



Overall score: **35%** Provides minimal information to the public in its budget documents during the year.

Highlights

Information in Public Documents

Malaysia's score on the Open Budget Index shows that the government provides the public with minimal information on the central government's budget and financial activities during the course of the budget year. This makes it quite difficult for citizens to hold government accountable for its management of the public's money.

The Open Budget Index 2008 evaluates the quantity and type of information that governments make available to their publics in the seven key budget documents that should be issued during the budget year. One of the most important documents is the executive's budget proposal. It should contain the executive's plans for the upcoming year along with the cost of the proposed activities. The proposal should be available to the public and to the legislature prior to being finalized, at least three months before the start of the budget year to allow for sufficient review and public debate.

In Malaysia, the proposal provides some information to the public, meaning citizens have a general, albeit incomplete, picture of the government's plans for taxing and spending for the upcoming year.

Moreover, it is somewhat difficult to track spending, revenue collection and borrowing during the year. Even though in-year reports are published, they are incomplete, and a mid-year review is not released to the public. Publishing this document could strengthen public accountability by providing a more comprehensive update on how the budget is being implemented during the year.

It is also quite difficult to assess budget performance in Malaysia once the budget year is over. A year-end report is produced, but since it is incomplete it does not allow comparisons between what was budgeted and what was actually spent and collected. Also, while Malaysia makes its audit report public, it does not provide any information on whether the audit report's recommendations are successfully implemented.

Access to the highly detailed budget information needed to understand the government's progress in undertaking a specific project or activity remains limited. Malaysia has not codified the right to access government information into law; in fact, the official Secrets Act restricts information released to the public.

Public Participation and Institutions of Accountability

Beyond producing and improving access to key budget documents, there are other ways in which Malaysia's budget process could be made more open.

A matter of concern is that there are no Parliamentary Select Committees related to the budget apart from the Public Accounts Committee, which looks into the national accounting statements. Therefore, there are no opportunities for citizen participation in budget debates.

The independence of Malaysia's Supreme Audit Institution is somewhat limited. The head of the SAI may be removed by the executive, and the budget of the SAI is determined by the executive.



Availability of Key Budget Documents and Citizens Budget (in order of expected release)

Pre-Budget Statement	<input type="radio"/> No
Executive's Budget Proposal	<input checked="" type="radio"/> Yes
Citizens Budget	<input type="radio"/> No
Enacted Budget	<input checked="" type="radio"/> Yes
In-year Reports	<input checked="" type="radio"/> Yes
Mid-Year Review	<input type="radio"/> No
Year-End Report	<input checked="" type="radio"/> Yes
Audit Report	<input checked="" type="radio"/> Yes

Open Budget Index 2008

Malaysia



The Open Budget Index evaluates the quantity and type of information available to the public in a country's budget documents. A country's placement within a performance category was determined by averaging the response to 91 questions on the Open Budget Questionnaire related to information contained in the eight key budget documents that all countries should make available to the public.

Research to complete the Open Budget Questionnaire was undertaken by:

Tricia Yeoh
 Centre for Public Policy Studies, Asian Strategy & Leadership Institute
 1718, Jalan Ledang, Off Jalan Duta,
 50480 Kuala Lumpur, Malaysia
 Tel: +603 20935 393
 Email: Tricia.yeoh@gmail.com
 Website: www.cpps.org.my

The International Budget Project was established as part of the Center on Budget and Policy Priorities, a Washington, DC-based non-partisan non-profit research organization, in 1997 to support civil society organizations around the world interested in strengthening public budget processes, institutions and outcomes. For more information on the IBP and the Open Budget Initiative 2008, please visit www.openbudgetindex.org

