

International Budget Project  
**OPEN BUDGET QUESTIONNAIRE**

# **SOUTH AFRICA**

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# International Budget Project OPEN BUDGET QUESTIONNAIRE SOUTH AFRICA

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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."*

<b>Budget Documents Used in Completing the Questionnaire</b>	
<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 <sup>1</sup>	October 2004/2005
Budget Summary <sup>2</sup>	2005/2006
Executive's Budget Proposal	2005/2006
Supporting Budget Documents <sup>3</sup>	2005/2006
Citizens Budget <sup>4</sup>	2005/2006
Enacted Budget	2005/2006
In-Year Reports	2005/2006
Mid-Year Report	October 2004/2005
Year-End Report <sup>5</sup>	2004/2005
Audit Report	2003/2004

<sup>1</sup> Information disclosed in the Medium-term Budget Policy Statement (MTBPS). In South Africa we regard the MTBPS (released in October 2004 which is 3 months prior to the release of the budget proposal in February 2005) as both a mid-term review (by then we are 6 months into our current fiscal year and some assessment is provided) as well as our pre-budget statement (since it provide indications as to what can be expected in the new budget proposal).

<sup>2</sup> Budget Speech

<sup>3</sup> This includes the Inter-governmental Fiscal Review (IGFR), the Budget Speech, Estimates of National Revenue, Adjusted Estimates of National Expenditure, Division of Revenue Bill, Appropriation Bill, Budget Tax Proposals, Tax pocket guide, Provincial Budget Information and the Budget Review.

<sup>4</sup> In South Africa we refer to it as the "People's Guide to the Budget"

<sup>5</sup> Please note that this is not a year-end report of the entire budget. Rather, the annual report reflects the activities of the National Treasury with regards to economic performance and fiscal and financial management. It reports on key programs of the National Treasury and includes audited financial statements for the utilization of resources appropriated by Parliament for the relevant financial year. The nine provincial annual reports were also consulted.

## Table 2. Internet Links for Key Budget Documents

*Please provide the Internet link for the document, or indicate one of these three answers: “Not Produced,” “Produced But Not Available to the Public,” “Publicly Available, But Not on the Internet.”*

Budget Document	Website (www.finance.gov.za)
Pre-Budget Statement	<a href="http://www.finance.gov.za/documents/mtbps/default.htm">http://www.finance.gov.za/documents/mtbps/default.htm</a>
Budget Summary	<a href="http://www.finance.gov.za/documents/budget/2005/speech/speech.pdf">http://www.finance.gov.za/documents/budget/2005/speech/speech.pdf</a>
Executive’s Budget Proposal	<a href="http://www.finance.gov.za/documents/budget/2005/default.htm">http://www.finance.gov.za/documents/budget/2005/default.htm</a>
Supporting Budget Documents	<a href="http://www.finance.gov.za/documents/budget/2005/default.htm">http://www.finance.gov.za/documents/budget/2005/default.htm</a>
Citizens Budget	<a href="http://www.finance.gov.za/documents/budget/2005/guide.pdf">http://www.finance.gov.za/documents/budget/2005/guide.pdf</a>
Enacted Budget	<a href="http://www.finance.gov.za/documents/budget/2005/default.htm">http://www.finance.gov.za/documents/budget/2005/default.htm</a>
In-Year Reports	Monthly and Quarterly press releases: <a href="http://www.finance.gov.za/press/monthly/default.htm">http://www.finance.gov.za/press/monthly/default.htm</a>
Mid-Year Review	<a href="http://www.finance.gov.za/documents/mtbps/default.htm">http://www.finance.gov.za/documents/mtbps/default.htm</a> .
Year-End Report	<a href="http://www.finance.gov.za/documents/annualreport/default.htm">http://www.finance.gov.za/documents/annualreport/default.htm</a>
Audit Report	<a href="http://www.agsa.co.za/Reports/generalrep2.htm">http://www.agsa.co.za/Reports/generalrep2.htm</a>
Other Documents	<a href="http://www.finance.gov.za/">http://www.finance.gov.za/</a> There is a complete list available on the above website that includes: the IGFR report; FISCU; GEAR; Quarterly economic indicators; strategic plans; a retirement funding discussion; small and medium enterprises’ access to finance annual; introduction to equitable share of nationally raised revenue for local government; Public Finance Management Act; monthly & quarterly press releases; etc.
Relevant Ministries & Departments	(1) <a href="http://www.finance.gov.za/">http://www.finance.gov.za/</a> (provincial budget information) (2) <a href="http://www.info.gov.za/aboutgovt/budget.htm">http://www.info.gov.za/aboutgovt/budget.htm</a> (government website providing national budget information).

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

<b>DISTRIBUTION OF BUDGET DOCUMENTS</b>						
<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	Additional Document 2	
A. Not produced, even for internal purposes						
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	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	Additional Document 2	
1. The release date is known at least one month in advance	Yes	Yes	Yes	Yes	Yes	Yes
2. Advance notification of release is sent to users, media	Yes	Yes	Yes	Yes	Yes	Yes
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	Yes	Yes	Yes	Yes	Yes	Yes
6. Free print copies available, mass distribution	No	No	No	No	No	No
7. Readily available outside capital and/or big cities <sup>†</sup>	Yes	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	No	No	No	Yes <sup>6</sup>
9. News conference is held to discuss release <sup>7</sup>	Yes	Yes	Yes	Yes	Yes	No

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

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

<sup>6</sup> Only an English version is provided on the Internet. However, it is available in isiXhosa, Sesotho, isiZulu and Afrikaans which are distributed via print media only.

<sup>7</sup> Except for the pre-budget statement and the citizens budget, documents are tabled in Parliament on the same day thus discussed in one news conference.

**Table 4. Distribution of the Enacted Budget and Other Reports**

<b>DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS</b>					
<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					
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	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	Yes	Yes	Yes	Yes	Yes
2. Advance notification of release sent to users, media	No	No <sup>8</sup>	Yes	No	No
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	Yes	No	Yes	Yes	Yes
6. Free print copies available, mass distribution	Yes	No	Yes	Yes	Yes
7. Readily available outside capital/big cities <sup>+</sup>	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	No	No	No
9. News conference is held to discuss release	No	No	Yes	No	No

<sup>+</sup>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.

<sup>8</sup> Individuals can however subscribe (for free) to form part of a treasury list-serve that automatically forward via e-mail all monthly and quarterly reports to users.

## **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.*

<b>The Executive’s Budget Proposal</b>	
<b>Estimates for the Budget Year and Beyond</b>	
<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> <p style="margin-left: 40px;">a. All expenditures are classified by administrative unit.</p> <p style="margin-left: 40px;">b. Expenditures are classified by administrative unit, but some small units are not shown separately.</p> <p style="margin-left: 40px;">c. Expenditures are classified by administrative unit, but a significant number of units are not shown separately.</p> <p style="margin-left: 40px;">d. No expenditures classified by administrative unit are presented.</p> <p style="margin-left: 40px;">e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> For example Table 2, page iv of the Estimates of National Expenditures 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<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 style="margin-left: 40px;">a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.</p> <p style="margin-left: 40px;">b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.</p> <p style="margin-left: 40px;">c. Some, but not all, expenditures are classified by function.</p> <p style="margin-left: 40px;">d. No expenditures classified by function are presented.</p> <p style="margin-left: 40px;">e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> For example Table 4, page 188 of the National Budget Review Annexure B: Statistical Tables. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<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> <ul style="list-style-type: none"> <li>a. All expenditures are classified by economic classification, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by economic classification.</li> <li>d. No expenditures classified by economic classification are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example Table 3, page vi of the Estimates of National Expenditures 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>4. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ul style="list-style-type: none"> <li>a. Program-level data are presented for all expenditures.</li> <li>b. Program-level data are presented for at least two-thirds of, but not all, expenditures.</li> <li>c. Program-level data are presented, but for less than two-thirds of expenditures.</li> <li>d. No program-level data are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example Vote 16: Health - Strategic Health Programs, Table 16.4, page 346 of the Estimates of National Expenditures 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2016%20Health.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2016%20Health.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Although only one example is cited, each of the various expenditure categories lists expenditures on program-level. Therefore, “a” is correct.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<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"> <li>Yes, multi-year estimates of aggregate expenditure are presented.</li> <li>No, multi-year estimates of aggregate expenditure are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 2, page v of the Estimates of National Expenditures 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. The government compiles a three-year rolling medium-term expenditure framework. The first year is the budget which is to be legislated by Parliament. The figures for the ensuing two years are planning figures.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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"> <li>Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).</li> <li>Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.</li> <li>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.</li> <li>No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Vote 16: Health - Strategic Health Programs, Table 16.4, page 346 of the Estimates of National Expenditures 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2016%20Health.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2016%20Health.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Again, only one example is cited, but all other categories include multi-year expenditures for all individual programs.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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> <ul style="list-style-type: none"> <li>a. All sources of tax revenue are identified individually.</li> <li>b. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually.</li> <li>c. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually.</li> <li>d. No sources of tax revenue are identified individually.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example page 5 of the Estimates of National Revenue 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<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> <ul style="list-style-type: none"> <li>a. All sources of non-tax revenue are identified individually.</li> <li>b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually.</li> <li>c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually.</li> <li>d. No sources of non-tax revenues are identified individually.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example page 6 of the Estimates of National Revenue 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<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> <ol style="list-style-type: none"> <li>Yes, multi-year estimates of aggregate revenue are presented.</li> <li>No, multi-year estimates of aggregate revenue are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example page 7 of the Estimates of National Revenue 2005. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. In the same manner and for the same periods as expenditure.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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> <ol style="list-style-type: none"> <li>Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</li> <li>Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.</li> <li>Yes, multi-year estimates are presented, but only for some individual sources of revenue.</li> <li>No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Budget Review 2005, page 74. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf</a>.  Estimates of National Revenue 2005, pages 5-7. Available at:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Although the various individual sources of revenue can be disaggregated even further (see pages 5 and 6 in Estimates of National Revenue 2005), the disaggregating is sufficient enough to warrant an “a.” See:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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> <ol style="list-style-type: none"> <li>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).</li> <li>Yes, the data reflect the outstanding debt at the end of the budget year.</li> <li>Yes, the data reflect the outstanding debt at the start of the budget year.</li> <li>No, data on the outstanding debt are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Budget Review 2005 page 110. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <ol style="list-style-type: none"> <li>Yes, interest payments on the debt are presented.</li> <li>No, interest payments on the debt are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Table 5.16, page 113 of the Budget Review. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<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> <ol style="list-style-type: none"> <li>Yes, extensive information related to the composition of government debt is presented.</li> <li>Yes, key additional information is presented, but some details are excluded.</li> <li>Yes, some additional information is presented, but it lacks important details.</li> <li>No, additional information related to the composition of government debt is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Pages 111-112 of the Budget Review 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<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"> <li>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.</li> <li>Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.</li> <li>Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.</li> <li>No, information related to the macroeconomic forecast is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Chapter 1 pages 11-12, Chapter 2 and Chapter 3 of the Budget Review 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%201.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%201.pdf</a>,  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%202.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%202.pdf</a>,  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%203.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%203.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<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"> <li>Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on the impact of different macroeconomic assumptions on the budget is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. After reviewing the budget proposal, there is no public indication of sensitivity analyses as background to the published macroeconomic forecasts.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>

<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> <ol style="list-style-type: none"> <li>Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on the impact of policy proposals on expenditures is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Some information is available in the Budget Review 2005, Chapter 1. For example, pages 20-21 of the Budget Review 2005. See: <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%201.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%201.pdf</a>. Also see pages 118-119 of the Budget Review 2005.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<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"> <li>Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on the impact of policy proposals on revenues is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Estimate of National Revenue 2005 at: <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>. Budget Review 2005, Chapter 1.: <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%201.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%201.pdf</a>. Also Table 4.5 page 78 or Table 4.9 page 92 of the Budget Review 2005: <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf</a>. However, there is not enough discussion of all tax changes.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

<b>Estimates for Years Prior to the Budget Year</b>	
<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> <ol style="list-style-type: none"> <li>All expenditures are classified by administrative unit for BY-1.</li> <li>Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately.</li> <li>Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately.</li> <li>No expenditures classified by administrative unit are presented for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 2, page iv of the Estimates of National Expenditures 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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> <ol style="list-style-type: none"> <li>All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards.</li> <li>All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards.</li> <li>Some, but not all, expenditures are classified by function for BY-1.</li> <li>No expenditures classified by function are presented for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 2 page iv of the Estimates of National Expenditure. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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> <ul style="list-style-type: none"> <li>a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by economic classification for BY-1.</li> <li>d. No expenditures classified by economic classification are presented for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example Table 3, page vi of the Estimates of National Expenditure 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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> <ul style="list-style-type: none"> <li>a. Program-level expenditure data are presented for all expenditures for BY-1.</li> <li>b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1.</li> <li>c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1.</li> <li>d. No program-level expenditure data are presented for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the Further Education and Training Program Table 15.6, page 314 of the Estimates of National Expenditure 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Again, although only one example is cited, this is true for all expenditure types.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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"> <li>All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.</li> <li>All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.</li> <li>Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.</li> <li>The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 6.2 Main Budget Expenditure 2001 – 2008, page 127 of the Budget Review 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%206.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%206.pdf</a>  The National Treasury provides monthly statements on expenditure, revenue and borrowing for national departments and quarterly statements for provincial departments, which makes it easy to follow monthly departmental actual spending. It is also available on the web at  <a href="http://www.finance.gov.za/">http://www.finance.gov.za/</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<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> <ol style="list-style-type: none"> <li>Yes, such prior-year estimates of aggregate expenditure are presented.</li> <li>No, such prior-year estimates of aggregate expenditure are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 2, page iv of the Estimates of National Expenditure. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. In the documentation for the 2005/06 budget, for example, expenditure figures are given for years back to 1998/89. See Table 1 of Annexure B of the 2005 Budget Review, at:  <a href="http://www.finance.gov.za">http://www.finance.gov.za</a>.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<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> <ol style="list-style-type: none"> <li>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).</li> <li>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.</li> <li>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.</li> <li>No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 1.1, page 4 of the Estimates of National Expenditure 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2001%20The%20Presidency.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2001%20The%20Presidency.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Again, although only one example is cited, this is true for all expenditure types.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<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> <ol style="list-style-type: none"> <li>Two years prior to the budget year (BY-2).</li> <li>Three years prior to the budget year (BY-3).</li> <li>Before BY-3.</li> <li>No actual data for all expenditures are presented in the budget or supporting budget documentation.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 2, page iv of the Estimates of National Expenditures 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2005/ene/overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<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"> <li>Yes, prior-year data are always adjusted to be comparable to the budget year data.</li> <li>Yes, in most cases, prior-year data are adjusted to be comparable.</li> <li>Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist.</li> <li>No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> During the interviews with officials it was explained that departments are involved in a manual conversion from the old classification to the new Government Finance Statistics Manual (GFS), which involves detailed mapping of the new economic format. This makes it possible to do comparisons as far as possible, and the detailed mapping is available to anyone who has queries.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> A more appropriate response to this question would be “b.” The following statement in the “2005 Estimates of National Expenditure” (page xiv) [<a href="http://www.finance.gov.za/">http://www.finance.gov.za/</a>] applies: “To ensure comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated according to the new programme structure for all years.” Given the element of uncertainty conveyed by the words “where possible,” a “b” would be a safer assessment.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “a” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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"> <li>All tax revenues are identified individually for BY-1.</li> <li>Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually.</li> <li>Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually.</li> <li>No tax revenues are identified individually for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 4.2, page 72 of the Budget Review 2005. See: <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf</a>. And page 6 of the Estimates of National Revenue 2005. See: <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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"> <li>a. All non-tax revenues are identified individually for BY-1.</li> <li>b. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually.</li> <li>c. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually.</li> <li>d. No non-tax revenues are identified individually for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Budget Review 2005 page 72 at:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf</a>.  And see Estimates of National Revenue 2005, for example Page 6 of the Estimates of National Revenue 2005 at:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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"> <li>a. All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections.</li> <li>b. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections.</li> <li>c. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections.</li> <li>d. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Table 4.2: Main Budget Estimates and Revenue Outcome 2003 – 2005, page 72 of the Budget Review 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf</a>.  The National Treasury provides monthly statements for expenditure, revenue and borrowing for national departments and quarterly statements for provincial departments. It is also available on the web at:  <a href="http://www.finance.gov.za/">http://www.finance.gov.za/</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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> <ul style="list-style-type: none"> <li>a. Yes, such prior-year estimates of aggregate revenue are presented.</li> <li>b. No, such prior-year estimates of aggregate revenue are not presented.</li> <li>c. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example Table 2, page 178 of the Budget Review 2005 Annexure B: Statistical Tables. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<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> <ul style="list-style-type: none"> <li>a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</li> <li>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.</li> <li>c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue.</li> <li>d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example Table 2, page 178 of the Budget Review 2005 Annexure B: Statistical Tables. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<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"> <li>Two years prior to the budget year (BY-2).</li> <li>Three years prior to the budget year (BY-3).</li> <li>Before BY-3.</li> <li>No actual data for all revenues are presented in the budget or supporting budget documentation.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Table 2, page 178 of the Budget Review 2005 Annexure B: Statistical Tables. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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"> <li>Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.</li> <li>Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.</li> <li>Yes, but only information on the level of debt is presented.</li> <li>No, information related to the government debt for BY-1 is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example Tables 5.11-5.14, pages 111-112 of the Budget Review 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

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

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

a

Citation and/or comment: For example Table 5.11, page 111 of the Budget Review 2005. See:

<http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf>.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**

<b>Comprehensiveness</b>		
<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> <p>a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on extra-budgetary funds is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> See Budget Review 2005, pages 59 and 116:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf</a>.  And pages 60-62:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%203.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%203.pdf</a>.  And Estimate of National Expenditures Vote 9 Public Enterprises:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2009%20Public%20Enterprises.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2009%20Public%20Enterprises.pdf</a>.  And National Treasury Annual Report 2003/04 Programme 3 “Asset and Liability Management.”</p> <p>In South Africa (SA) extra-budgetary activities includes extra-budgetary funds (e.g. road accident fund, social security fund) and extra-budgetary institutions (e.g. universities, commissions etc). The government is however still not required to publish a consolidated statement on all extra-budgetary activities.</p> <p>I’ve kept the marking “a” even though it lacks consolidation, as extensive information is provided, including the auditing of all 275 entities and the tabling of financial statements (which the public has access to) in Parliament.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. See also box page 59 of Budget Review 2005.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>	

<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"> <li>Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on intergovernmental transfers is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Inter-governmental Fiscal Review. For example Table 7.2, page 147 of the Budget Review 2005:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%207.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%207.pdf</a>.  Also see “Division of Revenue Bill” published annually at:  <a href="http://www.finance.gov.za/legislation/bills/2005/default.htm">http://www.finance.gov.za/legislation/bills/2005/default.htm</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b> The Division of Revenue Bill, published annually in December, sets out conditional grant transfers from national government departments to provincial and local government departments. See:  <a href="http://www.info.gov.za/gazette/bills/2005/b8b-05.pdf">http://www.info.gov.za/gazette/bills/2005/b8b-05.pdf</a>.</p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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> <ol style="list-style-type: none"> <li>Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on transfers to public corporations is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Each vote within the Estimate National Expenditures (ENE) includes a section on “Public entities reporting to the Minister”. See ENE pages xiv-xv:  <a href="http://www.finance.gov.za/documents/budget/2005/ene">http://www.finance.gov.za/documents/budget/2005/ene</a>.  For example, Table 30.7 (continuation) page 748 of the Estimates of National Expenditure:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2030%20Minerals%20and%20Energy.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2030%20Minerals%20and%20Energy.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<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> <ul style="list-style-type: none"> <li>a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on quasi-fiscal activities is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. One also does not find a statement indicating that there are no such activities.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>
<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"> <li>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.</li> <li>b. Yes, information is presented, highlighting key information, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on financial assets is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> This is correct in the sense that no systematic and comprehensive information is provided; also not in the annual report of the Auditor General. The only information given is on the proceeds of the restructuring of state-owned enterprises (see Chapter 6 of the Budget Review 2005).</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>

<p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, a discussion of their purpose, and (where possible) an estimate of their market value.</li> <li>b. Yes, information is presented, highlighting key information, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on non-financial assets is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> Even though South Africa has an asset management guide, there is no structured fixed asset register. It is hoped that once an accrual accounting system is adopted, assets will be recorded on the nation's balance sheet. However, it will still not be available for publication.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. No such information is given in the budget review.</p>	<div style="border: 1px solid black; padding: 5px; width: 30px; margin: 0 auto;">d</div>
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41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?

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

d

Citation and/or comment: Expenditure arrears are not reported on.

The Public Finance Management Act and treasury regulations nonetheless are very clear on payment procedures and all payment should take place within 30 days of receiving an invoice. The auditors have also become very meticulous in the auditing of such payments. Even at the provincial level delays in payments mostly occur as a result of outstanding/incomplete documentations from the contractors/service renders; and in some provinces due to weak financial management capacity. Details of payments are captured in departmental computerized systems, which can be easily extracted and made available to the public on request.

**Peer Reviewer ONE Comment:** Information on expenditure arrears is not presented in the national budget and supporting budget documentation because such arrears are generally experienced within provincial government departments to whom national departments transfer the bulk of their expenditure. It should be acknowledged that in South Africa the nine provincial administrations are the site of service delivery. In 2004, the total public expenditure was R321 billion (R370 billion minus R48.9 billion in debt costs), of which R155 billion or 57.7 percent (including conditional grants) was allocated to provincial governments. It is important to note that the bulk of public expenditure (i.e. nationally raised revenue minus debt service costs and the contingency reserve) is transferred to provincial governments. Provinces form the site for the actual delivery of public service such as health care, housing and education (although these are joint competencies with national government). See National Treasury, Provincial Budgets and Expenditure Review, 2001/02 to 2007/08, September 2005, p.8.

In provinces such as the Eastern Cape, the department's budgets for the upcoming financial year have often failed to take into account amounts owed to creditors. These delays are largely the result of weak financial management capacity and efforts to avoid the overuse of suspense accounts. For example, the Eastern Cape Treasury wrote off an amount of R362 million against the Treasury Reserve in 2001 after reviewing a total amount of R3.7 billion allocated to provincial suspense accounts in the period between 1994 and 1998.

**Peer Reviewer TWO Comment:**

<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"> <li>Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key contingent liabilities, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on contingent liabilities is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> There is no legal framework for the publication of contingent liabilities (other than government guarantees). The national budget excludes contingent liabilities such as university debt, research councils, government agencies and social security and other funds. The Budget Review contains information on financial guarantees, but that does not cover all potential pitfalls. For example, page 112 of the Budget Review 2005:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%205.pdf</a>  and table 8 page 198 of Annexure B of the Budget Review 2005:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20B.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<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"> <li>Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key future liabilities, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on future liabilities is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>

44. Does the executive's budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?

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

b

Citation and/or comment: In the past, donor assistance has been reported on in the national budget. Since 2000, however, this is no longer the case. Donor funding is no longer part of the budget process and voted expenditure, and so has separate auditing and bookkeeping procedures. It is now directly deposited into a RDP account at the South African Reserve Bank. The administration of the account is nonetheless still with National Treasury (Accountant General). Some information is published in the Quarterly Bulletin of the Reserve Bank (but it lacks important details).

In addition government also publishes an annual report on the RDP funds, released in October. Having said that, it is important to note that the National Treasury does provide information. See Budget Review 2005, Table 3.6 page 60, and the Annual Report 2003/04 programme 2, pages 23 and 40. Individual sources of donor assistance are listed in the Estimates for National Expenditure, 2005. For example, see Health Vote Table 16F, page 365 or the Education Vote Table 15F, pages 333-336. There is however no consolidated list available.

Peer Reviewer ONE Comment: Details of donor funding are contained in the Estimates of National Expenditure. This includes information on individual donors; projects involved in; type of assistance (cash or kind); amounts allocated in the three previous financial years; amount for the current financial year; medium-term expenditure estimate (for the next three years). See for example, Table 15.F, Summary of Official Development Assistance Expenditure, Estimates of National Expenditure, Vote 15 Education, 2005, pages 333-336.

Peer Reviewer TWO Comment:

<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"> <li>Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key tax expenditures, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on tax expenditures is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Information on tax expenditure remains limited / incomplete. The South African government plans to introduce a basic tax expenditure statement with further developments towards a comprehensive quantitative statement on revenue forgone once the information management system in South African Revenue Service (SARS) is fully developed. More information in pages 213-216 of Annexure C of the Budget Review 2005. See:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20C.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20C.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. In the 2006 Budget Review (page 200), the intention to develop a comprehensive quantitative statement on tax expenditure was again given.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>46. Does the executive's budget or any supporting budget documentation identify all earmarked revenues?</p> <ol style="list-style-type: none"> <li>All earmarked revenues are identified individually.</li> <li>At least two-thirds of, but not all, earmarked revenues are identified individually.</li> <li>Less than two-thirds of earmarked revenues are identified individually.</li> <li>No earmarked revenues are identified individually.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Estimates of National Revenue 2005 (it is comprised of 4 tables). Budget Review 2005 section 4, for example page 4 of the Estimates of National Revenue 2005:  <a href="http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf">http://www.finance.gov.za/documents/budget/2005/enr/enr.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

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?

- 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).

a

Citation and/or comment: Secret spending does not form a part of the Military and Defense budget in SA. The money is transferred from the National Treasury directly to the National Intelligence Agency (NIA), the SA Secret Services (SASS), and the intelligence division of the SA Police Services (SAPS). See ENE page 162. The spending amount is available but not the details thereof, as it is regarded as “top secret” and therefore not publicly available. The total secret spending for 2004/05 was R2.1bn, with total expenditure for 2004/05 equal to R369bn (that includes equitable share to provinces and state debt cost).

On top of that within the Military and Defense budget (vote 21), there is a “Special Defense Account” for “special projects” equal to R7.9bn, which is reported on in the Estimates for National Expenditure. It is reported that this amount is for the acquisition and maintenance of defense equipment.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:**

<b>The Budget Narrative &amp; Performance Monitoring</b>	
<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"> <li>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.</li> <li>b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the link between the budget and the government’s stated policy goals is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example, Chapter 6: Medium-term Expenditure estimates of the Budget Review 2005, page 117:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%206.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%206.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<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> <ol style="list-style-type: none"> <li>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.</li> <li>b. Yes, information is presented, highlighting the major policy goals, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example, Chapter 6: Medium-term Expenditure estimates of the Budget Review 2005, page 117:  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%206.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%206.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<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"> <li>Non-financial data are presented for all programs.</li> <li>Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.</li> <li>Non-financial data are presented for programs representing less than two-thirds of expenditure.</li> <li>No non-financial data are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For example the section “Service delivery objectives and indicators” for the vote on education, page 312 of the Estimates of National Expenditure 2005:  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf</a></p> <p><b>Peer Reviewer ONE Comment:</b></p> <p><b>Peer Reviewer TWO Comment:</b> Correct. Also true for other expenditures not cited.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ol style="list-style-type: none"> <li>The non-financial data are very useful for assessing program performance.</li> <li>The non-financial data are mostly useful for assessing program performance.</li> <li>The non-financial data are somewhat useful for assessing program performance.</li> <li>No non-financial data are provided or they are not useful for assessing program performance.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u></p> <p><b>Peer Reviewer ONE Comment:</b> The performance measures/indicators and performance targets included in the budget and supporting documents for national departments (especially for key service delivery departments such as Education, Housing, Health and Social Development) are generally inadequate for purposes of tracking expenditure and programme performance. Given that the bulk of nationally raised revenues (57.7%) are administered through provincial administrations, actual expenditure by national departments is constituted by the transfer of funds to provinces. For this reason the evaluation of the performance of national programs needs to take into account the combined performance of provincial departments to whom national departments transfer the bulk of their budget. Due to numerous inconsistencies between the outputs/objectives, performance measures/indicators, and performance targets set by transferring national departments and receiving provincial departments, this is in many instances not possible. See comments for question 51 for a detailed example of the Department of Education’s National School Nutrition Programme conditional grant.</p> <p><b>Peer Reviewer TWO Comment:</b> Correct. Some of the information of the various votes is better than others for assessing program performance. Depending on the level of assessment to be undertaken, however, the information could be either a “b” or a “c.”</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div>

<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"> <li>a. Performance indicators are presented for all programs.</li> <li>b. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures.</li> <li>c. Performance indicators are presented for programs representing less than two-thirds of expenditures.</li> <li>d. No performance indicators are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the section “Service delivery objectives and indicators” for the vote on education, page 312 – 314 of the Estimates of National Expenditure 2005.  <a href="http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf">http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. This is also true for the other votes.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
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53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?

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

Citation and/or comment: Even though performance indicators and performance targets are provided, not all are well designed. But it differs across the various votes. Hence the answer justifies a “c” grading.

**Peer Reviewer ONE Comment:** A more appropriate response to this question would be “d.” Although performance indicators are available for all national programs, these are not well designed and generally do not allow interested parties to assess whether there has been progress in meeting policy goals. To do so, these performance indicators would need to include aggregate indicators for the implementation of conditional grant transfers to provinces which make up the bulk of expenditure by key national government departments such as health. According to the Estimates of National Expenditure 2005, 92.6% of the expenditure of the national Department of Health takes the form of ‘transfers to provinces and other institutions’ (see Vote 16 Health, Expenditure Trends, p. 343). There is often no correlation between the performance measures contained in the national budget and those appearing in provincial department budgets and strategic plans. For example, although the national Department of Health lists a performance indicator of ‘percentage of facilities that offer mother-to-child transmission prevention services’ for its HIV and Aids sub-program and sets itself a performance target of ‘80% in 2005/06,’ this indicator and target do not feature in the budget statement of the Eastern Cape Department of Health. (See Estimates of National Expenditure 2005, Vote 16 Health, p. 349, and Eastern Cape Provincial Government Budget Statements 2005/06, Vote 3 Department of Health, pp. 161-219). This is despite the fact that the Eastern Cape was allocated R159 million from the national Department of Health in the form of a ‘comprehensive HIV and Aids grant’ for the 2005/06 financial year (See Division of Revenue Bill, 2005, Schedule 5 Specific Allocations to Provinces, p. 38).

**Peer Reviewer TWO Comment:** Correct. There is a lack of sufficient quantitative measures to assess which programs have reached their goals, and which have not. Although performance indicators and performance targets are stated in most instances and a narrative discussion of most programs suggest whether success has been achieved or not, objective, quantitative analysis of project success is lacking in most instances (so as to determine the number of successes and failures by administrative unit, for example).

**IBP Comment:** IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries.

c

54. Are performance indicators used in conjunction with performance targets presented in the executive's budget or any supporting budget documentation?

- a. All performance indicators are used in conjunction with performance targets.
- b. Most performance indicators are used in conjunction with performance targets.
- c. Some performance indicators are used in conjunction with performance targets, but most are not.
- d. No performance indicators are used in conjunction with performance targets.
- e. Not applicable/other (please comment).

Citation and/or comment: For example the section "Selected medium-term output targets" for the vote on education page 313 of the Estimates of National Expenditure 2005

<http://www.finance.gov.za/documents/budget/2005/ene/Vote%2015%20Education.pdf>

**Peer Reviewer ONE Comment:** The following comment was added in the 'Citation and/or Comment' section above. "Although performance indicators appear in budget documentation along with performance targets these are of limited value in tracking the implementation of policies. See comment above."

**Peer Reviewer TWO Comment:** Correct. Performance indicators and targets are tabled together.

a

55. Does the executive's budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country's most impoverished populations?

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

b

Citation and/or comment: See Estimates of National Expenditure which provides information on key policy developments for all votes. For example the section "Unemployment insurance fund" for the labor vote page, 388 of the Estimates of National Expenditure 2005

<http://www.finance.gov.za/documents/budget/2005/ene/Vote%2017%20Labour.pdf>.

I do not agree with a "c" response because the question relates to whether the executive budget includes information on policy proposals and commitments intended to benefit impoverished groups. It does not directly refer to the success or failures of such policies.

**Peer Reviewer ONE Comment:** A more appropriate response to this question would be "c." Although the executive's budget contains information on policies intended to alleviate poverty, this information lacks important details. It excludes information on the total numbers of service delivery beneficiaries versus the total estimated numbers of beneficiaries in need of services. For instance, the total estimated number of persons requiring houses is not accurately indicated in budget documents. This is due to the failure to undertake detailed needs analyses within provinces. For example, the national Department of Housing transfers a total of R4.868 billion of its R5.191 billion budget to provinces and municipalities (See Estimates of National Expenditure 2005, vote 28 Housing, Table 28.1, p. 685). The single largest transfer takes place under Programme 6: Housing Development Funding, which transfers an amount of R4.851 billion to provincial Housing departments (p. 698). This money is intended to 'channel funds for the provision of housing and integrated settlements.' However, the service delivery objectives and indicators set for its 'integrated housing and human settlement development grant' contain no indication of the number of intended beneficiaries of these funds. The performance measures/indicators listed simply state 'percentage of funds disbursed to provinces' (with a target of 100% disbursed per year') and 'percentage of funds spent by provinces' (with a target set of 'At least 95% spending by provinces per year') (p. 699). These performance measures and targets are not directly related to the housing needs and fail to measure the actual delivery of housing subsidies or housing units.

**Peer Reviewer TWO Comment:**

**IBP Comment:** IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

<b>Additional Key Information for Budget Analysis &amp; Monitoring</b>	
<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>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on tax rates and fee schedules is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the 2005/06 Tax Pocket Guide:  <a href="http://www.finance.gov.za/documents/budget/2005/sars/B05PocketG.pdf">http://www.finance.gov.za/documents/budget/2005/sars/B05PocketG.pdf</a>  and also information available on the South African Revenue Service Website:  <a href="http://www.sars.gov.za/">http://www.sars.gov.za/</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block; margin: auto;">a</div>

57. Does the executive make available to the public an analysis of the distribution of the tax burden?

- a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded.
- c. Yes, some analysis is presented, but it lacks important details.
- d. No analysis on the distribution of the tax burden is presented.
- e. Not applicable/other (please comment).

c

Citation and/or comment: See Budget Review, 2005, Chapter 4 on Revenue trends and tax proposals. It makes reference to personal income tax relief for primarily low-income earners, direct income tax relief for small businesses, corporate income tax relief, and tax relief to home ownership etc. It also reports on progress on tax reform initiatives, the broadening of the tax base, taxes on goods and services, and international trade. In addition, as part of the budget documentation on the treasury's website there is a budget tax proposal 2005/06 guide from the South African Revenue Service (SARS) that explains taxes on income and profits, tax relief on business income etc., and summary information on the Income Tax Act, Donations and Estate Duty, VAT Act, Customs and Excise Act etc. Budget Review 2005 page 8 also makes reference in a footnote to two studies entitled "what happened to the distribution of income in SA between 1995 and 2001," and "National personal income of South Africans by population group, income group, life stage, and life plan." But there has been no in-depth study conducted on the distribution of the tax burden across all income groups.

**Peer Reviewer ONE Comment:** A more appropriate response to this question would be "a." A wide ranging discussion of revenue trends and tax proposals, including the distribution of the tax burden (taxes on income, profits, the payroll, goods and services, international trade) is provided in the Budget Review Chapter 4, revenue trends and tax proposals, pp. 69-98.

**Peer Reviewer TWO Comment:** A more appropriate response to this question would be "c." Information is given on the changes in the personal income tax rate per income bracket, and the resulting distribution of the tax relief. See for example the South African Revenue Service's Estimate of Revenue, [<http://www.finance.gov.za/>]. In 2002, the National Treasury did publish the results of a commissioned study on the distributional impact of tax and expenditure policies (see 2002 Budget Review), but no systematic analysis which takes account of price elasticities and tax incidence effects is done and published on a regular basis.

**IBP Comment:** IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

<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"> <li>Yes, extensive information on conditions associated with IFI assistance is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on conditions associated with IFI assistance is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Even though SA receives a relatively insignificant amount of financial assistance from IFIs or donor countries, in the interest of transparency the accompanying conditions should be made available to the public.</p> <p><b>Peer Reviewer ONE Comment:</b> A more appropriate response to this question would be “e.” South Africa obtains a negligible amount of financial assistance from IFIs.</p> <p><b>Peer Reviewer TWO Comment:</b> Correct. It should be pointed out that no assistance is currently received from the IMF [see list of transactions at: <a href="http://www.imf.org/external/np/tre/tad/extrans1.cfm?memberKey1=880&amp;endDate=2006%2D03%2D25&amp;finposition_flag=YES">http://www.imf.org/external/np/tre/tad/extrans1.cfm?memberKey1=880&amp;endDate=2006%2D03%2D25&amp;finposition_flag=YES</a>]. There would, therefore, be nothing to report. The World Bank, on the contrary, reports as follows: “As of February 2005, the World Bank had approved 13 loans for South Africa for a total amount of approximately US\$302.8 million. There were eight active World Bank operations with a commitment value of approximately US\$15 million and US\$13.3 million in undisbursed funds.” See: <a href="http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:368082~pagePK:141159~piPK:141110~theSitePK:368057,00.html">http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:368082~pagePK:141159~piPK:141110~theSitePK:368057,00.html</a></p> <p><b>IBP Comment:</b> IBP editors chose answer “d” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>
<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"> <li>Yes, extensive information on conditions associated with donor country assistance is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on conditions associated with donor country assistance is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Please refer to comment provided for question 58.</p> <p><b>Peer Reviewer ONE Comment:</b></p> <p><b>Peer Reviewer TWO Comment:</b> Correct. See also peer review comment for question 58.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>

<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ol style="list-style-type: none"> <li>Yes, it provides a summary that is very informative.</li> <li>Yes, it provides a summary that is somewhat informative.</li> <li>Yes, but the summary is not very informative.</li> <li>No, it does not provide a summary.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See budget speech:  <a href="http://www.finance.gov.za/documents/budget/2005/speech/speech.pdf">http://www.finance.gov.za/documents/budget/2005/speech/speech.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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> <ol style="list-style-type: none"> <li>Yes, it publishes a citizens budget that is very informative.</li> <li>Yes, it publishes a citizens budget that is somewhat informative.</li> <li>Yes, but the citizens budget is not very informative.</li> <li>No, it does not publish a citizens budget.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See “A People’s Guide to the Budget 2005”  <a href="http://www.finance.gov.za/documents/budget/2005/guide.pdf">http://www.finance.gov.za/documents/budget/2005/guide.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>
<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"> <li>Yes, thorough definitions of budget terms are provided.</li> <li>Yes, definitions are provided, but some details are excluded.</li> <li>Yes, some definitions are provided, but it lacks important details.</li> <li>No, definitions are not provided.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Annexure A, page 159 - Glossary of the National Budget Review 2005:  <a href="http://www.finance.gov.za/documents/budget/2005/review/Annexure%20A.pdf">http://www.finance.gov.za/documents/budget/2005/review/Annexure%20A.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto;">a</div>

<p>63. Does the executive make available to the public a summary of the budget process?</p> <ol style="list-style-type: none"> <li>Yes, it includes a summary of the budget process that is very informative.</li> <li>Yes, it includes a summary of the budget process that is somewhat informative.</li> <li>Yes, but the summary of the budget process is not very informative.</li> <li>No, it does not include a summary of the budget process.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The latest available on-line budget process schedule on the treasury’s website is for 2003, which was published as part the “Medium-term Expenditure Framework Treasury Guidelines.” The latter is an internal document which was made public to the researcher on request only. None of the subsequent years are available.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Although the budget process was published for 2003, similar documents are not available online for any of the subsequent years. An e-mail to <a href="mailto:library@treasury.gov.za">library@treasury.gov.za</a> was undeliverable. No regular update is available.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>
<p>64. Do citizens have the right in law to access government information, including budget information?</p> <ol style="list-style-type: none"> <li>Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information.</li> <li>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.</li> <li>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.</li> <li>No, the right to access government information has not been codified into law, or this right does not include access to budget information.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> For more information please consult the following website: <a href="http://www.opendemocracy.org.za/">http://www.opendemocracy.org.za/</a> The law guaranteeing the right to information is available at: <a href="http://www.acts.co.za/prom_of_access_to_info/index.htm">http://www.acts.co.za/prom_of_access_to_info/index.htm</a>. Section 38 of the Constitution of the Republic of South Africa (Act 108 of 1996) guarantees citizens the right to access any information held by the state. This right is fleshed out by the Promotion of Access to Information Act (Act 2 of 2000). However, difficulties have been experienced by civil society and research organizations seeking to obtain disaggregated budget allocations for sub-departmental government programs. Not all citizens have access to the internet or other sources of government communication.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Although the right is codified in law, and nearly all government information and budget information is available online, not all citizens have access to the internet or other sources of communication with government.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

65. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it (for example, from a ministry or agency)?

a

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

Citation and/or comment: Highly detailed disaggregated financial information is already made available in budget documentation for both the national and provincial government, which would warrant an "a" grading. But since the bulk of nationally raised revenue is transferred to provincial departments because those are the locus for service delivery, the problem in accessing further detailed information is less of a problem at the national level and less of a problem with financial information. In my opinion, and as indicated in Peer Reviewer One's example, the real problem is with non-financial data at the provincial level (but this imbalance in expenditure classification varies across different departments and provinces). For the purpose of this survey which focuses on the activities of the central government, and since the question directly relates to financial information, I would be hesitant to down-grade the response to "c". We should keep in mind that the national budget includes program and sub-program level information, economic classification of expenditure, information on transfers and subsidies, conditionals grants to provinces and local governments, all of which are set within a medium-term framework that includes 3-years spending plans. In comparison to other participating African countries this could be regarded as highly detailed.

**Peer Reviewer ONE Comment:** A more appropriate response to this question would be "c." The ability to obtain highly disaggregated information on the expenditures of individual programs presupposes public access to provincial government program operational plans and sub-program business plans (for example provincial Health Department HIV/AIDS business plans or Education Department Infrastructure and Maintenance business plans). However, these documents are not routinely published.

**Peer Reviewer TWO Comment:** A more appropriate response to this question would be "e." The budget information is already at a very detailed level of disaggregating. As a test of accessibility to any more detailed information, the website of the Department of Trade and Industry was visited, but no such information could be obtained.

**IBP Comment:** IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.

66. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it from a ministry or agency?

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

Citation and/or comment:

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment**

b

## **Section Three: The Budget Process**

<b>The Budget Process</b>	
<b>Executive's Formulation of the Budget</b>	
<p>67. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> <li>The release date is set in permanent law.</li> <li>The executive announces the release date at least two months in advance.</li> <li>The executive announces the release date less than two months but more than two weeks in advance.</li> <li>The executive announces the release date two weeks or less before the release, or makes no announcement.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u></p> <p><b><u>The researcher's response to this question was "b."</u></b> Even though the release date is not set in permanent law, treasury guidelines stipulate that the budget proposal must be released on the last Wednesday in February every year. As a result the release date is basically known although no official announcement is made (other than the usual media announcement).</p> <p><b><u>Peer Reviewer ONE Comment:</u></b> A more appropriate response to this question would be "a." Section 27(1) of the Public Finance Management Act, 1999, requires that the minister of finance table the annual budget for the financial year in national Parliament before the start of the financial year on April 1<sup>st</sup>. In addition, the Medium-term Expenditure Framework Treasury Guideline for preparing budget submissions, which has been produced in April (preceding the upcoming financial year) every year since 2001, states the specific date for the presentation of the budget in Parliament. This means in effect that the budget day is given with ten months notice.</p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer "a" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>. The guide to the questionnaire mentions that if the budget law states that the budget must be released "no later than" a date or "the week of release," it is sufficient for the "a" response. However, we recognize that budget groups would find it useful if the exact date of the release of the budget is known in advance.</p>	a

<p>68. Does the executive release to the public its timetable for its budget preparation process?</p> <ol style="list-style-type: none"> <li>Yes, a detailed timetable is released to the public.</li> <li>Yes, a timetable is released, but some details are excluded.</li> <li>Yes, a timetable is released, but it lacks important details.</li> <li>No, a timetable is not issued to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> A timetable (as part of the MTEF Treasury Guidelines) is distributed for internal use only. It is however available on request. The latest timetable available on the treasury’s website is for 2003:  <a href="http://www.treasury.gov.za/documents/budget/2002/guidelines_02/budget.pdf">http://www.treasury.gov.za/documents/budget/2002/guidelines_02/budget.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Although a timetable is distributed internally, the document on the web is outdated and no recent timetable is available publicly.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>
<p>69. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ol style="list-style-type: none"> <li>The executive adheres to the dates in its timetable.</li> <li>The executive adheres to most of the key dates in its timetable.</li> <li>The executive has difficulty adhering to most of the dates in its timetable.</li> <li>The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u></p> <p><b><u>The researcher’s response to this question was “b.”</u></b> Even though the timetable is not made available to the public and the latest available online table is for 2003, I requested the subsequent timetables directly from the treasury’s budget office and in my experience found that the executive adheres to the timetable fairly closely.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> A more appropriate response to this question would be “b.” All we can confirm from our own observation is that the budget speech has in recent years always been on the pre-announced date and that the budget legislation programme did not experience major deviations. Since the detailed time table is not known, we cannot agree with an “a”. A “b” would be safer.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “d” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>. If the budget preparation timetable is not made public (see question 68) then this question is automatically marked “d.”</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">d</div>

70. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

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

a

Citation and/or comment: Nationally, there is the Joint Budget Committee (JBC) that considers the MTBPS and reports to Parliament. The JBC consists of 15 members from the National Assembly (9 from the majority and 6 from the opposition) and 8 members from the NCOP (5 from the majority and 3 from the opposition). At the provincial level, draft budget allocations for departments are subjected to budget hearings by the provincial treasury and the Portfolio Committee on Finance. Provincial Ministers and HOD attend these hearings to justify budget submissions – it includes representation from the National Budget Office. In addition, as stipulated in the Constitution (Act 108 of 1996) Chapter 13, Section 214 (2), the Financial and Fiscal Commission (FFC) must be consulted and any recommendations of the Commission must be taken into account prior to the annual budget and division of revenue being decided.

**Peer Reviewer ONE Comment:** The Medium-Term Budget Policy Statement (MTBPS) is published in the National Assembly and provincial legislatures in October annually. The MTBPS is a draft of the MTEF, a three-year budget that links government policy to its strategic plans and budgetary requirements. Nationally, the Joint Budget Committee (JBC) sits to consider the MTBPS. It must report to Parliament on its recommendations. The JBC consists of 15 members of the National Assembly (nine from the majority, six from the opposition) and eight NCOP members (five from the majority and three from the opposition). In the provinces, the draft budget allocations for departments are subjected to budget hearings by the provincial Treasury and by the Portfolio Committees on Finance. Provincial Ministers and HODs attend these hearings to substantiate their budget submissions. There is also representation from the national Budget Office at these hearings. Departments make further changes to their budget submissions as requested by the budget hearings. Departments then submit their second draft budgets to the provincial Budget Office for evaluation.

Section 214 of the Constitution of the Republic of South Africa (Act 108 of 1996) requires that the Finance and Fiscal Commission (which reports to Parliament and legislatures) be consulted, and that its recommendations be taken into account, prior to the annual budget and division of revenue being decided.

**Peer Reviewer TWO Comment:** We are aware that the Parliamentary Committee on Finance discusses the Medium-Term Budget Policy Statement when it is released during October of each year. Because this contains the next year's budget-in-development, this should be regarded as a consultation event. We could not, however, find evidence of such a meeting on the committee's website. Besides, we are not convinced that consultation with the Ministers Committee on the Budget constitutes "consultations with members of the legislature" because this Committee is an executive committee and participants do not participate as members of the legislature in the first place. We are therefore not in a position to either endorse the suggested answer or suggest an alternative.

<p>71. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> <li>a. Yes, the executive holds extensive consultations with a wide range of constituencies.</li> <li>b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.</li> <li>c. Yes, the executive holds very limited consultations, involving only a few constituencies.</li> <li>d. No, the executive does not typically consult with the public as part of the budget preparation process.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> Various levels of consultations take place with different constituencies. Some examples include:  (1) “Tips for Trevor” is an e-initiative where the general public is provided with an opportunity to raise their concerns/priorities. This is administered via the Internet.  (2) Civil Society/broader public are also invited to make submissions in Parliament after the tabling of the budget proposal.  (3) The National Economic and Labour Council (NEDLAC: <a href="http://www.nedlac.org.za">www.nedlac.org.za</a>) funded by the Department of Labour provides a platform where government comes together with organized business, organized labour and organized community groupings on a national level to discuss and try to reach consensus on issues of social and economic policy.</p> <p><b>Peer Reviewer ONE Comment:</b> There have, however, been notable exceptions to this rule. For instance in the Eastern Cape province the Public Service Accountability Monitor (PSAM) has been invited to provide inputs at provincial Medium-Term Expenditure Committee (MTEC) hearings held annually by the provincial treasury and has been requested to provide inputs on the strategic plans and budget allocations for key provincial government service delivery departments (including health, education, housing, and social development).</p> <p><b>Peer Reviewer TWO Comment:</b> The budget process typically entails consultations with various constituencies. One example is the consultative body National Economic Development and Labour Council (Nedlac), in which government, organized business, organized labour and civil society are represented. Its Monetary and Fiscal Policy Chamber submits inputs for the budget – see <a href="http://www.nedlac.org.za/">http://www.nedlac.org.za/</a>.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
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<p>72. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> <li>The executive releases a pre-budget statement at least four months in advance of the start of the budget year.</li> <li>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.</li> <li>The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year.</li> <li>The executive does not release a pre-budget statement.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> As indicated earlier, in SA we regard the Medium-Term Budget Policy Statement (MTBPS) as both a pre-budget statement as well as a mid-term review. See:  <a href="http://www.finance.gov.za/documents/mtbps/2005/default.htm">http://www.finance.gov.za/documents/mtbps/2005/default.htm</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>73. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See MTBPS Chapter 2:  <a href="http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%202.pdf">http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%202.pdf</a>  and Chapter 3:  <a href="http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%203.pdf">http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%203.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>74. 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"><li>a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.</li><li>b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded.</li><li>c. Yes, some explanation is presented, but it lacks important details.</li><li>d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation and/or comment:</u> MTBPS Chapter 5: <a href="http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%205.pdf">http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%205.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<p style="text-align: center;">a</p>
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<b>Legislative Approval of the Budget</b>		
<p>75. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> <li>a. The legislature receives the budget at least three months before the start of the budget year.</li> <li>b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year.</li> <li>c. The legislature receives the budget less than six weeks before the start of the budget year.</li> <li>d. The legislature does not receive the budget before the start of the budget year.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> It varies between 5 and 6 weeks. Even though the MTBPS (which for the purpose of this survey is regarded as a pre-budget statement and mid-term review) conveys a substantive amount of information including the MTEF (which hardly changes significantly), is tabled in Parliament in October, 3 month prior to budget day in February and 5 month prior to the start of the financial year (1 April), the legislature only receives the actual budget between 5 and 6 weeks prior to the start of the budget year. The answer could therefore be either “b” or “c.” Since the legislature is privy to a significant amount of information via the MTBPS a “b” response is justified.</p> <p><b>Peer Reviewer ONE Comment:</b> A more appropriate response to this question would be “a.” The Budget and the Division of Revenue Bill (including the latest MTEF) are tabled in the national Parliament in mid-February. The new financial year starts between 5 and 6 weeks later on April 1<sup>st</sup>. These documents are then subjected to a 3-month review process. It should be acknowledged, however, that the Medium-Term Budget Policy Statement (MTBPS) is published in October of the previous year. This means that the legislature is privy to the content of the proposed budget at least 4 months before the start of the financial year.</p> <p><b>Peer Reviewer TWO Comment:</b> The Medium-Term Budget Policy Statement conveys a lot of information much earlier – and a great deal of the information (eg. the policy directions and priorities) normally does not change or change materially during the period up to budget day.</p> <p><b>IBP Comment:</b> IBP editors chose answer “c” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>. As per the guide, the MTBPS cannot be used as a pre-budget statement and a budget document. Since in South Africa the MTBPS is being used as a pre-budget statement, it cannot be used to answer this question.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>	

<p>76. 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"> <li>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.</li> <li>Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.</li> <li>Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.</li> <li>No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> It is also discussed during the Ministers Committee on the Budget (MinComBud) and Parliamentary Portfolio Committee on Finance. See website of the Parliament of South Africa (<a href="http://www.parliament.gov.za">http://www.parliament.gov.za</a>) for a list of all committees.</p> <p><b>Peer Reviewer ONE Comment:</b> See Reviewer comment for question 70 above.</p> <p><b>Peer Reviewer TWO Comment:</b> Correct. This is one of the main tasks of the Parliamentary Portfolio Committee on Finance. See: <a href="http://www.google.co.za/search?hl=en&amp;q=portfolio+committee+on+finance&amp;btnG=Google+Search&amp;meta=cr%3DcountryZA">http://www.google.co.za/search?hl=en&amp;q=portfolio+committee+on+finance&amp;btnG=Google+Search&amp;meta=cr%3DcountryZA</a></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>77. 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> <ol style="list-style-type: none"> <li>Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard.</li> <li>Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard.</li> <li>Yes, a limited number of hearings are held in which testimony from the executive branch is heard.</li> <li>No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The Parliamentary Monitoring Group (PMG, an independent information service (<a href="http://www.pmg.org.za">http://www.pmg.org.za</a>)) covers/monitors all hearings and makes the information available on their website. The minutes of the meetings generally reflect all submissions made (verbal and written) and is available on request via the committee secretaries in Parliament or the PMG website.</p> <p><b>Peer Reviewer ONE Comment:</b> See Reviewer comment for question 70 above.</p> <p><b>Peer Reviewer TWO Comment:</b> Correct. Each ministry used to appear before the Parliamentary Portfolio Committee on Finance when the particular budget is discussed. It was not possible to confirm the continuation of this practice by visiting the committee's website.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>78. 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> <ol style="list-style-type: none"> <li>Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.</li> <li>Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.</li> <li>Yes, a limited number of hearings are held in which testimony from the public is heard.</li> <li>No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See PMG website (<a href="http://www.pmg.org.za">http://www.pmg.org.za</a>) where the proceedings of the hearings are published. Notification of the hearings is published in all major print media and/or radio. The parliamentary website also lists all committee hearings.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Experts as well as representative bodies are summoned to give input during such public hearings.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>79. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ol style="list-style-type: none"> <li>Yes, the committees release very informative reports, which include all written testimony presented at the hearings.</li> <li>Yes, the committees release reports, but some details are excluded.</li> <li>Yes, the committees release reports, but they are not very informative.</li> <li>No, the committees do not release reports or do not hold public hearings.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> There is no publicly available official record of the committee proceedings. The minutes of the meetings generally reflect all submissions made (verbal and written) and is available on request via the committee secretaries in parliament or the PMG website.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b> A more appropriate response to this question would be “c.” This would be more consistent with the comment cited above.</p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>80. Does the executive present more details or provide a better explanation of any budget proposal, if members of the legislature (including from minority parties) request such information?</p> <ol style="list-style-type: none"> <li>a. The executive responds to such legislative requests, and it generally provides an appropriate and timely response.</li> <li>b. The executive responds to such legislative requests, but its responses are sometimes not appropriate or timely.</li> <li>c. The executive responds to such legislative requests, but its responses are typically not appropriate or timely.</li> <li>d. The executive responds selectively or ignores such legislative requests.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> There is a lengthy process of engagement.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. From my own experience, some of the questioning during these sessions can be quite grueling.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>81. Is the legislature (or the appropriate legislative committee) given information for the budget year on the spending of secret items relating to, for instance, national security and military intelligence?</p> <ol style="list-style-type: none"> <li>a. Yes, the legislature is provided extensive information on all spending on secret items.</li> <li>b. Yes, the legislature is provided information on spending on secret items, but some details are excluded.</li> <li>c. Yes, the legislature is provided some information on spending on secret items, but it lacks important details.</li> <li>d. No, the legislature is provided no information on secret items.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The “Joint Standing Committee on Intelligence” in Parliament is provided with full details on spending on secret items. These are closed sessions and the committee members undergo extensive “clearance.”</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>82. Does the legislature have authority to amend the budget presented by the executive?</p> <ul style="list-style-type: none"> <li>a. Yes, the legislature has unlimited authority to amend the budget.</li> <li>b. Yes, the legislature has authority to amend the budget, with some limitations.</li> <li>c. Yes, the legislature has authority to amend the budget, but its authority is very limited.</li> <li>d. No, the legislature does not have any authority to amend the budget.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> Even though the Constitution grants the legislature amendment powers, there is currently no enabling legislation that is required to regulate how the power is exercised.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. The SA legislative can only accept or reject the budget as a whole. It has no line veto power.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>
<p>83. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ul style="list-style-type: none"> <li>a. The approved budget includes program-level detail.</li> <li>b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).</li> <li>c. The approved budget includes only departmental totals.</li> <li>d. The approved budget includes less information than departmental totals.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> See Appropriation Act: <a href="http://www.info.gov.za/gazette/acts/2005/a4-05.pdf">http://www.info.gov.za/gazette/acts/2005/a4-05.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<b>Executive's Implementation of the Budget</b>	
<p>84. 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> <ul style="list-style-type: none"> <li>a. In-year reports on actual expenditure are released at least every month.</li> <li>b. In-year reports on actual expenditure are released at least every quarter.</li> <li>c. In-year reports on actual expenditure are released at least semi-annually.</li> <li>d. In-year reports on actual expenditure are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> See: <a href="http://www.finance.gov.za/press/monthly/default.htm">http://www.finance.gov.za/press/monthly/default.htm</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>85. 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"> <li>a. Yes, in-year reports cover all expenditures.</li> <li>b. Yes, in-year reports cover at least two-thirds, but not all, of expenditures.</li> <li>c. Yes, in-year reports cover less than two-thirds of expenditures.</li> <li>d. No in-year reports are released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> However, it excludes donor funding which is mainly in kind and not in cash. For example the December 2005 Schedule 2: Expenditure: <a href="http://www.finance.gov.za/press/monthly/0601/schedule_2.pdf">http://www.finance.gov.za/press/monthly/0601/schedule_2.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>86. 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> <ul style="list-style-type: none"> <li>a. Yes, comparisons are made for all expenditures.</li> <li>b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures.</li> <li>c. Yes, but comparisons are made for less than two-thirds of expenditures.</li> <li>d. No, comparisons are not made, or no in-year reports are released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the December 2005 Schedule 2: Expenditure page 3: <a href="http://www.finance.gov.za/press/monthly/0601/schedule_2.pdf">http://www.finance.gov.za/press/monthly/0601/schedule_2.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>87. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ul style="list-style-type: none"> <li>a. In-year reports on actual revenue collections by source of revenue are released at least every month.</li> <li>b. In-year reports on actual revenue collections are released at least every quarter.</li> <li>c. In-year reports on actual revenue collections are released at least semi-annually.</li> <li>d. In-year reports on actual revenue collections by source of revenue are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> Extensive detailed information is provided. See: <a href="http://www.finance.gov.za/press/monthly/default.htm">http://www.finance.gov.za/press/monthly/default.htm</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>88. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ul style="list-style-type: none"> <li>a. In-year reports cover the actual revenue collections of all sources of revenue.</li> <li>b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue.</li> <li>c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources.</li> <li>d. In-year reports on actual revenue collections are not released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the December 2005 Schedule 1: Revenue: <a href="http://www.finance.gov.za/press/monthly/0601/schedule_1.pdf">http://www.finance.gov.za/press/monthly/0601/schedule_1.pdf</a> .</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>89. 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> <ul style="list-style-type: none"> <li>a. Yes, comparisons are made for all revenue sources.</li> <li>b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.</li> <li>c. Yes, but comparisons are made for less than two-thirds of revenue sources.</li> <li>d. No, comparisons are not made, or no in-year reports are released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the December 2005 Schedule 1: Revenue: <a href="http://www.finance.gov.za/press/monthly/0601/schedule_1.pdf">http://www.finance.gov.za/press/monthly/0601/schedule_1.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>90. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> <li>a. Yes, in-year reports on actual borrowing are released at least every month.</li> <li>b. Yes, in-year reports on actual borrowing are released at least every quarter.</li> <li>c. Yes, in-year reports on actual borrowing are released at least semi-annually.</li> <li>d. No, in-year reports on actual borrowing are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> See: <a href="http://www.finance.gov.za/press/monthly/0601/schedule_4.pdf">http://www.finance.gov.za/press/monthly/0601/schedule_4.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>91. 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"> <li>a. Yes, extensive information related to the composition of government debt is presented.</li> <li>b. Yes, key additional information is presented, but some details are excluded.</li> <li>c. Yes, some additional information is presented, but it lacks important details.</li> <li>d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> For example the December 2005 Schedule 4: Financing: <a href="http://www.finance.gov.za/press/monthly/0601/schedule_4.pdf">http://www.finance.gov.za/press/monthly/0601/schedule_4.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>92. 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> <ul style="list-style-type: none"> <li>a. Reports are released 1 month or less after the end of the period.</li> <li>b. Reports are released 2 months or less (but more than 1 month) after the end of the period.</li> <li>c. Reports are released more than 2 months after the end of the period.</li> <li>d. In-year reports are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>93. 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"> <li>a. Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget.</li> <li>b. Yes, the mid-year review includes a discussion of the economy, but it lacks some details.</li> <li>c. Yes, the mid-year review includes a discussion of the economy, but it lacks important details.</li> <li>d. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Refer to MTBPS, for example Chapter 2:  <a href="http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%202.pdf">http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%202.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>94. 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> <ol style="list-style-type: none"> <li>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.</li> <li>b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided.</li> <li>c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided.</li> <li>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.</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The “Adjusted Estimates of National Expenditure” which is released with the MTBPS in October:  <a href="http://www.finance.gov.za/documents.htm">http://www.finance.gov.za/documents.htm</a>  <a href="http://www.finance.gov.za/documents/mtbps/2005/default.htm">http://www.finance.gov.za/documents/mtbps/2005/default.htm</a>.  For example see the “Overview of the Adjusted Estimates of National Expenditure”  <a href="http://www.finance.gov.za/documents/mtbps/2005/adjustments/Overview.pdf">http://www.finance.gov.za/documents/mtbps/2005/adjustments/Overview.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>95. What is the most detail provided in the mid-year review for expenditures?</p> <ul style="list-style-type: none"> <li>a. The mid-year review includes program-level detail for expenditures.</li> <li>b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs).</li> <li>c. The mid-year review includes only departmental totals (or functional totals).</li> <li>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.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> The MTBPS does not provide program-level detail. This is found in the “Adjusted Estimates of National Expenditure” which is released at the same time as the MTBPS.  <a href="http://www.finance.gov.za/documents/mtbps/2005/default.htm">http://www.finance.gov.za/documents/mtbps/2005/default.htm</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>96. 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"> <li>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.</li> <li>b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided.</li> <li>c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided.</li> <li>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.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> See Chapter 4: Taxation of the Medium-term Budget Policy Statement, page 40.  <a href="http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%204.pdf">http://www.finance.gov.za/documents/mtbps/2005/mtbps/chapter%204.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>97. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain level, as specified in law or regulation)?</p> <ol style="list-style-type: none"> <li>Yes, the executive seeks approval from the legislature before shifting funds between administrative units.</li> <li>Yes, the executive advises the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.</li> <li>Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.</li> <li>No, the executive shifts funds between administrative units without seeking input from the legislature.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Refer to the Public Finance Management Act virement rules: <a href="http://www.treasury.gov.za/legislation/acts/pfma/act.pdf">http://www.treasury.gov.za/legislation/acts/pfma/act.pdf</a> (Section 30 and 42).</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. The statutory requirement quoted is audited by the Auditor General, whose reporting has an important compliance and disciplinary value.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>98. 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"> <li>There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.</li> <li>The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.</li> <li>The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.</li> <li>No, the procurement process was not open and competitive in practice.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Such instances are normally reported on in the Auditor General’s report as part of the section on “irregular, fruitless and wasteful expenditure and material losses.” The treasury has indicated that the necessary checks and balances are in place, including a procurement reform process. However, a report released by the Auditor General in 2004, after investigations in the Mpumalanga province has exposed massive tender rigging and corruption. The Auditor General investigation focused on transactions during the former premier of Mpumalanga (Ndawweni Mahlangu) who has since been replaced by Thabang Makwetla in April 2004.  <a href="http://www.agsa.co.za/Reports/general/genera2005.html">http://www.agsa.co.za/Reports/general/genera2005.html</a>  <a href="http://www.agsa.co.za/Reports/general/General/2005/jan/gen%20rep%202004%202%20Special%20audit%20services,%20Provincial%20%20p12-24.PDF">http://www.agsa.co.za/Reports/general/General/2005/jan/gen%20rep%202004%202%20Special%20audit%20services,%20Provincial%20%20p12-24.PDF</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>

<p>99. When does the legislature typically approve supplemental budgets?</p> <ol style="list-style-type: none"> <li>Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).</li> <li>Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> This happens during September/October. Supplemental budgets are approved before funds are expended. They form part of the main budget and are approved in the same manner. The Public Finance Management Act however makes provision for the MoF to approve funds in “emergency situations” (See Chapter 3 section 25: use of funds in emergency situations). But the latter rarely happens.  <a href="http://www.treasury.gov.za/legislation/acts/pfma/act.pdf">http://www.treasury.gov.za/legislation/acts/pfma/act.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. Supplemental budgets form part of the main budget and are approved in the same manner as the main budget.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>100. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ol style="list-style-type: none"> <li>Supplemental budgets are generally equal to 2 percent or less of the original budget.</li> <li>Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.</li> <li>Supplemental budgets are generally equal to more than 5 percent, but less than 10 percent, of the original budget.</li> <li>Supplemental budgets are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> In 2004/05, the adjusted budget was R372bn (as released in October 2004) Table 1, page v.  <a href="http://www.finance.gov.za/documents/mtbps/2004/adjustments/overview.pdf">http://www.finance.gov.za/documents/mtbps/2004/adjustments/overview.pdf</a>  The original budget for 2004/05 (as released in February 2004) was R369bn. The difference is R3bn.  <a href="http://www.finance.gov.za/documents/budget/2004/ene/overview.pdf">http://www.finance.gov.za/documents/budget/2004/ene/overview.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

101. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?

- 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).

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Citation and/or comment: Contingency funds are part of the supplemental budget which must be approved before the funds are expended. But as explained in question 99, the Public Finance Management Act makes provision for “emergency situations.” <http://www.treasury.gov.za/legislation/acts/pfma/act.pdf>

The Public Finance Management Act Chapter 2, section 16 (2) stipulates that emergency expenditure may not exceed more than 2% of the total amount appropriated in the annual national budget.

**Peer Reviewer ONE Comment:**

**Peer Reviewer TWO Comment:** Correct. According to the Public Finance Management Act, this “emergency expenditure” may, however, not be more than 2% of the national budget.

<b>Executive's Year-end Report and the Supreme Audit Institution</b>	
<p>102. How long after the end of the budget year does the executive release to the public a year-end report or another document that discusses the budget's actual outcome for the year?</p> <ul style="list-style-type: none"> <li>a. Reports are released six months or less after the end of the fiscal year.</li> <li>b. Reports are released 12 months or less (but more than six months) after the end of the fiscal year.</li> <li>c. Reports are released more than 12 months after the end of the fiscal year.</li> <li>d. The executive does not release a year-end report.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> In terms of the Public Finance Management Act Section 65 (1) (2), provincial departments are required to table in the National Assembly or a provincial legislature their annual report and financial statements referred to in Section 40 and the audit report on those statements within six month after the end of the financial year (September 30<sup>th</sup>).</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>103. In the year-end report, or another document released to the public by the executive (please specify below), have the data on the actual outcomes been audited?</p> <ul style="list-style-type: none"> <li>a. Yes, all data on actual outcomes have been audited.</li> <li>b. At least two-thirds, but not all, of the data on actual outcomes have been audited.</li> <li>c. Less than two-thirds of the data on actual outcomes have been audited.</li> <li>d. None of the data on actual outcomes has been audited, or a year-end report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>104. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See the annual report of the National Treasury and all of the 9 Provincial annual reports (2004/05)  <a href="http://www.finance.gov.za/documents/annualreport/default.htm">http://www.finance.gov.za/documents/annualreport/default.htm</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>105. 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, or another document released to the public by the executive (please specify below)?</p> <ol style="list-style-type: none"> <li>The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.</li> <li>The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases).</li> <li>The explanation focuses on a higher level of aggregation than departmental totals (or functional totals).</li> <li>No explanation of the differences is provided, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Western Cape Province annual report 2004/05  <a href="http://www.finance.gov.za/documents/Provincial%20Annual%20Reports/WC/WC%20-%20Vote%2001%20-%20Provincial%20Administration.pdf">http://www.finance.gov.za/documents/Provincial%20Annual%20Reports/WC/WC%20-%20Vote%2001%20-%20Provincial%20Administration.pdf</a>.  Also see the Annual Report for the Department of Health 2003/2004 Section 3 Part 1, page 67  <a href="http://www.doh.gov.za/docs/reports/annual/2003-04/financial.pdf">http://www.doh.gov.za/docs/reports/annual/2003-04/financial.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>106. Does the year-end report, or another document released to the public by the executive (please specify below), 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"> <li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>c. Yes, some explanation is presented, but it lacks important details.</li> <li>d. No, an explanation is not presented, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> This is discussed extensively in the Budget Review, Chapter 4: Revenue trends and tax proposals, pages 69-74.  <a href="http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf">http://www.finance.gov.za/documents/budget/2005/review/chapter%204.pdf</a>  For an example see the Annual Report for the National Treasury page 72:  <a href="http://www.finance.gov.za/documents/annualreport/04_05/Part%202%20of%203.pdf">http://www.finance.gov.za/documents/annualreport/04_05/Part%202%20of%203.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. However, the reference to the Annual Report of the Treasury is not applicable, because it refers to the Vote of the National Treasury and not to the national income fund, i.e. the entire budget.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>107. Does the year-end report, or another document released to the public by the executive (please specify below), 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"> <li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>c. Yes, some explanation is presented, but it lacks important details.</li> <li>d. No, an explanation is not presented, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> Mainly discussed in the Budget Review, Chapter 2: Economic Policy and Outlook, pages 25-68.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>108. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ul style="list-style-type: none"> <li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>c. Yes, some explanation is presented, but it lacks important details.</li> <li>d. No, an explanation is not presented, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> See Budget Review 2005.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>109. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original performance indicators and the actual outcome?</p> <ul style="list-style-type: none"> <li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>c. Yes, some explanation is presented, but it lacks important details.</li> <li>d. No, an explanation is not presented, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> See Annual Report 2004/05, for performance information on each of the 8 programs with respect to outputs, output performance measures/service delivery indicators and actual performance against target. For example see the Annual Report for the National Treasury page, 34:  <a href="http://www.finance.gov.za/documents/annualreport/04_05/Part%201%20of3.pdf">http://www.finance.gov.za/documents/annualreport/04_05/Part%201%20of3.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>110. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Budget Review (pp. 3-10); Inter-Governmental Fiscal Review: Chapter 9: Trends in Provincial Budgets, especially the section on social services spending and pro-poor programs; and Chapters 2, 3, and 4 which deal with key social services sectors: education, health and social development. For example, see information on the National Schools Nutrition Program on page 44 of the Annual Report 2004/2005 of the Department of Education:  <a href="http://www.education.gov.za/content/documents/783.pdf">http://www.education.gov.za/content/documents/783.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>111. Does the year-end report, or another document released to the public by the executive (please specify below), present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key issues, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information is not presented on extra-budgetary funds, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Estimates for National Expenditures. Reporting on extra-budgetary funds lacks consolidation. Of the 276 public entities (as reported in the Budget Review of 2005 page 116) the SA government only reports on 120 (the big spenders). However all public entities are audited and financial statements are tabled in Parliament. Annual report: Asset and Liability management pp. 46-48.  <a href="http://www.finance.gov.za/documents/annualreport/04_05/Part%201%20of3.pdf">http://www.finance.gov.za/documents/annualreport/04_05/Part%201%20of3.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>112. How long after the end of the fiscal year are the final expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> <li>Final audited accounts are released to the public six months or less after the end of the fiscal year.</li> <li>Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year.</li> <li>Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year.</li> <li>Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See Public Finance Management Act section 40:  <a href="http://www.treasury.gov.za/legislation/acts/pfma/act.pdf">http://www.treasury.gov.za/legislation/acts/pfma/act.pdf</a>.  There have been delays in the past. A 2 to 3 week delay could result in a “b” answer instead of “a.” But this is roughly the process:</p> <ul style="list-style-type: none"> <li>- Departments must submit financial reports to the AG no later than 2 month after the end of the fiscal year (end of May).</li> <li>- The Auditor General has 2 months, after receiving the reports from the departments, to complete the audit (end of July).</li> <li>- Departments have 1 month to prepare the final report for the treasury and the executive (end of August).</li> <li>- Executive/treasury has 1 month to submit to the legislature (end of September).</li> </ul> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. There is sufficient compliance to warrant an “a.”</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>113. Two years after the completion of a fiscal year, what percentage of expenditure has been audited and (except for secret programs) the reports released to the public?</p> <ol style="list-style-type: none"> <li>All expenditures have been audited and the reports released to the public.</li> <li>Expenditures representing at least two-thirds of, but not all, expenditure have been audited.</li> <li>Expenditure representing less than two-thirds of expenditure has been audited.</li> <li>No expenditures have been audited, or the reports have not been released to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>114. Do year-end audit reports of departmental expenditure that are released to the public include an executive summary?</p> <ol style="list-style-type: none"> <li>All of these audit reports include an executive summary.</li> <li>Most of these reports include an executive summary.</li> <li>Some of these reports include an executive summary.</li> <li>None of these audit reports include an executive summary, or such reports are not released to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> A standardized reporting format is used.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>115. 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?</p> <ol style="list-style-type: none"> <li>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.</li> <li>No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See SA Constitution, Chapter 9, section 194:  <a href="http://www.info.gov.za/documents/constitution/1996/96cons9.htm#194">http://www.info.gov.za/documents/constitution/1996/96cons9.htm#194</a>  and Public Finance Management Act section 59:  <a href="http://www.treasury.gov.za/legislation/acts/pfma/act.pdf">http://www.treasury.gov.za/legislation/acts/pfma/act.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>116. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ol style="list-style-type: none"> <li>Yes, the SAI releases to the public audits of all extra-budgetary funds.</li> <li>Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.</li> <li>Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.</li> <li>No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See chapter 6 in Public Finance Management Act. Under the new Public Audit Act (25/2004) all public entities (276) must be audited and tabled in Parliament. Audits completed by the Auditor General’s office are posted on their website. For example see the report on Pension Fund: <a href="http://www.agsa.co.za/Reports/Other%20acc/other.html">http://www.agsa.co.za/Reports/Other%20acc/other.html</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>117. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have discretion in law to undertake those audits it may wish to?</p> <ol style="list-style-type: none"> <li>The SAI has full discretion to decide which audits it wishes to undertake.</li> <li>The SAI has significant discretion, but faces some limitations.</li> <li>The SAI has some discretion, but faces considerable limitations.</li> <li>The SAI has no discretion to decide which audits it wishes to undertake.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> See chapter 2, Section 4(3) of the Public Audit Act, No. 25, 2004: <a href="http://www.info.gov.za/gazette/acts/2004/a25-04.pdf">http://www.info.gov.za/gazette/acts/2004/a25-04.pdf</a>.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>118. Who determines the budget of the Supreme Audit Institution?</p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> According to the Public Audit Act (25/2004, Chapter 3, Section 23(1))</p> <p style="padding-left: 40px;">“The Auditor General determines the basis for the calculation of audit fees to be recovered from auditees....after having consulted the oversight mechanism and the National Treasury.”</p> <p>So in essence the Auditor General submits a business and budget plan to both the National Treasury (who checks the fee structure and whether it is market-related) and the parliamentary-appointed oversight mechanism (previously known as the audit commission) for consideration/approval. Subsequently the Auditor General would then invoice departments.</p> <p><a href="http://www.info.gov.za/gazette/acts/2004/a25-04.pdf">http://www.info.gov.za/gazette/acts/2004/a25-04.pdf</a></p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Given the evidence, the legislature allows the Auditor General to determine the fees (within the bounds set by the market). An independent body approves this budget.</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto;">a</div>
<p>119. Does a committee of the legislature view and scrutinize the audit reports?</p> <ol style="list-style-type: none"> <li>Yes, all audit reports are scrutinized.</li> <li>Yes, most audit reports are scrutinized.</li> <li>Yes, some audit reports are scrutinized.</li> <li>No, audit reports are not scrutinized.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The Standing Committee on Public Accounts (SCOPA) looks at it extensively (it mainly focuses on the financial information). Portfolio committees in Parliament go beyond this by interrogating the non-financial information/service delivery and can also summon department officials for explanations.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto;">a</div>

<p>120. 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> <ol style="list-style-type: none"> <li>Yes, the executive reports publicly on what steps it has taken to address audit findings.</li> <li>Yes, the executive reports publicly on most audit findings.</li> <li>Yes, the executive reports publicly on some audit findings.</li> <li>No, the executive does not report on steps it has taken to address audit findings.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The Auditor General, who is accountable to Parliament, submits individual departmental audit reports to Parliament (via SCOPA). It is the responsibility of the individual executive authorities from each department to report to SCOPA on any action taken with regard to the Auditor General's recommendations. When this is tabled in Parliament it is technically publicly available and also appears on the parliamentary website.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b> A requirement to include an account of audit (and legislature oversight committee) findings and resolutions within the annual reports of national and provincial government departments was only introduced recently. The Specimen Annual Financial Statements for National/Provincial Departments for the year ended 31 March 2005, released by the national Treasury, requires the accounting officer for a department (generally the HOD) to include in their annual report: an account of their previous audit report and SCOPA resolutions, the subject of relevant findings, and findings on their progress in addressing these.</p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>
<p>121. 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> <ol style="list-style-type: none"> <li>Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.</li> <li>Yes, a report is released, covering key audit recommendations, but some details are excluded.</li> <li>Yes, a report is released, but it lacks important details.</li> <li>No, a report is not produced or it is prepared for internal purposes only (please specify).</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> The Auditor General report gets referred to SCOPA which considers the report and tables its resolutions to the full legislature. In the past, the Auditor General would conduct a Compliance Audit on the SCOPA recommendations. It essentially looks at accounting officer negligence. In the future, the accounting officer would have to submit a progress report on the SCOPA recommendations.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b> Recently the Auditor General has begun to include a section within the annual audit report on the implementation of SCOPA resolutions (see National Department of Health, 2004/05, p. 80). However, no indication is provided (either by the Auditor General or by various legislature committees) of the steps taken to track actions by the executive in response to audit recommendations or committee resolutions.</p> <p><b><u>Peer Reviewer TWO Comment:</u></b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>122. Are audit reports related to national security and other secret programs provided to the legislature (or relevant committee)?</p> <ol style="list-style-type: none"> <li>a. Yes, legislators are provided with detailed audit reports related to national security and other secret programs.</li> <li>b. Yes, legislators are provided audit reports on secret items, but some details are excluded.</li> <li>c. Yes, legislators are provided audit reports on secret items, but they lack important details.</li> <li>d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation and/or comment:</u> Detailed audit reports related to national security are provided to the “Joint Standing Committee on Intelligence” in the legislature. These are closed sessions.</p> <p><b><u>Peer Reviewer ONE Comment:</u></b></p> <p><b><u>Peer Reviewer TWO Comment:</u></b> Correct. In addition, the Auditor General and Standing Committee on Public Accounts (SCOPA) monitor the relevant intelligence budgets. See: <a href="http://www.nia.org.za/INTEL%20COMMUNITY/intel.htm">http://www.nia.org.za/INTEL%20COMMUNITY/intel.htm</a>.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
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Telephonic interviews/clarifications/discussions with the following individuals:

1. Hennie Swanepoel – Public Finance Statistics, Treasury
3. Barend Lange - Treasury
2. Vilile Mbethe – Chief Director Justice cluster, Treasury
3. Lungisa Vuzile - Treasury
4. Jakes Amien – Office of Accounting General
5. Wally Van Heerden – Auditor General’s office
6. Jayce Naire – Treasury
7. Dalene Marais – Communications, Treasury
8. Llwellyn Brown – parliamentary committee secretary
9. Len Roux – ISS
10. Zanele – Auditor General’s office in Parliament