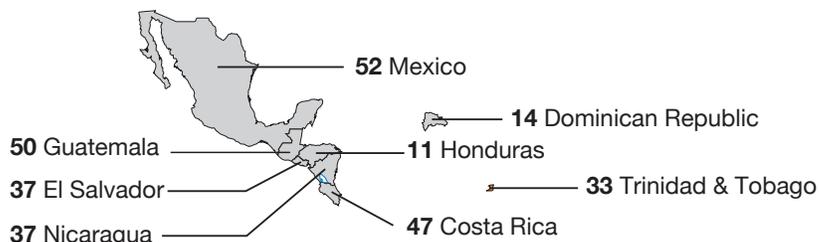
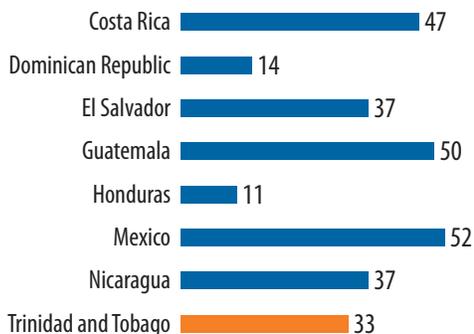




**Overall score: 33** (Out of 100) Provides minimal information to the public in its budget documents during the year.

### How Does Trinidad & Tobago 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).

Trinidad and Tobago's OBI 2010 score is 33 out of 100, which is slightly lower than the average of 35 for the countries surveyed in Central America & the Caribbean, and lower than the average of 42 for all countries surveyed. Trinidad and Tobago's score indicates that the government provides the public with only minimal information on the central government's budget and financial activities during the course of the budget year. This makes it quite difficult for citizens to hold the government accountable for its management of the public's money.

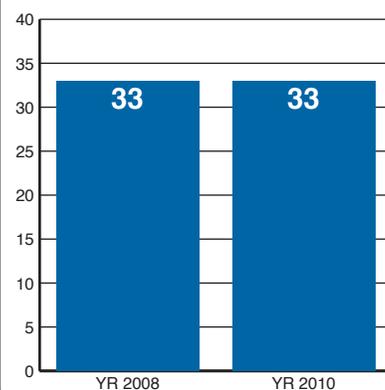
Trinidad and Tobago's OBI score did not change from 2008 to 2010.

### Information in Public Budget Documents

#### Adequacy & Availability of Eight Key Budget Documents

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

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 Trinidad and Tobago, the Appropriation Bill (its budget proposal) is not sufficiently comprehensive. Major gaps in information in the budget proposal are found in the following areas:

- It lacks comprehensive 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.
- It presents very limited 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. Absent this information, the public does not know the government's true fiscal position.
- It lacks information on outputs and outcomes. This information is important for those who are interested in monitoring the budget's impact.

A **Pre-Budget Statement** provides information that links government policies and budgets. This statement should be published before the Executive's Budget Proposal and typically sets forth the broad parameters that will define the government's forthcoming budget. Trinidad and Tobago produces a Pre-Budget Statement but does not make it available to the public.

An **Enacted Budget** becomes a country's law and provides the baseline information for all budget analyses conducted during the budget year. Thus it is the starting point of any effort to monitor the execution of the budget. 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. Trinidad and Tobago publishes a fairly comprehensive Enacted Budget, but it does not contain information regarding expenditure on certain specific 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 for raising revenues and spending public funds. Trinidad and Tobago does not produce a Citizens Budget.

**In-Year Reports** provide a snapshot of the budget's effects during the budget year. The primary objective of publishing In-Year Reports is to provide a periodic measure of the trends in actual revenues and expenditures, which allows for comparisons with the budget figures and adjustments. Trinidad and Tobago does not produce In-Year Reports.

A **Mid-Year Review** provides an 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 a government's fiscal performance to be assessed against the plan laid out in the original budget. It allows the government, legislature, and the public to

## OPEN BUDGET SURVEY 2010

### Trinidad & Tobago

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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identify whether or not adjustments related to revenues, expenditures, or borrowing should be made during the last six months of the year. Trinidad and Tobago produces a Mid-Year Review but does not make it available to the public.

A **Year-End Report** contains information comparing the actual budget execution relative to the Enacted Budget. Year-End Reports can inform policymaker's discussions on tax policies and debt requirements, as well as on major expenditure priorities for upcoming budget years. Further, information contained in this report can assist individual ministries and the public in identifying shortcomings in existing policies and programs, which can be used to influence future directions. Trinidad and Tobago does not produce Year-End Reports.

An **Audit Report** is an independent evaluation of the government's accounts by the country's supreme audit institution (SAI). It reports whether the government has raised revenues and spent monies in line with the authorized budget, and whether the government's accounts of its revenues and expenses are accurate and can be relied upon to provide a reliable picture of the fiscal situation. The Audit Report also provides information on any problems identified by the auditors in the management of public funds during the budget year. Trinidad and Tobago publishes an Audit Report, but it is far from comprehensive. It does not, for example, audit extra-budgetary funds.

### *Public Participation and Institutions of Accountability*

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Trinidad and Tobago's budget process could be made more open. These include ensuring the existence of a strong legislature and supreme audit institution (SAI) that provide effective budget oversight and providing greater opportunities for the public to participate in the budget process.

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

Oversight Institution	Strength**
Legislature	Moderate
SAI	Moderate

\*\* Legislature and SAI strengths are calculated from the average scores received on 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 Trinidad and Tobago's legislature is inadequate because it does not:

1. have sufficient time to discuss and approve a budget; and
2. hold open budget discussions which allow the public to be present during legislative hearings.

According to the Open Budget Survey 2010, budget oversight provided by Trinidad and Tobago's SAI is inadequate because it does not:

1. have sufficient independence from the executive, and the executive can remove the head of the SAI at will;
2. have proper channels of communication with the public; and
3. issue reports on the follow-up steps taken by the executive to address audit recommendations.

## Recommendations

### **Trinidad and Tobago should:**

- publish a Pre-Budget Statement and Mid-Year Review;
- produce and publish a Citizens Budget, In-Year Reports and Year-End Report;
- increase the comprehensiveness of the Executive's Budget Proposal and Audit Report;
- provide opportunities for the public to testify at legislative hearings on the budget; and
- strengthen the budget oversight role of the legislature and the SAI.