

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE

MALAYSIA

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Section One: The Availability of Budget Documents

Table 1. Budget Year of Documents Used in Completing the Questionnaire

Please indicate the budget year of the document used to complete the questionnaire. If the document is not available to the public, please state, "Not Available."

Budget Documents Used in Completing the Questionnaire	
<i>As explained in the guide to the questionnaire, documents from a variety of fiscal years are referred to throughout the questionnaire. Please indicate below for which fiscal year responses to questions relating to each report or experience were based on.</i>	
	Budget Year Used
Pre-Budget Statement	Not available
Budget Summary	2008
Executive's Budget Proposal	2008
Supporting Budget Documents	2008
Citizens Budget	Not available
Enacted Budget	2007
In-Year Reports	2007
Mid-Year Report	Not available
Year-End Report	2006
Audit Report	2006

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

Please provide the full title, date and Internet link for all documents to be cited in Sections 2 & 3.

If an Internet link is not available for the document, please indicate one of these three answers: “Not Produced,” “Produced but Not Available to the Public,” “Publicly Available, but Not on the Internet.”

Budget Document	Full Title, Date, and Internet Link
Pre-Budget Statement	Not produced
Budget Summary	<p>The 2008 Budget Speech 7 September 2007 http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachment&dbIndex=0</p> <p>Appendix http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachment2&dbIndex=0</p>
Executive’s Budget Proposal	<p>Supply Bill 2008 7 September 2007 http://www.parlimen.gov.my/billindexbi/pdf/DR432007E.pdf</p> <p>Finance Bill 2007 7 September 2007 http://www.parlimen.gov.my/billindexbi/pdf/DR442007E.pdf</p>
Budget Document One in Support of the Executive’s Budget Proposal	<p>Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government’s Revenue Estimate 2008) 7 September 2007 http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachment&dbIndex=0</p>
Budget Document Two in Support of the Executive’s Budget Proposal	<p>Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008) 7 September 2007 Publicly Available, but Not on the Internet</p>
Budget Document Three in Support of the Executive’s Budget Proposal	<p>Economic Report 2007/2008 7 September 2007 http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p>
Citizens Budget	Not produced

Enacted Budget	<p>Supply Act 2007 December 2006 http://www.parlimen.gov.my/billindexbi/pdf/DR322006E.pdf</p> <p>Finance Act 2006 December 2006 http://www.parlimen.gov.my/billindexbi/pdf/DR342006E.pdf</p>
In-Year Reports	<p>Treasury produces detailed monthly expenditure reports but only internally for Ministries - Produced but Not Available to the Public</p> <p>Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, September 2007 http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachment&dbIndex=0</p> <p>Monthly Statistical Bulletin, up to August 2007 http://www.bnm.gov.my/index.php?ch=109&pg=294&month=8&yr=2007&lang=en</p>
Mid-Year Review	Not produced

Year-End Report	<p>Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006) 7 September 2007 Publicly Available, but Not on the Internet</p>
Audit Report	<p>Synopsis (English): Auditor General's Report on the Activities of Federal Government Ministries/Departments 2006 7 September 2007 http://www.audit.gov.my/laporan_audit/persekutuan_files/federal2006bi_files/activitiesfed2006.pdf *</p> <p>Synopsis (English) on Public Accounts Statement & Financial Management of Federal Government Ministries/Departments 2006 7 September 2007 http://www.audit.gov.my/laporan_audit/persekutuan_files/federal2006bi_files/AccountsFed2006.pdf *</p> <p>(In Malay language - full documents) http://www.audit.gov.my/laporan_audit/persekutuan_files/persekutuan2006.htm</p> <p>* Since completing Sections 2 and 3, the link to the English synopsis has been removed from the website. (http://www.audit.gov.my/laporan_audit/persekutuan.htm)</p>
Other Documents	<p>Financial Procedure Act 1957 (Act 61) revised January 1997 Publicly Available, but Not on the Internet</p> <p>Audit Act 1957 (Act 62) revised January 2006</p>

	<p>http://www.agc.gov.my/agc/oth/Akta/Vol.%202/Act%2062.pdf</p> <p>Federal Constitution of Malaysia http://www.malaysia-today.net/malaysia_constitution.pdf</p> <p>Supplementary Supply (2007) Act 2007, September 2007 http://www.parlimen.gov.my/billindexbi/pdf/DR%20382007E.pdf</p> <p>Bank Negara National Summary Data Page http://www.bnm.gov.my/index.php?ch=111#FiscalSector</p> <p>The Malaysian Economy in Figures 2007 http://www.epu.gov.my/New%20Folder/MEIF2007.htm</p> <p>Ninth Malaysia Plan 2006-2010, March 2006 http://www.epu.jpm.my/rm9/html/english.htm</p> <p>Bank Negara Malaysia Annual Report 2006, 21 March 2007 http://www.bnm.gov.my/index.php?ch=116&pg=350&ac=1</p> <p>Malaysia Fiscal Report - Oxford Analytica, December 2006 https://www.calpers.ca.gov/eip-docs/investments/assets/equities/international/permissible-2007/malaysia-fiscal-report-2006.pdf</p>
<p>Relevant Ministries & Departments</p>	<p>Treasury, Ministry of Finance, Malaysia, http://www.treasury.gov.my/index.php?lang=eng</p> <p>Auditor-General, http://www.audit.gov.my/</p> <p>Parliament, http://www.parlimen.gov.my/eng-index.php</p> <p>Inland Revenue Board, http://www.hasil.org.my/english/eng_index.asp</p> <p>Attorney-General's Chambers, http://www.agc.gov.my/agc/index.htm</p> <p>Bank Negara (Central Bank of Malaysia), http://www.bnm.gov.my/</p> <p>Economic Planning Unit, http://www.epu.gov.my/</p>

Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

DISTRIBUTION OF BUDGET DOCUMENTS						
<i>For the following reports, place “Yes” in the appropriate row below to indicate if the report is:</i>						
	Pre-budget	Executive’s Budget Proposal				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
A. Not produced, even for internal purposes	Yes					Yes
B. Produced for internal purposes, but not available to the public						
C. Produced and available to the public, but only on request						
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)		Yes	Yes	Yes	Yes	
<i>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? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>						
	Pre-budget	Executive’s Budget				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
1. The release date is known at least one month in advance		Yes	Yes	Yes	Yes	
2. Advance notification of release is sent to users, media		Yes	Yes	Yes	Yes	
3. Released to public same day as official release to media		No	Yes	No	No	
4. Available on the Internet free of charge		Yes	Yes	Yes	No	
5. Free print copies available, limited distribution		Yes	Yes	Yes	Yes	
6. Free print copies available, mass distribution		No	No	No	No	
7. Readily available outside capital and/or big cities [†]		Yes	Yes	Yes	No	
8. Written in more than one language		Yes	Yes	Yes	Yes	
9. News conference is held to discuss release		No	No	No	No	

*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

DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS					
<i>For the following reports, place a “Yes” in the appropriate row below to indicate if the report is:</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
A. Not produced, even for internal purposes			Yes		
B. Produced for internal purposes, but not available to the public					
C. Produced and available to the public, but only on request					
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes		Yes	Yes
<i>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? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
1. The release date is known at least one month in advance	NA	Yes		Yes	Yes
2. Advance notification of release sent to users, media	NA	No		Yes	Yes
3. Released to public same day as official release to media	NA	Yes		No	No
4. Available on the Internet free of charge	Yes	Yes		No	Yes
5. Free print copies available, limited distribution	No	No		Yes	Yes
6. Free print copies available, mass distribution	No	No		No	No
7. Readily available outside capital/big cities ⁺	Yes	Yes		No	Yes
8. Written in more than one language	Yes	Yes		Yes	Yes
9. News conference is held to discuss release	NA	No		No	No

⁺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.

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

Please mark your answer by placing the appropriate letter in the box to the right of the question. For all answers marked "not applicable/other," please provide a brief explanation indicating either why the answer choices provided are not applicable or why another response would be more appropriate.

The Executive's Budget Proposal		
Estimates for the Budget Year and Beyond		
<p>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)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit. Expenditures are classified by administrative unit, but some small units are not shown separately. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented. Not applicable/other (please comment). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), Contents, pages vii-ix shows that expenditures are classified by ministry.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a	

<p>2. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <p>a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.</p> <p>b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.</p> <p>c. Some, but not all, expenditures are classified by function.</p> <p>d. No expenditures classified by function are presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Economic Report 2007/2008, Table 4.5 pg. xxxi http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Expenditures are somewhat classified according to their purpose, i.e. defense, health, transport. The Economic report offers budget allocation for 2008 but this is brief and does not follow international standards. Also, the Monthly Statistical Bulletin by Central Bank of Malaysia provides tables showing Federal Government Expenditure by functional classification but this is not part of the executive's main budget proposal. (http://www.bnm.gov.my/files/publication/msb/2007/8/pdf/6.3.pdf and http://www.bnm.gov.my/files/publication/msb/2007/8/pdf/6.4.pdf)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>3. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> 1) Economic Report 2007/2008, Table 4.4 pg. xxx http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng 2) The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), eg. page 125-141.</p> <p><u>Comment:</u> 1) Table 4.4 shows classification by object but this is brief and not compatible with international standards. 2) This document shows expenditures for 2008 related to the Supply Fund only (not Development Fund or other) is somewhat classified according to nature of expenditure (salary, assets) but these are quite aggregate amounts. The categorisation is not compatible with IMF's economic classification standard.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>4. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008) shows program level detail within various ministries, for both operational and development expenditure.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>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)?</p> <ol style="list-style-type: none"> Yes, multi-year estimates of aggregate expenditure are presented. No, multi-year estimates of aggregate expenditure are not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No multi-year estimates of expenditure are shown beyond budget year 2008, (ie. expenditure for 2008-2010) but there is a total estimate figure for a 5-year period 2006-2010 - but only for development expenditures. This may be found throughout the Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008) and the Ninth Malaysia Plan (but which is not part of Executive's main budget proposal).</p> <p><u>Peer Reviewer One Comment:</u> To add to the comment, the Ninth Plan Mid-term review has the estimate of the aggregate level of expenditure presented for 2010 for operating and development.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>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)?</p> <ol style="list-style-type: none"> Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. 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. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No multi-year estimates are presented for specified period of 2008-2010, only for 5-year period 2006-2010. See related comment in Q.5 above.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ol style="list-style-type: none"> All sources of tax revenue are identified individually. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. No sources of tax revenue are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), 'Details of estimated revenue for the year 2008', page 45-68, http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachmen t&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>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?</p> <ol style="list-style-type: none"> All sources of non-tax revenue are identified individually. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually. No sources of non-tax revenues are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), 'Details of estimated revenue for the year 2008', page 69-104, http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachmen t&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>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)?</p> <p>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).</p> <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachment&dbIndex=0</p> <p><u>Comment:</u> No estimates of revenue presented for years beyond 2008.</p> <p><u>Peer Reviewer One Comment:</u> The mid-term review was not part of 2008 budget presented in Parliament in 2007. Ninth Plan Mid-Term Review was tabled to Parliament in June 2008 and it contains estimates of aggregate multi-year revenue for 2010.</p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>10. 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)?</p> <p>a. Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, multi-year estimates are presented, but only for some individual sources of revenue. d. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> As per Q9, no multi-year revenue estimates are presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>11. Does the executive's budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <p>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).</p> <p>b. Yes, the data reflect the outstanding debt at the end of the budget year.</p> <p>c. Yes, the data reflect the outstanding debt at the start of the budget year.</p> <p>d. No, data on the outstanding debt are not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Economic Report 2007/2008 http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng , Table 4.9</p> <p><u>Comment:</u> Data on the outstanding debt at the start of budget year (2008) is presented in Table 4.9.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>a. Yes, interest payments on the debt are presented.</p> <p>b. No, interest payments on the debt are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> 1) Economic Report 2007/2008, Table 4.9 'National Debt' page xxxv http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng 2) Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), page 17-28</p> <p><u>Comment:</u> Not presented for budget year 2008: Economic Report only presents interest payments up til 2007 and Estimates of Federal Expenditure 2008 presents detailed information on debt as of end 2006 only.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>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?</p> <p>a. Yes, extensive information related to the composition of government debt is presented.</p> <p>b. Yes, key additional information is presented, but some details are excluded.</p> <p>c. Yes, some additional information is presented, but it lacks important details.</p> <p>d. No, additional information related to the composition of government debt is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Economic Report http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Some information is found up to 2007 (Budget Year-1) in the Economic Report 07/08 Table 4.8 and Table 4.9, page xxxiv, but it lacks important details. Extensive information may be found for up to year 2006 only (in Estimates of Federal Expenditure 2008 page 17-28). More up to date information may be found on the website of the Central Bank of Malaysia (www.bnm.gov.my) under their Monthly Statistical Bulletin:Federal Government Finance but this is not included as part of the Executive's main budget proposal. (http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>14. Does the executive's budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?</p> <ol style="list-style-type: none"> 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. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details. No, information related to the macroeconomic forecast is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Economic Report 2007/2008, Table 1.2, Page vi http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Only macroeconomic forecasts of real GDP growth and unemployment rate for 2008 are available but this lacks important detail. Inflation and interest rate forecasts for 2008 are not provided. It is not extensively discussed on how budget figures relate to macroeconomic forecast, nor are all key assumptions stated, e.g. inflation</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>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)?</p> <ol style="list-style-type: none"> Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the impact of different macroeconomic assumptions on the budget is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There is no information provided on the impact of different macroeconomic assumptions on the budget.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The 2008 Budget Speech http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachme nt&dbIndex=0</p> <p><u>Comment:</u> Policy proposals are highlighted in the budget summary but do not proceed to discuss how they affect expenditures. For example, annual feed for primary and secondary schools are abolished, but no information on how this affects Government expenditures is given.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “d.” The information provided is statements (e.g. proposed allocation). It does not show how it impacts the budget.</p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>c</p>
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<p>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?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> The 2008 Budget Speech http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachme nt&dbIndex=0</p> <p><u>Comment:</u> There is some information presented in the Budget Speech on how changes in some policies will bring in extra revenue for the government but this is not comprehensive across all policies, nor compared to existing policies.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “d.” The information presented are merely statements and it is minimal (e.g. how much will be allocated) and only for selected policies. It does not show how the policy impacts on the budget and does not compare with existing policies.</p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>C</p>
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Estimates for Years Prior to the Budget Year	
<p>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)?</p> <p>a. All expenditures are classified by administrative unit for BY-1.</p> <p>b. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately.</p> <p>c. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately.</p> <p>d. No expenditures classified by administrative unit are presented for BY-1.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008)</p> <p><u>Comment:</u> Expenditures (both operational and development) for 2007 are classified by administrative unit.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Economic Report 2007/2008, Table 4.5 pg. xxxi http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Expenditures are somewhat classified according to their purpose, i.e. defense, health, transport. The Economic report offers budget allocation for 2007 but this is brief and does not follow international standards. It may also be found at Central Bank's Monthly Statistical bulletin/ Federal Government Finance/ Table 6.3 and 6.4 but this is not considered part of the executive's budget proposal. (http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>c</p>
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<p>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?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification for BY-1. No expenditures classified by economic classification are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> 1) Economic Report 2007/2008, Table 4.4 pg. xxx http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng 2) The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), eg. page 125-141</p> <p><u>Comment:</u> 1) Table 4.4 shows classification by object for 2007 but this is brief and not compatible with international standards. 2) This document shows expenditures for 2007 related to the Supply Fund only (not Development Fund or other) is somewhat classified according to nature of expenditure (salary, assets) but these are quite aggregate amounts. The categorization is not compatible with IMF's economic classification standard.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>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)?</p> <ol style="list-style-type: none"> Program-level expenditure data are presented for all expenditures for BY-1. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1. No program-level expenditure data are presented for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008)</p> <p><u>Comment:</u> Program level detail shown for both operational and development expenditure for 2007.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>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)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008)</p> <p><u>Comment:</u> Only the Development (fund) expenditure has been updated to reflect actual expenditure, and not Supply (fund) expenditure. The development expenditure reflects 6 months of actual expenditure. The supply expenditure is not updated because it is an annual expenditure only tabled once a year; this is stipulated under the Financial Procedures Act.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>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)?</p> <p>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).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> Figures do not reflect estimates of the aggregate level for 2006, but they do provide actual figures. However, this is only for development expenditure, not including operational expenditure.</p> <p><u>Researcher’s Response to this Question was “b.”</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> This depends on which source the researcher is actually using. If researcher includes the supporting documents noted in Table 2 then a more appropriate response to this question would be “a.” The charts here present prior years aggregate expenditures. http://www.treasury.gov.my/view.php?dbIndex=0&website_id=1&id=2904</p> <p><u>IBP Comment:</u> IBP editors chose answer “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>a</p>
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<p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> As per Q23, such prior year estimates are not available, only figures representing actual development expenditure.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), pg 32-41</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>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?</p> <ol style="list-style-type: none"> Yes, prior-year data are always adjusted to be comparable to the budget year data. Yes, in most cases, prior-year data are adjusted to be comparable. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u> Economic Report 2007/2008, Table 4.4 pg. xxx http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Prior estimates are comparable to budget year expenditure in terms of presentation and classification, and shows meaningful year to year comparisons of the data.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
<p>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)?</p> <ol style="list-style-type: none"> All tax revenues are identified individually for BY-1. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually. No tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), 'Details of estimated revenue for the year 2008', page 45-68, http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachmen t&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>

<p>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)?</p> <ol style="list-style-type: none"> All non-tax revenues are identified individually for BY-1. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually. No non-tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), 'Details of estimated revenue for the year 2008', page 69-104, http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachment&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>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)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008) http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachment&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>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)?</p> <p>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).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> Actual data is available, and not estimates, for the year 2006.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Only BY-1 is provided.</p>	b
<p>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)?</p> <p>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).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> As Q30, no estimates are presented, only actual figures for 2006.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ol style="list-style-type: none"> Two years prior to the budget year (BY-2). Three years prior to the budget year (BY-3). Before BY-3. No actual data for all revenues are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachmen t&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>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?</p> <ol style="list-style-type: none"> Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded. Yes, but only information on the level of debt is presented. No, information related to the government debt for BY-1 is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Economic Report 2007/2008, Table 4.9, pg. xxxv http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Information on national debt is provided within the Economic Report. Detailed and extensive information on the composition of debt is not given here, but more information may be found on the Central Bank of Malaysia website, www.bnm.gov.my and within the Federal Public Accounts 2006.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>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?</p> <ol style="list-style-type: none"> Two years prior to the budget year (BY-2). Three years prior to the budget year (BY-3). Before BY-3. No actual data for government debt are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation:</u> Economic Report 2007/2008, Table 4.9, pg. xxxv http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), pg 17-28</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
Comprehensiveness	
<p>35. Does the executive's budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on extra-budgetary funds is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Only funds that come under the Government's Consolidated Funds are recorded within the executive's budget or any supporting budget documentation. The Employees' Provident Fund (EPF) and Social Security Fund (SOCSO) are separate funds and do not come under the jurisdiction of Government; hence they prepare their own annual budgets and reports.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on intergovernmental transfers is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Economic Report, Table 4.3, pg. 81, http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), pg. 59 (T12) http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachment&dbIndex=0</p> <p><u>Comment:</u> The Economic Report records grants to state governments but there is no breakdown on grants to individual states governments. The Federal Government's Revenue Estimate 2008 records transfers to states that have been committed as charged expenditure (annual commitments), again with little detail and no narrative discussion.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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<p>37. Does the executive's budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), for example pg. 405-406</p> <p><u>Comment:</u> Information is presented on transfers to public corporations, listed according to the ministry under which they belong. However, there is no narrative discussion on these quantitative estimates nor are the objectives for which they are being transferred recorded within the document. For example, pg 405 records a transfer of RM 95 million to MIMOS Berhad and pg 406 records a transfer of RM 130 million to Multimedia Development Corporation (MDeC). However there is no explanation given for these.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</p> <ol style="list-style-type: none"> Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on quasi-fiscal activities is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008), pg. 192 (B11, Project No. 021300) http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachmen t&dbIndex=0</p> <p><u>Comment:</u> The budget does cover certain quasi-fiscal activities of some Government-linked investment companies and non-financial public enterprises, but not the public financial institutions and not for all public enterprises.</p> <p>Based on an interview conducted with a Treasury official, information on the amount of expenditure given for one particular project loan is given. This expenditure is a subsidy on interest rates given to a Development Bank, but there are no details beyond a single quantitative figure. No details are given on the original interest rate, the subsidized rate, the difference between the two, nor the reasons for which this subsidy is being given.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> The executive's budget proposal does not hold information on financial assets according to the definition provided in the Guide to the Open Budget Questionnaire, which states that financial assets should be classified by major type reflecting their nature, and historical information on defaults for each category should be included.</p> <p>The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008) shows an aggregate monetary value of assets according to project under a particular ministry, but does not list what these assets are specifically. It is not known whether these are financial or non-financial assets.</p> <p>Financial assets are, however, listed fully in the Federal Public Accounts 2006 under the "Statement of Memorandum Accounts.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ol style="list-style-type: none"> Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value. Yes, information is presented, highlighting key information, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on non-financial assets is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The executive's budget proposal does not hold information on non-financial assets according to the definition provided in the Guide to the Open Budget Questionnaire, which states that financial assets should be classified by major type reflecting their nature, and historical information on defaults for each category should be included.</p> <p>The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008) shows an aggregate monetary value of assets according to project under a particular ministry, but does not list what these assets are specifically. It is not known whether these are financial or non-financial assets.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ol style="list-style-type: none"> Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on expenditure arrears is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Treasury, Ministry of Finance</p> <p><u>Comment:</u> According to the interview with a member of the Executive (Treasury at the Ministry of Finance), Malaysia does not have expenditure arrears/overdue debt. Instead, amounts of money are always allocated to cover the amount of debt. The IMF documents (Article IV Consultation Reports) do not contain any information on Malaysia having expenditure arrears.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	e

<p>42. Does the executive's budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ol style="list-style-type: none"> Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on contingent liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Information on contingent liabilities is not presented.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key future liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on future liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u> 1) The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008, pages 64-45, pages 662 - 672. (Lampiran C-1) 2) Economic Report 2007/2008, Table 4.4, page xxx, http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng</p> <p><u>Comment:</u> Some information is presented, for example, on pensions, gratuities and retirement expenditure. However, only these liabilities are presented, and little else. No narrative discussion is provided.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>44. Does the executive's budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ol style="list-style-type: none"> All sources of donor assistance are identified individually. At least two-thirds of, but not all, sources of donor assistance, are identified individually. Less than two-thirds of sources of donor assistance are identified individually. No sources of donor assistance are identified individually. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> There is no evidence that Malaysia receives any form of donor assistance.</p> <p><u>Researcher's Response to this Question was "e."</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be "d." Malaysia does receive support from multilateral institutions. Refer to additional notes in Q58. How the World Bank assists Malaysia http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/MALAYSIAEXTN/0,,contentMDK:20199046~isCURL:Y~menuPK:1535137~pagePK:1497618~piPK:217854~theSitePK:324488.00.html ADB Country Assistance Plans http://www.adb.org/Documents/CAPs/MAL/default.asp</p> <p><u>IBP Comment:</u> IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	d
<p>45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ol style="list-style-type: none"> Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on tax expenditures is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The executive's budget does not provide any information on tax expenditures. Some information on tax preferences can be found on the website of Malaysian Industrial Development Authority (MIDA), http://www.mida.gov.my</p> <p><u>Researcher's Response to this Question was "d."</u></p> <p><u>Peer Reviewer One Comment:</u></p>	c

<p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “c.” Some information is captured in the budget speech (especially in relation to incentives through tax breaks) and more details in the Finance Bill which makes the relevant changes in the Income Tax and other acts that provides the specific incentives and is available at MIDA.</p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	
<p>46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> Article 97 of the Malaysian Federal Constitution 1957 Financial Procedure Act 1957 (Act 61) revised January 1997</p> <p>Federal Constitution of Malaysia http://www.malaysia-today.net/malaysia_constitution.pdf</p> <p><u>Comment:</u> In Malaysia, the Law states that all money should be paid into one fund, and stipulates that revenues cannot be earmarked. Instead, all revenues go into a single consolidated fund. Only levies are allowed to be earmarked for a particular fund, and this only when there is a separate Act stating so in advance.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	e

<p>47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?</p> <ol style="list-style-type: none"> a. One percent or less of expenditure is dedicated to secret items. b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items. c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items. d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> 1) The Economic Report 2007/2008, Table 4.5, http://www.treasury.gov.my/index.php?ch=22&pg=165&ac=2053&lang=eng 2) Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008, pg. 41.</p> <p><u>Comment:</u> Items spent on "Security" are divided into "Defense" and "Internal security," with RM 9,840 million and RM 7,371 million allocated respectively, and totaling RM 17,211 million. This total of secret items makes up 9.728 per cent of total expenditure (RM 176,917,420,000).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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The Budget Narrative & Performance Monitoring	
<p>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?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> The 2008 Budget Speech http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachment&dbIndex=0</p> <p><u>Comment:</u></p> <p><u>Researcher's Response to this Question was "b."</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be "c." There is no narrative in the budget speech that attempts to justify government policies and expenditure while the supporting documents only provide numbers.</p> <p><u>IBP Comment:</u> IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	c

<p>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)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No information on the link between the budget and the government's stated policy goals over a multi-year period is presented within the budget or supporting budget documentation. However, this information is provided within the 9th Malaysia Plan (2006-2010).</p> <p><u>Peer Reviewer One Comment:</u> This information is also stated in the mid-term review of the 9th Malaysian Plan.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>50. Does the executive’s budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008)</p> <p><u>Comment:</u> Non-financial data is presented for all programs, but they are not directly recorded to correlate with the amounts of expenditures for which they represent. Hence, under each ministry, non-financial data is always presented first. This is followed by the breakdown of accounts. For example, a list of programs are listed, accompanied by the number of staff employed under each program. The document however does not show the expenditure for which the staff is being paid.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be “d.” The presentation of non-financial data in the Malaysian government reports cited in this research does not meet the definition of the IBPO Guide.</p> <p><u>IBP Comment:</u> IBP editors chose answer “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>a</p>
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<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008)</p> <p><u>Comment:</u> Non-financial data is available but because of it being disconnect with expenditures, it is not useful for assessing program performance at all. See comment to Q. 50.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No performance indicators are presented within the budget or supporting budget documentation for expenditure programs.</p> <p><u>Peer Reviewer One Comment:</u> In addition, there are also targets to be achieved in the expenditure programs.</p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>

<p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No performance indicators are presented within the budget or supporting budget documentation (see comment for question 52).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Although the federal government has key indicators to measure their performances but they are not reflected in the budget or the supporting documents.</p>	d
<p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No performance indicators are presented within the budget or supporting budget documentation for performance targets.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> The 2008 Budget Speech http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachme nt&dbIndex=0</p> <p><u>Comment:</u> Information is available on eradicating hardcore poverty, urban poverty and to increase rural development. This is however only a general commitment with ballpark figures and important details are lacking. Basic elements are not present, such as a clear budget, objective, targets, performance monitoring indicators, narrative discussion, criteria for which geographic locations will be selected, or socio-economic categories.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	C
Additional Key Information for Budget Analysis & Monitoring	
<p><i>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.</i></p>	

<p>56. 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?</p> <p>a. Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p>1) Website of the Internal Revenue Board of Malaysia (Lembaga Hasil Dalam Negeri LHDN Malaysia), http://www.hasil.org.my</p> <p>2) Anggaran Hasil Kerajaan Persekutuan Tahun 2008 (Federal Government's Revenue Estimate 2008) http://www.treasury.gov.my/view.php?ch=14&pg=47&ac=2040&fname=attachmen t&dbIndex=0</p> <p>3) Malaysian Industrial Development Authority (MIDA) Website, http://www.mida.gov.my</p> <p>4) The 2008 Budget Speech http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachme nt&dbIndex=0</p> <p>5) Budget Speech Appendix http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachme nt2&dbIndex=0</p> <p>6) Local Government Act (1976), Part 5 of Section 39</p> <p><u>Comment:</u></p> <p>Under Article 94 of the constitution, all taxes or rates must be levied under the authority of federal law. Tax laws and regulations are accessible and understandable. Changes to tax rates are announced in the Budget Speech. All direct tax laws, regulations, rulings, guidelines and forms are available on the IRB's website. Petroleum is a major source of revenue for the Government, with the majority of taxing power lying with the central government. Local governments can obtain revenues from three main sources (Local Government Act): rents and fees for services, grants/subsidies given by the central or state government (intergovernmental fiscal transfers) and local taxation; state governments supervise the locally raised taxes. Narrative discussion however is limited, and petroleum tax and royalty schedules are not available - only a 38% petroleum income tax is stated.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
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<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ol style="list-style-type: none"> Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. Yes, some analysis is presented, but it lacks important details. No analysis on the distribution of the tax burden is presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No analysis on the distribution of the tax burden is made public by the executive.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ol style="list-style-type: none"> 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. Yes, information is presented, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on conditions associated with IFI assistance is not presented. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Malaysia does not receive any assistance from international financial institutions (IFI)s.</p> <p><u>Researcher’s Response to this Question was “e.”</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Comment:</u> A more appropriate response to this question would be “d.” How the World Bank assists Malaysia http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/MALAYSIAEXTN/0..contentMDK:20199046~isCURL:Y~menuPK:1535137~pagePK:1497618~piPK:217854~theSitePK:324488,00.html ADB Country Assistance Plans http://www.adb.org/Documents/CAPs/MAL/default.asp</p> <p><u>IBP Comment:</u> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	d

<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ol style="list-style-type: none"> a. 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. 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 donor country assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Malaysia does not receive any assistance from donor countries.</p> <p><u>Researcher’s Response to this Question was “e.”</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Comment:</u> A more appropriate response to this question would be “d.” EU http://ec.europa.eu/europeaid/where/asia/country-cooperation/malaysia/malaysia_en.htm Denmark http://www.ambkualalumpur.um.dk/NR/rdonlyres/B27970E5-C63F-4537-8259-0F8A70189D44/0/EPSCoMponent.pdf</p> <p><u>IBP Comment:</u> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	d
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<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <p>a. Yes, it provides a summary that is very informative. b. Yes, it provides a summary that is somewhat informative. c. Yes, but the summary is not very informative. d. No, it does not provide a summary. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 1) The 2008 Budget Speech http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachment&dbIndex=0 2) Appendix http://www.treasury.gov.my/view.php?ch=12&pg=149&ac=2047&fname=attachment2&dbIndex=0</p> <p><u>Comment:</u> The Budget Speech is a summary of the budget, focusing primarily on new proposals. Together with the Appendix, the summary provides some useful information. However, this is not detailed enough. For example, the objectives and assumptions for a particular proposal being raised is not elaborated upon.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>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?</p> <p>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).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The executive does not publish a "citizens budget," nor any non-technical presentation describing the budget and its proposals.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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)?</p> <ol style="list-style-type: none"> Yes, thorough definitions of budget terms are provided. Yes, definitions are provided, but some details are excluded. Yes, some definitions are provided, but it lacks important details. No, definitions are not provided. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No definitions are provided on technical terms used in the budget in any form. There is no glossary found in any part of the budget documents.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> There is no right in law to access all types of information including budget information (ie. Freedom of Information Act), but most budget information is available to the public from Treasury in their library or by request to the ministry. However there is also the Official Secrets Act which restricts information released to the public as the government deems suitable.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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)?</p> <p>a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.</p> <p>b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.</p> <p>c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.</p> <p>d. In practice, no highly disaggregated expenditure information is available.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> This is difficult to ascertain as it differs from ministry to ministry. In our sampling, answers received varied from vague to being requested to put forward a formal communication to the director of the specific program we required information on. It would be decided on a case-by-case basis. In another ministry for example, most of their programs are partnered with an external party so they are not able to authorise release of such information. Hence, no information is available or it is very difficult to obtain in practice.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> Information is not easily available unless for very specific purpose (e.g. undertaking a PhD research which requires such data, consultancy report for the government or intergovernmental agencies, etc).</p>	<p>d</p>
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<p>65. 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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> As for question 64 above.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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Section Three: The Budget Process

The Budget Process	
Executive's Formulation of the Budget	
<p>66. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> The release date is set in permanent law. The executive announces the release date at least two months in advance. The executive announces the release date less than two months but more than two weeks in advance. The executive announces the release date two weeks or less before the release, or makes no announcement. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The release of the budget was previously set in October each year, but in recent years the date was changed to late August/September and is not fixed. The executive announces the release date well in advance however, around the beginning of the fiscal year. This year (2008) for example, the release date for the 2009 Budget was announced 9 months in advance.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>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 what ever central government agency is in charge of coordinating the budget's formulation)?</p> <ol style="list-style-type: none"> Yes, a detailed timetable is released to the public. Yes, a timetable is released, but some details are excluded. Yes, a timetable is released, but it lacks important details. No, a timetable is not issued to the public. Not applicable/other (please comment). <p><u>Citation:</u> Treasury department, Ministry of Finance</p> <p><u>Comment:</u> The public is only informed about the Budget release date, and no other timetables are given. Any timetable prepared by Treasury would only be for internal working purposes.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ol style="list-style-type: none"> The executive adheres to the dates in its timetable. The executive adheres to most of the key dates in its timetable. The executive has difficulty adhering to most of the dates in its timetable. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> As per Q67, the executive does not release its timetable to the public.</p> <p><u>Peer Reviewer One Comment:</u> However, it has become the practice that the timetable is released from the month of August to October.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> Yes, the executive holds extensive consultations with a wide range of legislators. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. Yes, the executive holds very limited consultations, involving only a few members of the legislature. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. Not applicable/other (please comment). <p><u>Citation:</u> Ministry of Finance, Malaysia</p> <p><u>Comment:</u> Yes the executive holds consultations with members of the legislature, but this is somewhat limited to a special session with the backbenchers. It is a short consultation, and then gets put to other members of the cabinet.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>70. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> Yes, the executive holds extensive consultations with a wide range of constituencies. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded. Yes, the executive holds very limited consultations, involving only a few constituencies. No, the executive does not typically consult with the public as part of the budget preparation process. Not applicable/other (please comment). <p><u>Citation:</u> Ministry of Finance, Malaysia</p> <p><u>Comment:</u> There is a budget consultation exercise held by the executive with civil society, the corporate sector and other stakeholders. At the consultation, only some are selected to state their case and provide submissions. There is an open session where members of the floor can pose questions but not all members can provide submissions. The aim of this is to seek views on concerns of the public. However, there is also uncertainty as to how much this influences the determining of budget priorities.</p> <p><u>Peer Reviewer One Comment:</u> Agree. Although, from my experience with certain NGOs (i.e. National Council for Women’s Organization [NCWO] etc) their views and concerns are taken up/considered by the government</p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>71. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> The executive releases a pre-budget statement at least four months in advance of the start of the budget year. 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. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. The executive does not release a pre-budget statement. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The executive does not release a pre-budget statement.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>72. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> Executive does not release to the public a pre-budget statement.</p> <p><u>Peer Reviewer One Comment:</u> Agrees with the response and comment given, although the pre-budget statement is not released, parameters or/and guidelines are made known to government ministries/agencies. Themes or focus are released to NGOs and the private sector. NGOs and private sectors are invited to submit budget proposals and invited to the budget consultation session.</p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> Executive does not release to the public a pre-budget statement.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

Legislative Approval of the Budget	
<p>74. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> The legislature receives the budget at least three months before the start of the budget year. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. The legislature receives the budget less than six weeks before the start of the budget year. The legislature does not receive the budget before the start of the budget year. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Last year 2007 and this year 2008, the budget proposal was tabled in Parliament more than 3 months before the start of the budget year. In the past the budget was tabled in October, which is just within 3 months of the start of the budget year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>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?</p> <ol style="list-style-type: none"> 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. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard. Not applicable/other (please comment). <p><u>Citation:</u> Parliamentary secretary, Malaysia</p> <p><u>Comment:</u> There are no Parliamentary Select Committees related to the budget apart from the Public Accounts Committee which looks into the national accounting statements, ie. the year end report (Federal Public Accounts 2006). A description may be found here: http://www.parlimen.gov.my/eng-jawatankuasa-kirawang.htm Most of the responsibility is dealt with by the Ministry of Finance, not Parliament.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard. b. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard. c. Yes, a limited number of hearings are held in which testimony from the executive branch is heard. d. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> As question 75, there are no parliamentary select committees related to the budget process.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> As question 75, there are no parliamentary select committees related to the budget process.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> Not applicable, as there are no parliamentary select committees related to the budget process.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> The Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008), pg 41 The Economic Report 2007/2008, Table 4.5</p> <p><u>Comment:</u> Information provided is presented in aggregate manner only. Table 4.5 shows aggregate expenditure under headings of Defense and Internal Security.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>

<p>80. Does the legislature have authority <i>in law</i> to amend the budget presented by the executive?</p> <p>a. Yes, the legislature has unlimited authority <i>in law</i> to amend the budget.</p> <p>b. Yes, the legislature has authority <i>in law</i> to amend the budget, with some limitations.</p> <p>c. Yes, the legislature has authority <i>in law</i> to amend the budget, but its authority is very limited.</p> <p>d. No, the legislature does not have any authority <i>in law</i> to amend the budget.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> There is no explicit law allowing the legislature to amend the budget, but in Malaysia the proposed budget is in the form of a Supply Bill and so by way of legal process, Parliament will debate a Bill and are able to make amendments as necessary during this time before it is finally approved to become the Supply Act. Constitutionally, the proposed budget cannot expend any money unless it is authorised by Parliament by way of an Act and hence it has to go through the debating process. In practice however, rarely are changes made to the executive's budget in Parliament.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <p>a. The approved budget includes program-level detail.</p> <p>b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).</p> <p>c. The approved budget includes only departmental totals.</p> <p>d. The approved budget includes less information than departmental totals.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Supply Act 2007, http://www.parlimen.gov.my/billindexbi/pdf/DR322006E.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

Executive's Implementation of the Budget	
<p>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> <ol style="list-style-type: none"> In-year reports on actual expenditure are released at least every month. In-year reports on actual expenditure are released at least every quarter. In-year reports on actual expenditure are released at least semi-annually. In-year reports on actual expenditure are not released. Not applicable/other (please comment). <p><u>Citation:</u> 1) Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, page 10-12, 17 http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachment&dbIndex=0 2) Monthly Statistical Bulletin, up to August 2007, Federal Government Finance, Tables 6.3, 6.4 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en</p> <p><u>Comment:</u> The executive (including Central Bank) releases quarterly reports to the public but is not detailed in explaining actual budget expenditure. The Quarterly Update of the Malaysian economy focuses only on economic indicators, but does have some brief information on Federal Government Finance. The Monthly Statistical bulletin Table 6.4 is organised by function. Both of these reports are preliminary figures only. Detailed in-year reports are produced for internal purposes only.</p> <p>Peer Reviewer One Comment: Agree. In addition, detailed in-year reports are produced to be edited by the legislative committee (Public Accounts Committee). For government agencies and statutory bodies it is mandatory for them to publish audited financial statements. These statements are published in their annual report which is available to the public.</p> <p>Peer Reviewer Two Comment:</p>	b

<p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Monthly Statistical Bulletin, up to August 2007, Federal Government Finance, Tables 6.3, 6.4 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en</p> <p><u>Comment:</u> This is difficult to determine as detailed in-year reports are not released by the executive. However, in-year reports produced by the Central Bank of Malaysia (Monthly Statistical Bulletin) cover some expenditures organised by function but not all as per the Anggaran Perbelanjaan Persekutuan 2008 (Estimates of Federal Expenditure for the year 2008). Furthermore, these figures are stated to be preliminary only, not actual.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>84. What is the most detail provided in the in-year reports on actual expenditures organized by <i>administrative unit</i>?</p> <ol style="list-style-type: none"> The in-year reports on actual expenditures organized by administrative unit contain program-level detail. 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). The in-year reports on actual expenditures organized by administrative unit contain only departmental totals. 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. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> In-year reports on actual expenditures organised by administrative unit are not released to the public. The Monthly Statistical Bulletin only shows expenditure classified by function (Table 6.3, 6.4, http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ol style="list-style-type: none"> Yes, comparisons are made for all expenditures. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. Yes, but comparisons are made for less than two-thirds of expenditures. No, comparisons are not made, or no in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation:</u> Monthly Statistical Bulletin, up to August 2007, Tables 6.1-6.4 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en</p> <p><u>Comment:</u> In-year report released by Central Bank Malaysia compares year-to-date expenditure but not with original estimates for that period - only aggregate amounts for the same period in prior years. However this is a different classification from the budget proposal.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c

<p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ol style="list-style-type: none"> In-year reports on actual revenue collections by source of revenue are released at least every month. In-year reports on actual revenue collections are released at least every quarter. In-year reports on actual revenue collections are released at least semi-annually. In-year reports on actual revenue collections by source of revenue are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The executive does not release in-year reports on actual revenue, but the Central Bank Malaysia releases preliminary figures in the Monthly Statistical Bulletin, up to August 2007, Table 6.2 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en The treasury also does include some brief comments on revenue in their quarterly Economic report (Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, September 2007, page 10-11, http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachment&dbIndex=0).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>87. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ol style="list-style-type: none"> In-year reports cover the actual revenue collections of all sources of revenue. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue. In-year reports cover actual revenue collections of less than two-thirds of revenue sources. In-year reports on actual revenue collections are not released to the public. Not applicable/other (please comment). <p><u>Citation:</u> 1) Monthly Statistical Bulletin, up to August 2007, Table 6.2 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en However, these quarterly figures are preliminary. 2) Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, September 2007, page 10-11, http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachment&dbIndex=0).</p> <p><u>Comment:</u> The Central Bank covers some detail on Federal Government Revenue in Table 6.2 but this lacks some details. The treasury also includes some comments on revenue in their quarterly Economic report, but this is very brief.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>88. 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?</p> <p>a. Yes, comparisons are made for all revenue sources. b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources. c. Yes, but comparisons are made for less than two-thirds of revenue sources. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> 1) Monthly Statistical Bulletin, up to August 2007, Table 6.2 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en 2) Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, September 2007, page 10-11, http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachment&dbIndex=0.</p> <p><u>Comment:</u> Both the Monthly Statistical bulletin and the Quarterly Update compares year-to-date revenue collections with the same period in the previous year, but not with the original estimate. Table 6.2 only shows preliminary, not actual figures. The Monthly Statistical bulletin has more details while the Quarterly update only briefly comments total tax revenue.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <p>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).</p> <p><u>Citation:</u> 1) Monthly Statistical Bulletin, up to August 2007, Table 6.1 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en 2) Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, September 2007, page 11, 17 http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachment&dbIndex=0</p> <p><u>Comment:</u> The Central Bank Malaysia releases quarterly updates on government borrowing. In Table 6.1 of the Monthly Statistical bulletin, it lists both foreign and domestic borrowing, however these figures are preliminary. In the Quarter Update, pg 11 briefly mentions Federal Government borrowing; while pg 17 only shows aggregate figures for 2005 and 2006, not 2007.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Monthly Statistical Bulletin, up to August 2007, Table 6.5-6.7 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en</p> <p><u>Comment:</u> Tables 6.5-6.7 show debt classification by original maturity, by holder, and by currency and remaining maturity. Some details such as interest rates on debt are excluded in these in-year reports. However, these figures presented are preliminary not actual, and is for up to second quarter 2007 only, not budget year 2008. (Note: However for the purposes of this budget project, in-year reports are taken to mean the year preceeding the budget year)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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<p>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)?</p> <ol style="list-style-type: none"> Reports are released 1 month or less after the end of the period. Reports are released 2 months or less (but more than 1 month) after the end of the period. Reports are released more than 2 months after the end of the period. In-year reports are not released. Not applicable/other (please comment). <p><u>Citation:</u> Quarterly Update of the Malaysian Economy - 2nd Quarter 2007, September 2007, http://www.treasury.gov.my/view.php?ch=22&pg=77&ac=2052&fname=attachmen&dbIndex=0 Monthly Statistical Bulletin, up to August 2007 http://www.bnm.gov.my/index.php?ch=109&pg=294&mth=8&yr=2007&lang=en</p> <p><u>Comment:</u> Treasury releases their quarterly reports approximately 2-3 months after the end of the period. For example, the 2nd Quarter report was released in September 2007 when the end of the period was June 2007. (However the Central Bank does release monthly reports less than a month after the end of the period - but figures here also cover quarterly reporting not monthly reporting on actual expenditure)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<p>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?</p> <ol style="list-style-type: none"> 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. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. 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. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> No mid-year review is released by the executive.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No mid-year review is released by the executive.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No mid-year review is released by the executive.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u></p> <p><u>Comment:</u> No mid-year review is released by the executive.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>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 <i>minimal</i> level specified in law or regulation)?</p> <ul style="list-style-type: none"> a. Yes, the executive seeks approval from the legislature before shifting funds between administrative units. b. Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment. c. Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented. d. 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). e. Not applicable/other (please comment). <p><u>Citation:</u> Financial Procedure Act 1957 (Act 61)</p> <p><u>Comment:</u> According to the Financial Procedure Act 1957, Section 15, the money assigned to a purpose of expenditure as approved by the Supply Act cannot be shifted/changed. Hence the executive cannot shift funds between administrative units, but Treasury may approve the shift of funds within ministries provided that the amount originally appropriated under this purpose/unit is not exceeded.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	e
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<p>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?</p> <ol style="list-style-type: none"> There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities. No, the procurement process was not open and competitive in practice. Not applicable/other (please comment). <p><u>Citation:</u> http://www.malaysia-today.net/2008/index2.php?option=com_content&do_pdf=1&id=138</p> <p><u>Comment:</u> Transparency is a big issue in Malaysia. In practice, things like privatisation programs and Government procurement are conducted through non-transparent processes; Only notifications of tenders are made public. Criteria for selection and the process involved are often secretive and 'a greater cause for concern is the fact that concessions agreements are considered "official secrets." (http://biz.thestar.com.my/news/story.asp?file=/2007/2/26/business/16940191&sec=business) Such examples include awarding of huge infrastructure development projects to selected business entities without open and competitive tender and giving special licenses to certain groups. One such example is the Port Klang Free Zone scandal (See citation).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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<p>98. When does the legislature typically approve supplemental budgets?</p> <ul style="list-style-type: none"> a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify). b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify). c. Not applicable/other (please comment). <p><u>Citation:</u> Treasury official, Ministry of Finance</p> <p><u>Comment:</u> Parliament typically approves 2 supplementary budgets. The first is tabled in September for the current budget year. Extra expenditure is funded by the Contingency reserve, which is then 'replenished' via this supplementary budget; hence the supplemental budget is approved after the funds are expended. The second supplemental budget is tabled in Parliament the following April for the closing of federal public accounts - this is also after the funds are expended.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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<p>99. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ol style="list-style-type: none"> Supplemental budgets are generally equal to 2 percent or less of the original budget. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget. Supplemental budget 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. Not applicable/other (please comment). <p><u>Citation:</u> Treasury official, Ministry of Finance</p> <p><u>Comment:</u> The first supplemental budget tabled in September during the budget year is typically a smaller amount (e.g. 5-12%) than the amount requested in the second supplemental budget used to close the accounts (e.g. 25-28%).</p> <p>The reason for this is because operating surplus is transferred to the development fund at the end of the year. In the Federal Public Accounts for example, distinction is made where operating expenditure excludes the transfer to the Development Fund. The development fund is a deficit budget, and allocations under the operating budget is made to transfer funds.</p> <p>For example, if the development expenditure totaled RM 46 billion, a transfer of operational surplus of RM 16 billion would mean that the balance is borrowed through other means. The development fund is financed partly from tax revenue (via the operating surplus), and also from other borrowings.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>C</p>
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<p>100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</p> <ol style="list-style-type: none"> a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget. b. Expenditures are approved after the funds are expended, but before the end of the fiscal year. c. Expenditures are approved after the end of the fiscal year, for example in the next budget. d. Such expenditure takes place without legislative approval. e. Not applicable/other (please comment). <p><u>Citation:</u> Treasury official, Ministry of Finance Supplementary Supply (2007) Act 2007, September 2007 http://www.parlimen.gov.my/billindexbi/pdf/DR%20382007E.pdf</p> <p><u>Comment:</u> As mentioned previously, the contingency fund is first used to cover extra operating expenditures then this is tabled in Parliament in the form of a Supplementary Supply Bill. Legal documents pertaining to this include the Federal Constitution and the Financial Procedures Act 1957.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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Executive's Year-end Report and the Supreme Audit Institution	
<p>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?</p> <ol style="list-style-type: none"> The report is released six months or less after the end of the fiscal year. The report is released 12 months or less (but more than six months) after the end of the fiscal year. The report is released more than 12 months after the end of the fiscal year. The executive does not release a year-end report. Not applicable/other (please comment). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> The Federal Public Accounts 2006 was released in September 2007, approx 9 months later.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	b
<p>102. In the year-end report have the data on the actual outcomes been audited?</p> <ol style="list-style-type: none"> Yes, all data on actual outcomes have been audited. At least two-thirds, but not all, of the data on actual outcomes have been audited. Less than two-thirds of the data on actual outcomes have been audited. None of the data on actual outcomes has been audited, or a year-end report is not released. Not applicable/other (please comment). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> The year end report is taken to be the Federal Public Accounts, which is the government's financial statement only. It does not contain audit outcomes in this same document - rather, this may be found separately in the Auditor-General's report. Answer "d" is chosen as the data in the year end report has been audited, but is not presented in this document.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> The year end report presents expenditure figures for the original, revised and actual budget for 2006 but lacks narrative discussion explaining difference except for brief mention on pg.5, 6 & 11.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> There is no explanation of the differences between enacted and actual outcomes for expenditures in this report - only figures are presented. However, aggregate figures are cited on pg. 5-6 and in the synopsis stating enacted amount for expenditure and actual total spent. There is no explanation given for this.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> There is no explanation on differences between enacted and actual outcomes for revenues. Only figures are presented on pg.295 which look at comparisons in original & revised budget, and actual revenue. A brief narrative on revenue is mentioned on pg. 9 but this only compares actual revenue in 2006 to 2005 in aggregate figures. For example "Revenue from indirect taxes decreased to RM25,058 million, which was 7% lower than the previous year." (pg. 10)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> No, this report does not explain differences in macroeconomic forecasts as it is purely a public accounts statement for the Federal Government and only looks at financial management.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> No, as a public accounts statement, the year end report does not explain differences regarding non-financial data. However it is worth noting that the report also includes brief financial reports of selected ministries (3, in this case) in the Appendix 1. These selected ministries include information on their objectives, financial management, output, impacts and future plans (although only stated briefly).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> No, there are no explanations provided on performance indicators. However in Appendix 2, there are included, performance reports of selected government and public trust funds for the budget year. It mainly gives a brief overview of their financial performance.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> No such explanation is available in the report.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key issues, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information is not presented on extra-budgetary funds, or such a report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u> Akaun Awam Persekutuan 2006 (Federal Public Accounts 2006)</p> <p><u>Comment:</u> Extra-budgetary funds span a wide range. Pension and social security funds are examples of statutory bodies in Malaysia and they produce their own reports and accounts. The Auditor-General also audits these accounts but they are all in reports separate to the year-end report. However, in Appendix 2 of the year-end report, there are short performance reports of selected government and public trust funds, which includes a brief narrative on their background and overall financial performance.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	c
<i>The Independence and Performance of the Supreme Audit Institution</i>	

<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> The final audit on the Federal Public Accounts is prepared by March but only released to the public in September of the following year when it is tabled in Parliament, ie. 9 months after the end of the fiscal year. Note: Interim audits are done throughout the year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> The Audit Report is based on the Federal Public Accounts and is done by sampling, but this is more than two-thirds of all expenditures.</p> <p><u>Peer Reviewer One Comment</u></p> <p><u>Peer Reviewer Two Comment:</u> It would be useful to ask the researcher what were the benchmarks provided by the representative from the Auditor Gen. justify that the sampling covers more than 2/3 of all expenditure. The strategic planning (in the national language) of the Audit Department cites 30 performance studies and 20 financial management at the federal level, etc. Link provided in additional comments section). This question can also be linked to question 117 on adequate budgetary support. A more appropriate response to this question could be either “b” or “c.”</p> <p><u>IBP Comment:</u> IBP editors chose answer “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<p>b</p>
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<p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <ul style="list-style-type: none"> 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 was released more than 24 months after the end of the fiscal year. c. Not applicable/other (please comment). <p><u>Citation:</u> Audit Report 2006, Intisari Laporan http://www.audit.gov.my/laporan_audit/persekutuan_files/persekutuan2006_files/KAN2006AKTIVITI_new.pdf http://www.audit.gov.my/laporan_audit/persekutuan_files/persekutuan2006_files/KAN2006AKAUNAWAM_new.pdf</p> <p><u>Comment:</u> There are two parts to the audit report, and both include a summary which covers central and important aspects of the report. (however this is in the malay language)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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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:

Federal Constitution of Malaysia, Article 105-107

http://www.malaysia-today.net/malaysia_constitution.pdf

Comment:

According to the Federal Constitution, the head of the SAI (Auditor-General) is appointed by the King on the advice of the Prime Minister (PM) and the Conference of Rulers (Sultans/state royalty) and his removal from office follows the same procedure as that of a Judge in the Supreme Court (Article 125 (3)).

That is, if the PM presents to the King that the Auditor-General should be removed from office for whatever valid reason as stated in the Constitution, then the King will appoint a tribunal and refer the case to them, and may, on the recommendation of the tribunal, remove the Auditor-General from office. The tribunal should be made up of at least 5 persons who hold or have held position as judge in the Supreme or High Court.

Hence, the head of the SAI may only be removed on final consent of the King, but on the recommendation of the PM and tribunal (members of the judiciary).

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The Auditor General can only be removed by a tribunal. Although the Prime Minister can recommend for the removal 123(3) but the final decision rests with the Supreme Head of State who is guided by the decision of the Tribunal 125 (4). A more appropriate response to this question would be “a.”

IBP Comment: IBP editors chose answer “b” because, according to the Constitution, the Tribunal is selected by the Head of State.

b

<p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, the SAI releases to the public audits of all extra-budgetary funds. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. 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. Not applicable/other (please comment). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> There are 3 main areas which the SAI audits: Federal Public Accounts, accounts of the states, and accounts of statutory bodies. Pension funds and social security, for example, fall under the remit of statutory bodies. These are compiled into one report and tabled to Parliament at the same time as the audit report on the Federal Public Accounts. This is made public on their website. (http://www.audit.gov.my/laporan_audit/bbp.htm)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have <i>the discretion in law</i> to undertake those audits it may wish to?</p> <ol style="list-style-type: none"> The SAI has full discretion to decide which audits it wishes to undertake. The SAI has significant discretion, but faces some limitations. The SAI has some discretion, but faces considerable limitations. The SAI has no discretion to decide which audits it wishes to undertake. Not applicable/other (please comment). <p><u>Citation:</u> Audit Act 1957 (Act 62) http://www.agc.gov.my/agc/oth/Akta/Vol.%202/Act%2062.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>117. Who determines the budget of the Supreme Audit Institution?</p> <ul style="list-style-type: none"> 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. 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. 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. 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. e. Not applicable/other (please comment). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> The budget is prepared by the Auditor-General's office (whose staff come under the purview of the Prime Minister's department although the Auditor-General himself is independent), and submitted to Treasury as part of the budget proposal tabled to Parliament. It is approved by Parliament as part of the budget. Even though the staff come under the purview of the PM's department, the office as a whole are considered broadly independent.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>b</p>
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<p>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)?</p> <ol style="list-style-type: none"> 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). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> Staffing levels are sufficient. Note: SAI staff are seconded to the military ministry the whole year round. Now it is the practice for all ministries to have seconded staff as auditors.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>a</p>
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<p>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)?</p> <ol style="list-style-type: none"> a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year. 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. 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. d. No, the SAI does not maintain any formal mechanisms of communication with the public. e. Not applicable. <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> In the past year, the Auditor-General received more than 100 communications from the public through their website and emails.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	a
<p>120. Does a committee of the legislature view and scrutinize the audit reports?</p> <ol style="list-style-type: none"> a. Yes, all audit reports are scrutinized. b. Yes, most audit reports are scrutinized. c. Yes, some audit reports are scrutinized. d. No, audit reports are not scrutinized. e. Not applicable/other (please comment). <p><u>Citation:</u> http://www.parlimen.gov.my/eng-jawatankuasa-kirawang.htm</p> <p><u>Comment:</u> The Public Accounts Committee in Parliament is responsible for reviewing the federal accounts and audit reports.</p> <p><u>Peer Reviewer One Comment:</u> In addition, Public Accounts Committee (a legislative body) is headed by a backbencher and the deputy is an MP from the opposition party.</p> <p><u>Peer Reviewer Two Comment:</u></p>	a

<p>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?</p> <ul style="list-style-type: none"> a. Yes, the executive reports publicly on what steps it has taken to address audit findings. b. Yes, the executive reports publicly on most audit findings. c. Yes, the executive reports publicly on some audit findings. d. No, the executive does not report on steps it has taken to address audit findings. e. Not applicable/other (please comment). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> The executive does not make available to the public a report on how it will address audit recommendations. The Public Accounts Committee produces a report on audit recommendations but this is kept for internal purposes only.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d
<p>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?</p> <ul style="list-style-type: none"> 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). <p><u>Citation:</u> Auditor-General's office</p> <p><u>Comment:</u> The Public Accounts Committee, part of the legislature, (http://www.parlimen.gov.my/eng-jawatankuasa-kirawang.htm) prepares a report for internal purposes only.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	d

<p>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)?</p> <ul style="list-style-type: none"> a. Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs. b. Yes, legislators are provided audit reports on secret items, but some details are excluded. c. Yes, legislators are provided audit reports on secret items, but they lack important details. d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify). e. Not applicable/other (please comment). <p><u>Citation:</u> Auditor-General's Office</p> <p><u>Comment:</u> The Public Accounts Committee in Parliament reviews all audit reports including that of the security sector but some details/programs may be kept secret due to the nature of the work. [It was mentioned that audits are carried out for such secret programs, but sometimes the reports can go directly to the Prime Minister's office, not through Parliament.] (the source of this information does not wish to make this an issue for the public or government)</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p>	<p>d</p>
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