs on macroeconomic / fiscal issues; however, after a school-teachers's strike the tri-partite council (labor unions, employers' organizations and government), the dialogue somehow worsened. On the NGO side, the MoF met about 12-14 economists from think-tanks, mostly public policy institutes. The MoF also consults with 2 trade unions and 4 major employers' associations.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “b.” Under the Budget Procedure for the respective year annually approved by the Council of Ministers, there are provisions determining holding consultations/dialogues with the National Tripartite Council (government - trade unions - businesses), the National Association of Municipalities in the Republic of Bulgaria, etc.: [http://www.minfin.bg/document/4879:1](http://www.minfin.bg/document/4879:1)

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “c.” We agree on the facts - as provided in our original answer. However, our interpretation is different - we consider holding discussions with 2 labor unions and 4 employers' associations a limited consultation procedure.

**IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
71. When does the executive release a pre-budget statement to the public?

a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year.
b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year.
c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year.
d. The executive does not release a pre-budget statement.
e. Not applicable/other (please comment).

Citation:

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:


Researcher Response: Yes, this is correct- but this document was used in the 2010 Budget procedure, whereas we filled the questionnaire based on the 2009 Budget procedure documents.
72. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?

a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
e. Not applicable/other (please comment).

**Citation:**

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

---

73. Does the pre-budget statement describe the government’s policies and priorities that will guide the development of detailed estimates for the upcoming budget?

a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
e. Not applicable/other (please comment).

**Citation:**

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
### Legislative Approval of the Budget

<table>
<thead>
<tr>
<th>74. How far in advance of the start of the budget year does the legislature receive the budget?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. The legislature receives the budget at least three months before the start of the budget year.</td>
</tr>
<tr>
<td>b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year.</td>
</tr>
<tr>
<td>c. The legislature receives the budget less than six weeks before the start of the budget year.</td>
</tr>
<tr>
<td>d. The legislature does not receive the budget before the start of the budget year.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
The deadline is 31 October and it is set in the State Budget Compilation Act (1996), article 20:
http://www.minfin.bg/document/3542

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?

a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies.
b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.
c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.
d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.
e. Not applicable/other (please comment).

Citation:

Comment:
The constituencies that testify are typically a limited number of think tanks, major trade unions and major business associations. Media representatives are present, but cannot ask questions or comment during the hearings.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “c.” The constituencies are usually close to the ruling party formations.

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “b.” It is quite strong to say that all constituencies that spoke before the budget committee of the Parliament are close to the ruling party - some NGO’s for instance have been present in such hearings in different parliament mandates. However, of course, hearings are not typically very detailed and few organizations participate.

**IBP Comment:** IBP editors chose answer “b” as originally suggested by the researcher.
76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, a limited number of hearings are held in which testimony from the executive branch is heard.</td>
</tr>
<tr>
<td>d.</td>
<td>No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
See for example: [http://www.parliament.bg/?page=ns&lng=bg&nsid=5&action=show&Ttype=cmStan&STypet=show&gid=173&id=1172](http://www.parliament.bg/?page=ns&lng=bg&nsid=5&action=show&Ttype=cmStan&STypet=show&gid=173&id=1172)

**Comment:**
The practice is rather formal, no in-depth arguments or analysis are presented.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “b.” Public hearings are held by all permanent legislative committees, concerning the respective First Level Spending Unit’s Budget: [http://www.parliament.bg/?page=app&lng/bg&aid=6](http://www.parliament.bg/?page=app&lng/bg&aid=6).

**Researcher Response:** I suggest the answer should be changed as suggested by the Government to “b.” The citation links to the internal rules of the present parliament. This is a matter of interpretation of the term “limited” - our view is that hearings are held but that they lack depth and specialized discussion. However, that is probably too much to ask - so we concede to the proposal of the reviewer

**IBP Comment:** IBP editors chose answer “b” as suggested by the Government to maintain the consistency of the assumptions used in selecting answers across the countries.
77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?

a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.
b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.
c. Yes, a limited number of hearings are held in which testimony from the public is heard.
d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.
e. Not applicable/other (please comment).

Citation:
See for example: http://www.parliament.bg/?page=ns&lng=bg&nsid=5&action=show&Typ e=cmStan&SType=show&gid=173&id=1172

Comment:
Few organizations are invited.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
78. Do the legislative committees that hold public hearings release reports to the public on these hearings?

   a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings.
   b. Yes, the committees release reports, but some details are excluded.
   c. Yes, the committees release reports, but they are not very informative.
   d. No, the committees do not release reports or do not hold public hearings.
   e. Not applicable/other (please comment).

Citation:
See for example:
http://www.parliament.bg/?page=ns&lng=bg&nsid=5&action=show&Typ
e=cmStan&SType=show&gid=173&id=1172

Comment:
The parliament publishes the report of the committee to the general assembly, the report is typically 2-3 pages long and quite formal.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?

a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures.

b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items.

c. Not applicable/other (please comment).

Citation:
Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party).

Comment:
The program-format budgeting was a great improvement; however some important data, for example on military equipment purchases, is not presented. Most indicators are presented in aggregates, so analysis of efficiency is difficult.

**Researcher Response to this Question was “b”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “a.” Members of Parliament have the exclusive right to request all types of classified information that could be discussed in closed hearings (article 28).

http://www.parliament.bg/?page=app&lng=bg&aid=6

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “b.” A MP can request information from the executive, but the executive does not actively provide information. It is a matter of who should initiate the process. Moreover, the MP sometimes does not know what to ask if the executive is providing only aggregate numbers.

**IBP Comment:** IBP editors chose answer “b” as originally suggested by the researcher.
80. Does the legislature have authority *in law* to amend the budget presented by the executive?

a. Yes, the legislature has unlimited authority *in law* to amend the budget.
b. Yes, the legislature has authority *in law* to amend the budget, with some limitations.
c. Yes, the legislature has authority *in law* to amend the budget, but its authority is very limited.
d. No, the legislature does not have any authority *in law* to amend the budget.
e. Not applicable/other (please comment).

Citation:

Comment:
The State Budget Compilation Act (1996), article 21 (2) states that the budget and finance committee should scrutinize all proposals by MPs to make sure the budget balance as proposed by the executive is not changed. Otherwise the Constitution provides for unrestricted legislative initiative of the Parliament.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment**: Government did not dispute researcher’s answer.
81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?

   a. The approved budget includes program-level detail.
   b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).
   c. The approved budget includes only departmental totals.
   d. The approved budget includes less information than departmental totals or the approved budget is not released to the public.
   e. Not applicable/other (please comment).

**Citation:**
See reports to annex 2 of the Report on the State Budget 2009 Draft Act, 30 October 2008:
http://minfin.bg/document/4423:1

**Comment:**
Starting from 2007, all departments and ministries present their expenditure budget in program format. However, the Parliament only approves department totals, while adjustments in programs are made by the separate ministries afterwards to meet the expenditure ceilings set by the legislature.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
### Executive’s Implementation of the Budget

82. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>a.</td>
<td>In-year reports on actual expenditure are released at least every month.</td>
</tr>
<tr>
<td>b.</td>
<td>In-year reports on actual expenditure are released at least every quarter.</td>
</tr>
<tr>
<td>c.</td>
<td>In-year reports on actual expenditure are released at least semi-annually.</td>
</tr>
<tr>
<td>d.</td>
<td>In-year reports on actual expenditure are not released.</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
The MoF provides data on both the central and the consolidated budget on a monthly basis, together with a monthly bulletin (since January 2006):
http://minfin.bg/bg/page/389  
http://minfin.bg/document/7037:1

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** With regard to the In-Year Reports – in addition to the cited documents we suggest the inclusion of:

1. Quarterly financial reports issued by the ministries and agencies making program budgets (for example, Ministry of Labor and Social Policy):
   http://www.mlsp.government.bg/bg/docs/1500_Report-trim-0609.zip
2. Mid-Year Reports on the level of implementation of policies and programs (for the ministries and agencies making program budgets, for example with the Ministry of Economy and Energy):
   http://www.mee.government.bg/doc_vop/Otchet%20Prog_%20budget_09.doc

**Researcher Response:** These examples represent good practice in some ministries rather than a formal requirement. Most ministries do not publish such reports, which is why we disregarded the existence of such documents in filling out the questionnaire.
83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?

- a. Yes, in-year reports cover all expenditures.
- b. Yes, in-year reports cover at least two-thirds, but not all, of expenditures.
- c. Yes, in-year reports cover less than two-thirds of expenditures.
- d. No in-year reports are released to the public.
- e. Not applicable/other (please comment).

**Citation:**

**Comment:**
Data is reported on a cash basis, see links in question 82. Expenditures are classified according to economic classification - wages, social security payments, current maintenance, capital expenditures, interest payments, etc.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** See: Monthly bulletin of the execution of the budget: [http://minfin.bg/bg/page/346](http://minfin.bg/bg/page/346)
Monthly and quarterly data on the execution of the Central government is disseminated also in the GFSM 2001 format. The link is: [http://www.minfin.bg/document/6341:12](http://www.minfin.bg/document/6341:12)
84. What is the most detail provided in the in-year reports on actual expenditures organized by administrative unit?

a. The in-year reports on actual expenditures organized by administrative unit contain program-level detail.
b. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs).
c. The in-year reports on actual expenditures organized by administrative unit contain only departmental totals.
d. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals.
e. Not applicable/other (please comment).

Citation:
See: Monthly bulletin of the execution of the budget: http://minfin.bg/bg/page/346

Comment:
No in-year reports organized by administrative unit are produced.

Researcher Response to this Question was “d”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: In-year reports are produced only for internal analytical purpose.

Researcher Response: Some ministries chose to publish quarterly or semi-annual reports, but this practice is not formalized and is rather rare at the moment.

IBP Comment: IBP editors chose answer “d” as originally suggested by the researcher.
85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

   a. Yes, comparisons are made for all expenditures.
   b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures.
   c. Yes, but comparisons are made for less than two-thirds of expenditures.
   d. No, comparisons are not made, or no in-year reports are released to the public.
   e. Not applicable/other (please comment).

Citation:
See the monthly bulletin, for example:
http://minfin.bg/document/7041:2

Comment:

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?

   a. In-year reports on actual revenue collections by source of revenue are released at least every month.
   b. In-year reports on actual revenue collections are released at least every quarter.
   c. In-year reports on actual revenue collections are released at least semi-annually.
   d. In-year reports on actual revenue collections by source of revenue are not released.
   e. Not applicable/other (please comment).

Citation:
See for example:

Comment:

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>Question</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>87.</td>
<td>What share of revenue is covered by the in-year reports on actual revenue collections?</td>
</tr>
<tr>
<td></td>
<td>a. In-year reports cover the actual revenue collections of all sources of revenue.</td>
</tr>
<tr>
<td></td>
<td>b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue.</td>
</tr>
<tr>
<td></td>
<td>c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources.</td>
</tr>
<tr>
<td></td>
<td>d. In-year reports on actual revenue collections are not released to the public.</td>
</tr>
<tr>
<td></td>
<td>e. Not applicable/other (please comment).</td>
</tr>
<tr>
<td>Citation</td>
<td>See Monthly bulletin of the execution of the budget: <a href="http://minfin.bg/bg/page/346">http://minfin.bg/bg/page/346</a></td>
</tr>
<tr>
<td>Comment</td>
<td>See question 83.</td>
</tr>
<tr>
<td>Peer Reviewer One Comment</td>
<td></td>
</tr>
<tr>
<td>Peer Reviewer Two Comment</td>
<td></td>
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<tr>
<td>Government Comment</td>
<td>Government did not dispute researcher’s answer.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>88.</td>
<td>Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</td>
</tr>
<tr>
<td></td>
<td>a. Yes, comparisons are made for all revenue sources.</td>
</tr>
<tr>
<td></td>
<td>b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.</td>
</tr>
<tr>
<td></td>
<td>c. Yes, but comparisons are made for less than two-thirds of revenue sources.</td>
</tr>
<tr>
<td></td>
<td>d. No, comparisons are not made, or no in-year reports are released to the public.</td>
</tr>
<tr>
<td></td>
<td>e. Not applicable/other (please comment).</td>
</tr>
<tr>
<td>Citation</td>
<td>See Monthly bulletin of the execution of the budget: <a href="http://minfin.bg/bg/page/346">http://minfin.bg/bg/page/346</a></td>
</tr>
<tr>
<td>Comment</td>
<td>See q 85</td>
</tr>
<tr>
<td>Peer Reviewer One Comment</td>
<td></td>
</tr>
<tr>
<td>Peer Reviewer Two Comment</td>
<td></td>
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<tr>
<td>Government Comment</td>
<td>Government did not dispute researcher’s answer.</td>
</tr>
<tr>
<td>Question</td>
<td>Answer</td>
</tr>
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<td>----------</td>
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</tbody>
</table>
| 89. Does the executive release to the public in-year reports on actual borrowing? | a. Yes, in-year reports on actual borrowing are released at least every month.  
b. Yes, in-year reports on actual borrowing are released at least every quarter.  
c. Yes, in-year reports on actual borrowing are released at least semi-annually.  
d. No, in-year reports on actual borrowing are not released.  
e. Not applicable/other (please comment). |
| Citation: | See Monthly public debt bulletin at:  
http://minfin.bg/bg/page/71 |
| Comment: | Peer Reviewer One Comment:  
Peer Reviewer Two Comment:  
Government Comment: Government did not dispute researcher’s answer. |
| 90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year? | a. Yes, extensive information related to the composition of government debt is presented.  
b. Yes, key additional information is presented, but some details are excluded.  
c. Yes, some additional information is presented, but it lacks important details.  
d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released.  
e. Not applicable/other (please comment). |
| Citation: | See Monthly Bulletin on Public Debt:  
http://minfin.bg/bg/page/5 |
| Comment: | The monthly report covers extensive amounts of detail on size, structure, maturity, and service of debt.  
Peer Reviewer One Comment:  
Peer Reviewer Two Comment:  
Government Comment: Government did not dispute researcher’s answer. |
91. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?

   a. Reports are released 1 month or less after the end of the period.
   b. Reports are released 2 months or less (but more than 1 month) after the end of the period.
   c. Reports are released more than 2 months after the end of the period.
   d. In-year reports are not released.
   e. Not applicable/other (please comment).

**Citation:**

**Comment:**
The annual calendar for statistical release shows that data is published on the last day of the month following the reporting period.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?

a. Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget.
b. Yes, the mid-year review includes a discussion of the economy, but it lacks some details.
c. Yes, the mid-year review includes a discussion of the economy, but it lacks important details.
d. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget.
e. Not applicable/other (please comment).

Citation:

Comment:
The executive does not release the mid-year review to the public. However, starting from 2007, the government will present the mid-year report to the legislature. Excerpts of the data in the review were provided on the government's webpage at:
http://www.government.bg/cgi-bin/e-cms/vis/vis.pl?s=001&p=0228&n=96&g=

Researcher Response to this Question was “d”

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: In compliance with the Annual Budget Act the mid-year review is submitted by the government to the Parliament for discussion. Until 2009 the review has not been disseminated to the public in full.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire: “d.” As the government admits and as mentioned by us, the report in full is not disseminated, just a summary.

IBP Comment: IBP editors chose answer “d” as originally suggested by the researcher.
93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?

   a. Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.
   b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided.
   c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided.
   d. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget.
   e. Not applicable/other (please comment).

   Citation:
   Comment:
   See question 92.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** See the additional comments to question 92.

94. What is the most detail provided in the mid-year review for expenditures?

   a. The mid-year review includes program-level detail for expenditures.
   b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs).
   c. The mid-year review includes only departmental totals (or functional totals).
   d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget.
   e. Not applicable/other (please comment).

   Citation:
   Comment:
   See question 92, the mid-year review is not publicly available.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
95. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?

   a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.
   b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided.
   c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided.
   d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget.
   e. Not applicable/other (please comment).

   Citation:

   Comment:
   See question 92.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th></th>
<th>96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain minimal level specified in law or regulation)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, the executive seeks approval from the legislature before shifting funds between administrative units.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.</td>
</tr>
<tr>
<td>d.</td>
<td>No, the executive shifts funds between administrative units without seeking input from the legislature, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below).</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**

**Comment:**

There are however legal limitations on the discretionary power to spend. The Minister of Finance has authority to increase expenditure above the aggregate amount approved by the National Assembly only up to 1.5% of the total revenue for the year, and only when revenues exceed the plan. According to article 35 of the State Budget Compilation Act (1996) (http://www.minfin.bg/document/3542), the Minister of Finance can shift funds between units only if the overall balance is unchanged (i.e. compensatory shifts) and only to follow the provisions of a normative act (law or decree of the Council of Ministers). The MoF also has to approve any internal shifts of funds within the budgets of separate units, even if they do not alter the approved budget of the respective unit.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

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<tbody>
<tr>
<td>a.</td>
<td>There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.</td>
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<tr>
<td>b.</td>
<td>The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.</td>
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<tr>
<td>c.</td>
<td>The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.</td>
<td></td>
<td></td>
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<tr>
<td>d.</td>
<td>No, the procurement process was not open and competitive in practice.</td>
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<td></td>
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<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
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</table>

**Citation:**

**Comment:**
There were several cases of conflict of interest. One example is the company of the brother of the Road Fund director who got approximately EUR 60 million of road construction contracts. The conflict was made public in 2008, and highway construction practically stalled in 2008 due to criticism from the European Commission; see for example EC Report on Bulgaria’s EU-Funds Management – July 2008, 23 July 2008: http://www.europe.bg/htmls/page.php?id=15949&category=230&translation=en

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
98. When does the legislature typically approve supplemental budgets?

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<tbody>
<tr>
<td>a.</td>
<td>Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).</td>
</tr>
<tr>
<td>b.</td>
<td>Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).</td>
</tr>
<tr>
<td>c.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
Press release on the Parliament decision to approve additional BGN 1206 million in expenditures for 2008:
http://www.parliament.bg/?page=newsa&lng=bg&SType=show&id=1604

**Comment:**
In 2008, the government asked for approval to spend additional BGN 1.2 billion (EUR 620 million) out of the accumulated surplus for the year. Otherwise, the executive used its power to provide additional funds within the limits of Art. 35 of the State Budget Compilation Act of 1996 (http://www.minfin.bg/document/3542), that is up to 1.5% of the earmarked annual revenue.

**Researcher Response to this Question was “a”**

**Peer Reviewer One Comment:** A more appropriate response to this question would be “b.”

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “a.” We already provided justification.

**IBP Comment:** IBP editors chose answer “a” as originally suggested by the researcher.
99. In most years, how large are supplemental budget requests relative to the size of the original budget?

   a. Supplemental budgets are generally equal to 2 percent or less of the original budget.
   b. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.
   c. Supplemental budgets are generally equal to more than 5 percent, but less than 10 percent, of the original budget.
   d. Supplemental budgets are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.
   e. Not applicable/other (please comment).

Citation:
Press release on the Parliament decision to approve additional BGN 1206 million in expenditures for 2008:
http://www.parliament.bg/?page=newsa&lng=bg&SType=show&id=1604

Comment:
See amount mentioned in question 98.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher’s answer.
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<tr>
<td><strong>100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget.</td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td>Expenditures are approved after the funds are expended, but before the end of the fiscal year.</td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td>Expenditures are approved after the end of the fiscal year, for example in the next budget.</td>
<td></td>
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<tr>
<td>d.</td>
<td>Such expenditure takes place without legislative approval.</td>
<td></td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
<td></td>
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</tbody>
</table>

**Citation:**

**Comment:**
Each year the parliament approves the ceiling for contingency funds; during the year the executive can use funds up to the ceiling without legislative sanction. For 2009, the ceiling was BGN 490 million (EUR250 million).

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget’s actual outcome for the year?

a. The report is released six months or less after the end of the fiscal year.
b. The report is released 12 months or less (but more than six months) after the end of the fiscal year.
c. The report is released more than 12 months after the end of the fiscal year.
d. The executive does not release a year-end report.
e. Not applicable/other (please comment).

**Citation:**

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** With regard to the Year-End Report – in addition to the cited document we suggest the inclusion of the reports on the level of implementation of policies and programs for 2008 (for the ministries and agencies making program budgets, for example with the Ministry of Environment and Water):

**Researcher Response:** These examples are good practice in some ministries rather than a formal requirement. Most ministries do not publish such reports. That is why we disregarded the existence of such documents in filling out the questionnaire.
102. In the year-end report have the data on the actual outcomes been audited?

   a. Yes, all data on actual outcomes have been audited.
   b. At least two-thirds, but not all, of the data on actual outcomes have been audited.
   c. Less than two-thirds of the data on actual outcomes have been audited.
   d. None of the data on actual outcomes has been audited, or a year-end report is not released.
   e. Not applicable/other (please comment).

Citation:
See the Report on the Execution of the State Budget in 2008, September 7, 2009
http://minfin.bg/document/7056:1

Comment:
The data present by the executive are audited, however, the findings of the SAI are not included in the annual report; the SAI issues its own report typically in October or November (i.e. 4-5 months after the year-end report of the executive is released).

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

   a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or such a report is not released.
   e. Not applicable/other (please comment).

   **Citation:**
   http://minfin.bg/document/7056:1

   **Comment:**
   The report does not provide any discussion at the program-level; no indicators for efficiency are used.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
104. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report?

a. The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.
b. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases).
c. The explanation focuses on a higher level of aggregation than departmental totals (or functional totals).
d. No explanation of the differences is provided, or such a report is not released.
e. Not applicable/other (please comment).

Citation:
See the Report on the Execution of the State Budget in 2008, September 7, 2009, pages 52-117:
http://minfin.bg/document/7056:1

Comment:
See question 103.

Peer Reviewer One Comment: ____________________________

Peer Reviewer Two Comment: ____________________________

Government Comment: Government did not dispute researcher’s answer.

105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or such a report is not released.
e. Not applicable/other (please comment).

Citation:
See section 2, pages 33-51 of the Report on the execution of the state budget for 2008:
http://minfin.bg/document/7056:1

Comment:

Peer Reviewer One Comment: ____________________________

Peer Reviewer Two Comment: ____________________________

Government Comment: Government did not dispute researcher’s answer.
106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

   a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or such a report is not released.
   e. Not applicable/other (please comment).

   Citation:
   See section 1, pages 6-16 of the Report on the execution of the state budget for 2008:
   http://minfin.bg/document/7056:1

   Comment:

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.

107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?

   a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
   b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
   c. Yes, some explanation is presented, but it lacks important details.
   d. No, an explanation is not presented, or such a report is not released.
   e. Not applicable/other (please comment).

   Citation:
   See the Report on the Execution of the State Budget in 2008, September 7, 2009:
   http://minfin.bg/document/7056:1

   Comment:
   The MoF did not publish annexes with a brief report on program-level budgets of ministries and agencies for 2007 and 2008 annual reports, as it did for the 2006 report. Some information can be found in the year-end report.

   **Peer Reviewer One Comment:**

   **Peer Reviewer Two Comment:**

   **Government Comment:** Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</td>
</tr>
<tr>
<td>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</td>
</tr>
<tr>
<td>c. Yes, some explanation is presented, but it lacks important details.</td>
</tr>
<tr>
<td>d. No, an explanation is not presented, or such a report is not released.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
See the Report on the Execution of the State Budget in 2008, September 7, 2009:
http://minfin.bg/document/7056:1

**Comment:**
See question 107.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country’s most impoverished populations and the actual outcome?

a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
c. Yes, some explanation is presented, but it lacks important details.
d. No, an explanation is not presented, or such a report is not released.
e. Not applicable/other (please comment).

**Citation:**
See the report on the Execution of the State Budget in 2008, September 7, 2009, pages 94-98 and 129-132: 
http://minfin.bg/document/7056:1

**Comment:**
The report discusses the spending on most important social programs. However, it lacks a discussion of the impact on target groups. There is no definition of the various target groups (e.g. number of people with a specific problem, their average income, etc.), and there is no assessment of the impact of social programs (for example percent increase in the disposable income for the poor, or other indicators to measure the programs’ success).

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
<table>
<thead>
<tr>
<th>110. Does the year-end report present the actual outcome for extra-budgetary funds?</th>
</tr>
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<tbody>
<tr>
<td>a. Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</td>
</tr>
<tr>
<td>b. Yes, information is presented, highlighting key issues, but some details are excluded.</td>
</tr>
<tr>
<td>c. Yes, some information is presented, but it lacks important details.</td>
</tr>
<tr>
<td>d. No, information is not presented on extra-budgetary funds, or such a report is not released.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
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</tbody>
</table>

**Citation:**

**Comment:**
The report on a major extra-budgetary fund (Agriculture Fund) is quite brief, providing only the breakdown by expenditure, providing no discussion on separate programs, or the impact the subsidies had on farmers etc.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?

- a. Final audited accounts are released to the public six months or less after the end of the fiscal year.
- b. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year.
- c. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year.
- d. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public.
- e. Not applicable/other (please comment).

Citation:
Article 50 paragraph 3 of the Supreme Audit Institution Act:

Comment:
Reports on audits are usually produced within 12 months of the end of the fiscal year, but not all of them are released to the public. The Supreme Audit Institution has discretion to publish the reports. It presents a report based on the audit results (but not separate audits of government departments/administrative units) to the parliament, which is publicly available.

**Researcher Response to this Question was “d”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “b.” All Final annual expenditures of national departments are audited by the SAI by the end of July of the next year and are published on the website of the SAI at www.bulnao.government.bg. The audit on the Report on the execution of the national budget is made and released to the public within 12 months after the end of the fiscal year, according to Art. 48, Para 2 of the Supreme Audit Institution Act.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “d.” Not all reports are made public. On the BULNAO website for example you cannot find the audit reports on the 2008 budget for the Ministry of Defense, Ministry of Justice, Ministry of Interior - the list can be extended.

**IBP Comment:** IBP editors chose answer “d” as originally suggested by the researcher.
112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?

a. All expenditures have been audited and the reports released to the public.

b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited.

c. Expenditure representing less than two-thirds of expenditure have been audited.

d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year.

e. Not applicable/other (please comment).

Citation:

Comment:
See question 111. All expenditures are audited within this time frame; however, not all reports are made available to the public.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “a.” See the comment for question 111.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “c.” Same comment as for question 111.

**IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
113. Does the annual audit report(s) that is released to the public include an executive summary?

a. The annual audit report(s) includes one or more executive summaries summarizing the report’s content.
b. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or were released more than 24 months after the end of the fiscal year.
c. Not applicable/other (please comment).

Citation:
See Audit Report on the 2007 Budget:
http://www.bulnao.government.bg/files/_bg/NS-DOKL-db-07-1-NR-odob.doc

Comment:
There is no executive summary; the report on the 2008 budget is due in October 2009.

**Researcher Response to this Question was "b"**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be "a." According to Art. 41, Para 1 of the Supreme Audit Institution Act the SAI prepares and publishes report on the results of the annual audit report, which in itself is an executive summary of the audit.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: "b." No publication of a summary (or press release) is available on the BULNAO website.

**IBP Comment:** IBP editors chose answer "b" as originally suggested by the researcher.
114. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.

b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.

c. Not applicable/other (please comment).

**Citation:**
As per article 11 of the Supreme Audit Institution Act:

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?

a. Yes, the SAI releases to the public audits of all extra-budgetary funds.
b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.
c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.
d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year.
e. Not applicable/other (please comment).

**Citation:**

**Comment:**
The SAI publishes some of the audit reports on departmental expenditures, including extra-budgetary funds, but not all of them.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “a.” According to Art. 50, Para 2 of the Supreme Audit Institution Act, the SAI releases to the public the results of all audits, except those which are secret, protected by the law, including extra-budgetary funds. According to Art. 50, Para 3, Internal rules on the announcement of the information of the SAI activities has been adopted and published on the website.

**Researcher Response:** I suggest the answer should remain as I indicated in the questionnaire: “c.” No audit report for 2008 is available on the BULNAO website for the National Fund for Privatization Expenditures or for the National Fund at the Ministry of Finance.

**IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

a. The SAI has full discretion to decide which audits it wishes to undertake.
b. The SAI has significant discretion, but faces some limitations.
c. The SAI has some discretion, but faces considerable limitations.
d. The SAI has no discretion to decide which audits it wishes to undertake.
e. Not applicable/other (please comment).

Citation:
See article 9 of the Supreme Audit Institution Act:

Comment:
The SAI may audit any part of the executive, social and health security funds (the state-managed ones), budgets of municipalities, budgets of public universities, national TV and radio, the Bulgarian National Bank or any other budget, approved by the Parliament. Audits however should be included in an annual program of audits beforehand. Other audits can be performed only by decision of the parliament.

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** A more appropriate response to this question would be “b.” The SAI has enough power to initiate audits with some exceptions. There are some restrictions in the law, including the provision that the audits should be included in the annual program of the institution, but it would be too strong to call these limitations “considerable.”

**Government Comment:** A more appropriate response to this question would be “a.” According to Art. 37, Para 1 of the Supreme Audit Institution Act, the SAI has full discretion to decide which audits to include in the Annual audit program.

**Researcher Response:** I suggest the answer should be changed as suggested by Peer Reviewer Two to “b.” It is a matter of interpretation; probably the limitations should be taken as “considerable.”

**IBP Comment:** IBP editors chose answer “b” as suggested by the Peer Reviewer Two.
117. Who determines the budget of the Supreme Audit Institution?

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<tr>
<td>a. The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.</td>
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<tr>
<td>b. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.</td>
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<tr>
<td>c. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.</td>
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</tr>
<tr>
<td>d. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.</td>
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<tr>
<td>e. Not applicable/other (please comment).</td>
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Citation:
See article 23 of the Supreme Audit Institution Act:

Comment:

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?

- a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate.
- b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate.
- c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate.
- d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector.
- e. Not applicable/other (please comment).

**Citation:**
See the Internal Rules for the Organization of Work in the SAI: [http://www.bulnao.government.bg/files/_bg/pravilnik-nov190607.doc](http://www.bulnao.government.bg/files/_bg/pravilnik-nov190607.doc)

**Comment:**
The SAI does not maintain designated staff.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?

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<tr>
<td>a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year.</td>
<td>d</td>
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<tr>
<td>b. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year.</td>
<td></td>
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<tr>
<td>c. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit.</td>
<td></td>
</tr>
<tr>
<td>d. No, the SAI does not maintain any formal mechanisms of communication with the public.</td>
<td></td>
</tr>
<tr>
<td>e. Not applicable.</td>
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</table>

**Citation:**
See Internal Rules:
http://www.bulnao.government.bg/files/_bg/pravilnik-nov190607.doc
and the Supreme Audit Institution Act:

**Comment:**

- **Peer Reviewer One Comment:**

- **Peer Reviewer Two Comment:**

- **Government Comment:** The SAI does not maintain a formal mechanism of communication with the public. However, it receives more than 100 complaints and suggestions annually from the public and considers them in the process of annual planning, as well as in conducting of the single audits.
<table>
<thead>
<tr>
<th>120. Does a committee of the legislature view and scrutinize the audit reports?</th>
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<tbody>
<tr>
<td>a. Yes, all audit reports are scrutinized.</td>
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<tr>
<td>b. Yes, most audit reports are scrutinized.</td>
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<tr>
<td>c. Yes, some audit reports are scrutinized.</td>
</tr>
<tr>
<td>d. No, audit reports are not scrutinized.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
</tr>
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**Citation:**
Martin Dimitrov, deputy chairman of the Parliament Budget Commettee (UDF - opposition party).

**Comment:**
The parliamentary budget & finance committee debates the annual report on the audit activity of the Supreme Audit Institution. Other than that, the legislature has discretion to scrutinize whichever report it wishes to scrutinize; in practice, they view a limited number of reports, mostly ones that were requested by the parliament itself.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.

<table>
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<tr>
<th>121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</th>
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<td>a. Yes, the executive reports publicly on what steps it has taken to address audit findings.</td>
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<tr>
<td>b. Yes, the executive reports publicly on most audit findings.</td>
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<tr>
<td>c. Yes, the executive reports publicly on some audit findings.</td>
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<tr>
<td>d. No, the executive does not report on steps it has taken to address audit findings.</td>
</tr>
<tr>
<td>e. Not applicable/other (please comment).</td>
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**Citation:**

**Comment:**
Reports by the executive on budget (execution or plan) do not discuss recommendation of the SAI.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** Government did not dispute researcher’s answer.
122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

   a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.
   b. Yes, a report is released, covering key audit recommendations, but some details are excluded.
   c. Yes, a report is released, but it lacks important details.
   d. No, a report is not produced or it is prepared for internal purposes only (please specify).
   e. Not applicable/other (please comment).

   Citation:

   Comment:
The SAI does not produce a separate report discussing how the executive followed recommendations from previous audit reports and it does not include such a discussion in its annual report.

   Researcher Response to this Question was “d”

   Peer Reviewer One Comment:

   Peer Reviewer Two Comment:

   Government Comment: A more appropriate response to this question would be “a.” The SAI produces separate reports for the actions taken by the executive to address audit recommendations. The reports are published on the website of the SAI.

   Researcher Response: I suggest the answer should be changed as suggested by the Government.

   IBP Comment: IBP editors chose answer "d" as originally suggested by the researcher.
123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?

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<tr>
<td>a.</td>
<td>Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs.</td>
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<tr>
<td>b.</td>
<td>Yes, legislators are provided audit reports on secret items, but some details are excluded.</td>
</tr>
<tr>
<td>c.</td>
<td>Yes, legislators are provided audit reports on secret items, but they lack important details.</td>
</tr>
<tr>
<td>d.</td>
<td>No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).</td>
</tr>
<tr>
<td>e.</td>
<td>Not applicable/other (please comment).</td>
</tr>
</tbody>
</table>

**Citation:**
Martin Dimitrov, deputy chairman of the Parliament Budget Committee (UDF - opposition party).

**Comment:**
Some reports are sent only to a designated committee of the Parliament, and not all MPs have access to them. In 2008 an audit report on management of property in the Ministry of Defense was sent by the SAI to the National Security Committee of the Parliament, but its chairman withheld the report from other MPs for some months. In addition, when the audit reports are sent to the Public Prosecutor's Office, they are not released to anyone (and these are the reports of utmost interest because they are where the potential abuse of funds would be).

**Researcher Response to this Question was “c”**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

**Government Comment:** A more appropriate response to this question would be “a.” According to Art. 46, Para 2, the SAI submits to the Parliament on their request any audit report. Audit reports that are classified are submitted in accordance with special procedures. The way those reports are made available to the MPs is a matter of internal regulation of the Parliament.

**Researcher Response:** We based our response on the feedback of an opposition MP; we are not aware firsthand what the procedures are.

**IBP Comment:** IBP editors chose answer “c” as originally suggested by the researcher.
Government Comments: Section One

Table 2. Key Budget Documents Used: Full Titles and Internet Links

**Government Comment:** With regard to Pre-Budget Statement - There is a later version of the "Government Decision to approve Medium Term Financial Framework and main assumptions for 2009-2011, 26 May 2008; http://minfin.bg/document/5416:1, that is approved and made publicly available before 15 September 2009, namely "Medium Term Fiscal Framework and main assumption for the period 2010-2013" (approved on 31 August 2009 and published on the web page of MoF at http://www.minfin.bg/document/7042:2)

**Researcher Response:** Yes, this is correct- but this document was used in the 2010 Budget procedure, whereas we filled the questionnaire based on 2009 Budget procedure documents.

**Government Comment:**
With regard to the In-Year Reports - next to the cited documents we suggest the inclusion of:

1. Quarterly financial reports issued by the ministries and agencies making program budgets (for example, Ministry of Labor and Social Policy)
   http://www.mlsp.government.bg/bg/docs/1500_Report-trim-0609.zip

2. Mid-Year Reports on the level of implementation of policies and programs (for the ministries and agencies making program budgets, example with the Ministry of Economy and Energy)
   http://www.mee.government.bg/doc_vop/Otchet%20Prog_%20budget_09.doc

With regard to the Year-End Report - next to the cited document we suggest the inclusion of the reports on the level of implementation of policies and programs for 2008 (for the ministries and agencies making program budgets, example with the Ministry of Environment and Water)


**Researcher Response:** These examples are rather a good practice in some ministries rather than formal requirement. Most ministries do not publish such reports. That is why we disregarded the existence of such documents in filling the questionnaire.

Table 4. Distribution of the Enacted Budget and Other Reports

**Government Comment:** Note to item 8: The estimations of the end-year report are disseminated in the internet in Bulgarian and English
http://www.minfin.bg/en/statistics/?cat=-1&from=0&fyear=0&to=0&tyear=0&dq=&pokaz=14

**Researcher Response:** This is not report in English, but just 1 page of data.