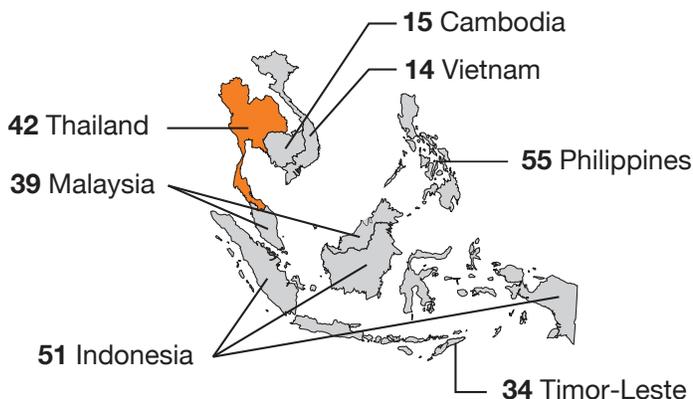
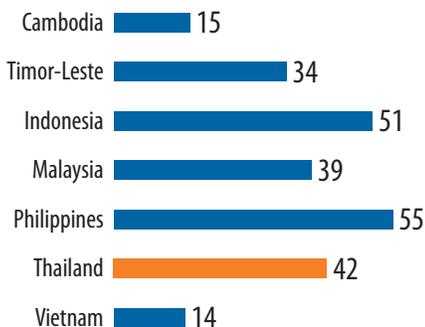




**Overall score: 42** (Out of 100) Provides some information to the public in its budget documents during the year.

### How Does Thailand Compare to Its Neighbors?



## Key Findings

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

Thailand's OBI 2010 score is 42 out of 100, which is the same as the average score (42) for the 94 countries surveyed. Thailand's score indicates that the government provides the public with only some information on the central government's budget and financial activities assessed by the Survey. This makes it challenging for citizens to hold the government accountable for its management of the public's money.

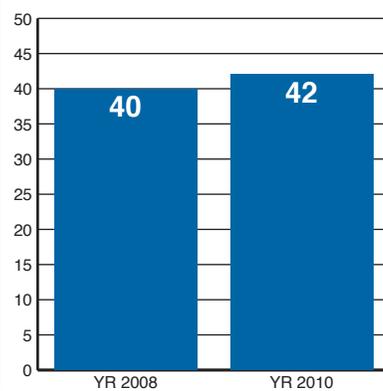
Thailand's OBI score rose slightly from 2008 to 2010. Among other South-East Asian countries included in the Survey, Thailand scores lower than Indonesia (51) and the Philippines (55).

### 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	C	Published
Enacted Budget	A	Published
Citizens Budget	E	Not Produced
In-Year Reports	C	Published
Mid-Year Review	E	Not Produced
Year-End Report	E	Not Produced
Audit Report	E	Published

### OBI Scores Over Two 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. 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.

An **Executive's Budget Proposal** is the government's most important policy instrument. It presents the ways the government plans to raise revenues and where these funds are allocated, thus transforming policy goals into action. In Thailand the Executive's Budget Proposal does not provide comprehensive details. Major gaps in information are found in the following areas:

- The budget proposal presents limited information that can help explain the relationship between the government's revenue and expenditure plans and its policy and macroeconomic goals. This information is important if the executive wishes to facilitate a broader debate about planned expenditures.
- The budget proposal lacks information on certain fiscal activities that can have a major impact on the government's ability to meet its fiscal and policy goals, including information on extra-budgetary funds, quasi-fiscal activities, tax expenditures, contingent and future liabilities, and financial and other assets. Without this information, the public does not know the government's complete fiscal position.
- The budget proposal also lacks comprehensive information on outputs and outcomes. This information is important for those who are interested in monitoring the impact of the budget.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Thailand 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 data the public can use to assess the government's stated policy priorities and hold it to account. Thailand produces a comprehensive Enacted Budget.

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. Thailand 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. Thailand produces In-Year Reports, but they are not sufficiently comprehensive. They do not include data on actual borrowing. They provide information only on major sources of revenue and thus report on less than two-thirds of revenue sources.

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. Thailand does not produce a Mid-Year Review.

A **Year-End Report** compares the actual budget execution to the Enacted Budget. The Year-End Report can inform policymakers on tax policies, debt requirements, and major expenditure

# OPEN BUDGET SURVEY 2010

## Thailand

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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priorities, thus facilitating adjustments for upcoming budget years. Thailand does not produce a Year-End Report.

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. Thailand produces an Audit Report, but it has serious deficiencies. The timeliness of the Audit Report's release is also a matter of concern, since in some years the SAI fails to release this report even two years after the fiscal year under investigation.

### *Public Participation and Institutions of Accountability*

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Thailand's budget process can be made more open. These include ensuring the existence of a strong legislature and SAI that provide effective budget oversight, as well as providing greater opportunities for public engagement in the budget process.

#### **Are oversight bodies effective in their budget role?**

Oversight Institution	Strength**
Legislature	Moderate
SAI	Moderate

According to the Open Budget Survey, budget oversight provided by Thailand's legislature is inadequate because it does not:

1. have full powers to approve any changes made to the budget over the course of the fiscal year; and
2. hold public hearings on budget discussions at which the public can testify.

According to the Open Budget Survey, budget oversight provided by Thailand's SAI is inadequate because it does not:

1. have sufficient resources to meaningfully exercise its mandate;
2. issue timely Audit Reports on the final expenditures of national departments; and
3. issue reports on the follow-up steps taken by the executive to address audit recommendations for remedial action.

## **Recommendations**

#### **Thailand should:**

- produce and publish a Pre-Budget Statement, a Citizens Budget, the Mid-Year Review, and the Year-End Report;
- improve the comprehensiveness of the Executive's Budget Proposal to include extra-budgetary funds, quasi-fiscal activities, tax expenditures, contingent and future liabilities, and outputs and outcomes;
- provide opportunities for the public to testify at legislative hearings on the budget; and
- strengthen the role of the legislature and the SAI in the budget process, including producing a comprehensive Audit Report.