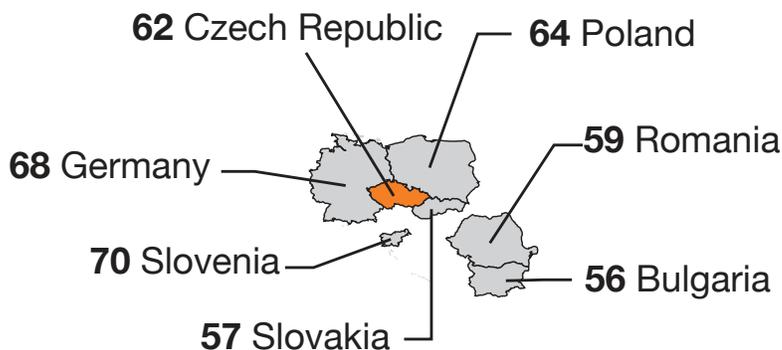
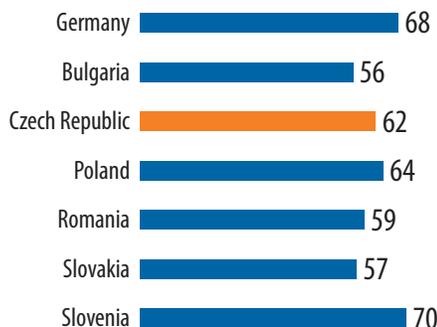




Overall score: 62 (Out of 100) Provides significant information to the public in its budget documents during the year.

How Does Czech Republic Compare to Its Neighbors?



Key Findings

The scores for 92 questions from the Open Budget Survey 2010 (see text box) are used to compile objective scores and rankings of each country's relative transparency. These scores constitute the Open Budget Index (OBI).

The Czech Republic's OBI 2010 score of 62 is the second highest in the Central & Eastern Europe region. It indicates that the government provides the public with significant information on the central government's budget and financial activities during the course of the budget year. While some deficiencies remain, the amount of information published is generally sufficient for citizens to assess how their government is managing public funds.

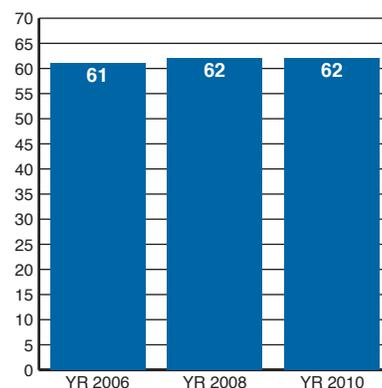
The Czech Republic's score has remained the same from 2006 to 2010.

Information in Public Budget Documents

Adequacy & Availability of Eight Key Budget Documents

Document	Level of Information Grade*	Publication Status
Pre-Budget Statement	E	Not Produced
Executive's Budget Proposal	B	Published
Enacted Budget	B	Published
Citizens Budget	E	Not Produced
In-Year Reports	A	Published
Mid-Year Review	E	**Not Produced
Year-End Report	B	Published
Audit Report	B	Published

OBI Scores Over Three Surveys



* Grades for the comprehensiveness and accessibility of the information provided in each document are calculated from the average scores received on a subset of questions from the Open Budget Survey 2010. An average score between 0-20 (scant information) is graded as E; 21-40 (minimal) is graded as D; 41-60 (some) is graded as C; 61-80 (significant) is graded as B; and 81-100 (extensive) is graded as A.

**Please refer to the section on the Mid-Year Review below.

An **Executive's Budget Proposal** is the government's most important policy instrument. It presents how the government plans to raise revenues and where these funds are allocated, thus transforming policy goals into action. In the Czech Republic, the *Vládní návrh zákona o státním rozpočtu ČR na rok 2009* and *Dokumentace k Návrhu zákona o státním rozpočtu České republiky na rok 2009* (Executive's Budget Proposal) provide fairly comprehensive details but lack information on outputs and outcomes. This information is important for those who are interested in monitoring the budget's impact.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. The Czech Republic does not produce a Pre-Budget Statement.

An **Enacted Budget** becomes a country's law and provides the baseline information for all budget analyses conducted during the budget year. In general terms, the Enacted Budget should provide the public with the data it can use to assess the government's stated policy priorities and hold it to account. The Czech Republic publishes a fairly comprehensive Enacted Budget, but it does not present the approved budget for all programs.

A **Citizens Budget** is a nontechnical presentation of a government's budget that is intended to enable the public — including those who are not familiar with public finance — to understand a government's plans. The Czech Republic does not produce a Citizens Budget.

In-Year Reports provide a snapshot of the budget's effects during the budget year. They allow for comparisons with the enacted budget figures and thus can facilitate adjustments. The Czech Republic produces comprehensive In-Year Reports.

A **Mid-Year Review** provides a comprehensive overview of the budget's effects at the midpoint of a budget year and discusses any changes in economic assumptions that affect approved budget policies. Information in this report allows the government, legislature, and the public to identify whether or not adjustments related to revenues, expenditures, or borrowing should be made for the remainder of the budget year. The Czech Republic's Mid-Year Review is published more than three months after the end of the first half of the fiscal year. Since this is beyond the period for which the data can be of most use, for the purpose of this research it has been marked "Not Produced."

A **Year-End Report** compares the actual budget execution to the Enacted Budget. Year-End Reports can inform policymakers on tax policies, debt requirements, and major expenditure priorities, facilitating adjustments for upcoming budget years. The Czech Republic produces a fairly comprehensive Year-End Report, though not all of the data on actual outcomes are audited. Also, the Year-End Report does not explain the difference between the original estimates of non-financial data and the actual outcome.

OPEN BUDGET SURVEY 2010

Czech Republic

The International Budget Partnership's Open Budget Survey assesses the availability in each country assessed of eight key budget documents, as well as the comprehensiveness of the data contained in these documents. The Survey also examines the extent of effective oversight provided by legislatures and supreme audit institutions (SAI), as well as the opportunities available to the public to participate in national budget decision-making processes.

Research to complete this country's Open Budget Survey was undertaken by:

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An **Audit Report** is an evaluation of the government's accounts by the country's supreme audit institution (SAI). It reports whether the government has raised revenues and spent national revenue in line with the authorized budget, whether the government's bookkeeping is balanced and accurate, and whether there were problems in the management of public funds. The Czech Republic produces a fairly comprehensive Audit Report.

Public Participation and Institutions of Accountability

Beyond improving the availability and comprehensiveness of key budget documents, the Czech Republic could render its budget process more open by providing greater opportunities for the public to participate in the budget process.

Are oversight bodies effective in their budget role?

Oversight Institution	Strength***
Legislature	Strong
SAI	Strong

*** Legislature and SAI strengths are calculated from the average scores received for a subset of questions from the Open Budget Survey 2010. An average score between 0-33 is graded as weak, 34-66 as moderate, and 67-100 as strong.

According to the Open Budget Survey 2010, budget oversight provided by the Czech Republic's legislature is strong. However, it does not hold extensive open budget discussions at which the public can testify.

According to the Open Budget Survey 2010, budget oversight provided by the Czech Republic's SAI is strong. However, it does not have proper channels of communication with the public.

Recommendations

The Czech Republic should:

- begin to produce and publish a Pre-Budget Statement and Citizens Budget;
- publish the Mid-Year Review in a reasonable period after the end of the first half of the year;
- increase the comprehensiveness of the Executive's Budget Proposal and Year-End Report;
- and
- provide more opportunities for the public to testify at legislative hearings on the budget and to communicate with the SAI.