

Appendix

Table 1.1

Government office/entity categories involved in the PFM system by country

	Ministry of Finance	Office of the President/Cabinet	National Budget/Audit Office	Legislative Body /National Assembly/Parliament	Court of Accounts/ Chamber of Accounts	The Treasury	Central Bank	Ministry - Other	Provincial Treasuries at Provincial Government level	Municipal councils
Entirea	Entirea	Puerto Rico, USA	Puerto Rico, USA	Puerto Rico, USA	Madagascar	Ireland	Azerbaijan	Azerbaijan	South Africa	South Africa
Vietnam	Venezuela	Argentina	Argentina	Vietnam	Azerbaijan	Argentina	Myanmar	Myanmar	Cuba	
Madagascar	Latvia	Venezuela	Venezuela	Madagascar	Greece	USA	Cuba	Portugal		
Venezuela	Japan	Argentina	Argentina	Kuwait		New Zealand		Egypt		
Kuwait	Paraguay	USA	USA	Croatia	Argentina	Argentina		Cyprus		
Croatia	Guatemala	Dominican Republic	Dominican Republic	Azerbaijan		Republic of Mauritius		Republic of Mauritius		
Azerbaijan	Bosnia and Herzegovina	Algeria	Algeria	Latvia		Algeria		Japan		
Latvia		Ireland	Ireland	South Sudan		Guinea-Bissau		Guinea-Bissau		
South Sudan		Argentina	Argentina	Guatemala		Philippines		Australia		
Guatemala				The Netherlands				INDONESIA		
Myanmar				Romania				Philippines		
Kingdom of Bahrain				Republic of Yemen				New Zealand		
The Netherlands				Bosnia and Herzegovina				Cyprus		
Romania				Dominican Republic				France		
Republic of Yemen				Portugal				Greece		
Bosnia and Herzegovina				Paraguay						
Egypt				Australia						
Portugal				Ireland						
Cuba				New Zealand						
Paraguay				Cyprus						
Republic of Mauritius				France						
Japan										
Guinea-Bissau										
Australia										
INDONESIA										
Philippines										
New Zealand										
Cyprus										
France										
Ireland										

Table 1.2

Survey respondents by country and type of SAI

Board/Collegiate	Court/Judicial	Westminster	Other
Argentina	Algeria	Australia	Egypt
Azerbaijan	France	Bosnia and Herzegovina	USA
Indonesia	Greece	Croatia	
Japan	Guinea-Bissau	Cyprus	
Latvia	Kingdom of Bahrain	Eritrea	
Philippines	Madagascar	Guatemala	
Romania	Portugal	Ireland	
The Netherlands		Kuwait	
		Myanmar	
		New Zealand	
		Paraguay	
		Puerto Rico U.S.A.	
		Republic of Mauritius	
		Republic of Yemen	
		South Africa	
		South Sudan	
		Venezuela	
		Viet Nam	

Table 1.3

Profile of the country's Public Financial Management (PFM) system

Country	Scope of SAI mandates to determine government operations subject to audit
Argentina	The budget preparation, approval, execution, and control cycle are regulated by Law 24,156 on financial administration and control systems of the national public sector and its regulatory, amending, and complementary regulations.
Algeria	<p>The budget cycle begins on 1 January to the 31 December for the budgets of the State and public institutions of an administrative nature. The budget cycle for local authorities and public health institutions starts running from 1 January and runs until 31 March of the following year.</p> <p>The additional period of 3 months is justified by the principle of the financial year (the recovery of revenue recorded during the year must be recorded before the end of the additional period of 3 months, the payment of expenses incurred must be recorded before the end of the additional period of 3 months). In this case, revenue and expenditure must be linked to the original financial year.</p>
Australia	Treasury leads the production of the Commonwealth Budget. The Budget is presented to Parliament in May each year. The Budget website is the whole-of-government entry point for Commonwealth Budget material and includes the current and previous budget papers.
Azerbaijan	The process of drafting the budget for the next year begins in the last ten days of January, and submitted to Parliament on October 15, and is approved by law until December 20 after 3 readings. The execution report is submitted to the Parliament on May 15 of the following year and approved by law after 3 readings.
Bosnia and Herzegovina	<p>Bosnia and Herzegovina (BiH) have a unique and complex system of public finance. Its general government sector includes institutions of Bosnia and Herzegovina (state-level), entity governments (Federation of Bosnia and Herzegovina and Republika Srpska-subnational levels), Brčko District (subnational district level), cantonal and city/municipal authorities, and extrabudgetary funds.</p> <p>Audit Office of the institutions of Bosnia and Herzegovina (SAI of BiH) is a supreme audit office with a mandate to audit financial and performance operations only of the state-level institutions. Subnational level institutions are audited by subnational audit offices.</p> <p>The steps on budget planning of the institutions of Bosnia and Herzegovina (state level) are defined in the Law on financing the institutions of BiH. The first step is the preparation of Framework Budget Document (DOB). This document sets out a frame for the budget of the institutions of BiH for the next 3 years. After DOB, the institutions plan yearly budgets according to the Ministry of Finance instructions. After they deliver their budget drafts to the Ministry of Finance, there is a period for consultations. In case an accordance isn't made, then the Council of Ministers is contacted. After this the budget draft of the institutions is delivered to the Council of Ministers, that send is to the BiH Presidency. At the end of the budget planning process, the Parliament of BiH adopts the Law on budget that includes budget of the institutions of BiH.</p>
Bulgaria	<p>Public Finance Act regulates the process:</p> <p>At the first stage of the procedure, in April 2021 the Council of Ministers will consider and approve the Medium-Term Budget Forecast for the period 2022-2024, the annual update of the Convergence Programme and adopt the standards for the state-delegated activities with natural</p>

	<p>and value indicators in 2022, will approve a hourly rate for programme preparation, creation and dissemination of national and regional programmes of BNR and BNT in 2022, as well as the motives prepared by the Minister of Finance upon rejection of the reasoned opinion and the recommendations of the Fiscal Council about the Spring macroeconomic forecast and/or the Medium-Term Budget Forecast for the period 2022-2024. In June 2021, the Council of Ministers will consider and approve the draft resolution drawn up by the Minister of Education and Science for approving the maximum amount of the new State guarantees that may be issued in 2022 under the Students and Doctoral Students Crediting Act, as well as the draft resolution drawn up by the Minister of Finance for approving the projects that will be financed with state and/or state-guaranteed loans in 2022. The stage will end in July with the harmonization of the FLSUs with their budget forecasts for the period 2022-2024 with the decisions adopted by the Council of Ministers and with the publication of its budget forecasts in programme format on its websites in compliance with the requirements of the Protection of Classified Information Act.</p> <p>Given the political situation following the parliamentary elections held on 4 April 2021, this stage of the budgetary procedure has been extended to enable the newly formed majority in the National Assembly to reflect and budget its priorities in accordance with its programming documents for the management of the country within the mandate of the current parliament.</p> <p>At the second stage of the procedure, the Ministry of Finance will prepare the draft State Budget Act of the Republic of Bulgaria for 2022 and the draft acts amending and supplementing the tax laws. The coordination with the National Association of Municipalities in the Republic of Bulgaria of the mechanism for distribution of the total equalization subsidy and the targeted subsidy for capital expenditures by municipalities and the holding of consultations on the proposals of the association for the total budget relations of municipal budgets with the central budget and others. proposals on the draft State Budget for 2022 in its part for the municipalities is also part of the second stage. By the end October 2021, the Council of Ministers will consider and approve the reports drawn up by the Minister of Finance of the State Budget Act of the Republic of Bulgaria for 2022 and of an updated Medium-Term Budget Forecast for the period 2022-2024, which is reasoning to the draft act, as well as of reasoning in case of rejection of the reasoned opinion and the recommendations of the Fiscal Council about the Autumn macroeconomic forecast and/or draft State Budget Act of the Republic of Bulgaria for 2022 and the updated Medium-Term Budget Forecast for the period 2022-2024. If necessary, the Council of Ministers will approve an amendment to the Decision on the adoption of standards for the state delegated activities with natural and value indicators in 2022 and the Decision to approve the hourly rate for programme preparation, creation, and dissemination of national and regional programmes of BNR and BNT in 2022.</p>
Croatia	<p>Budgetary processes (preparation, execution, adoption, reporting and monitoring) are defined by Budget Act. There are separate budgets-state budget and local budgets. State budget is adopted by Parliament and local budgets are adopted by Councils.</p>
Cuba	<p>In Cuba, a process began in 2021 to improve the budget cycle in its fundamental phases: elaboration, disaggregation, execution and liquidation, where greater citizen participation and popular control in the municipal entities promoted by the Government and the National Assembly of People's Power that consists of citizens participating in their locality in the identification of priorities to solve the needs, based on the financial and material resources available and once the budgets are approved, they participate in their control and in the rendering of accounts of the administrators and owners, from the popular councils to the municipal assemblies, prior to the approval by this instance of its quarterly execution and the liquidation at the end of the fiscal year.</p> <p>As a relevant precedent in the budget cycle in our country, we point out the participation of workers in this process, including the information of the figures notified to the entity, as well as the</p>

	proposal of joint actions with the administration to promote greater rationality of spending and encourage the collection of income.
Cyprus	<p>The Budget Directorate of the Ministry of Finance is responsible for:</p> <ul style="list-style-type: none"> • the preparation and implementation of the annual state budget, • the approval of the Budgets of the Legal Entities of Public Law, Local Government Authorities, Sewerage Boards and School Tax Offices, and the monitoring of their implementation, • the coordination and preparation of the Fiscal Risk Report on an annual basis. <p>It supports Ministries, Deputy Ministries, Independent Authorities in the preparation of their Strategic Plans, with the aim of designing the Budget based on activities. It issues guidelines for the preparation of the budget and sets expenditure ceilings for each Ministry.</p> <p>The responsibilities of the Budget Directorate are defined in the Constitution of the Republic of Cyprus, and in the Financial Responsibility and Financial Framework Law of 2014.</p> <p>The annual state budget is approved by the House of Representatives.</p>
Dominican Republic	<p>The Budget Cycle in the Dominican Republic is defined by the following stages:</p> <p>Formulation: Preparation of the budget proposal</p> <p>Discussion: Presentation in the Council of Ministers to the President of the Republic and subsequent sending to the Congress of the Republic to continue discussions and submit approval.</p> <p>Approval: Approval of the Budget Law.</p> <p>Implementation: Allocation of budget by institutions.</p> <p>Evaluation: Validation of the fulfillment of the physical-financial goal of the budget.</p>
Eritrea	<p>A budget proposal call is circulated every April-May of a year</p> <p>Budgetary entities submit their budget proposal no later than August</p> <p>During August a budget negotiation is made between the budgeting department in the Ministry of Finance and the budgetary entity</p> <p>Between January and February an approved "indicative budget" is sent to every budgetary entity</p>
Egypt	<p>The State Public Budget is prepared considering the Credits' Budget's method. The Unified Public Finance law was issued in February 2022 and necessitated transforming the Budget Preparation methodology to follow the Programs and Performance Budget within 4 years.</p>
France	<p>The Finance Act is passed by Parliament in year N-1 (December), and the Budget and Accounts Settlement Bill is presented by the Government before 31 May of year N+1 (in recent years in April). The Court of accounts draws up an annual report on the execution of the State budget, published at the same time as the Government's submission of the settlement bill (before 31 May N+1, in recent years in April).</p>
Greece	<p>Adoption of the OBL is considered by virtually all stakeholders and observers as a landmark of Greece's reforms and a major improvement for budgetary governance. The purpose of this law is to systematically incorporate into a single document and to update the applicable fiscal management and supervision principles and the provisions of public accounting (Article 1). In principle, the OBL provides general regulations for all general government entities and foresees specific regulations for (1) the Central Government/Administration and (2) the budgets of other general government entities. The focus is however on the central government budget. (Box 2, page 17)</p>

	<p>Milestones of the state budget cycle</p> <p>February</p> <ol style="list-style-type: none"> 1. Preparation of 1st macroeconomic forecast 2. Issuance by GAO of instructions on the procedures and methodologies for preparing estimates of revenue and expenditure for the Medium-Term Fiscal Strategy (MTFS) and communication of economic forecasts to General Directorates of Financials Services (GDFS). <p>April</p> <p>MTFS and its explanatory report submitted to the Cabinet for approval.</p> <p>May</p> <ol style="list-style-type: none"> 1. Opinion on macroeconomic and fiscal forecasts by the Fiscal Council 2. Submission of the MTFS to Parliament 3. Issuance of a circular by GAO providing instructions for the preparation of the general government budget. <p>June</p> <p>Issuance by the Directorate for Public Investments (Ministry of Economy and Development) of its annual budget circular providing instructions for the preparation of the ‘investment’ budget.</p> <p>July</p> <p>Submissions prepared by ministries and communication to GAO by July 31st.</p> <p>August</p> <ol style="list-style-type: none"> 1. Analysis of submissions by GAO and bilateral discussions with GDFS/entities. 2. Compilation by GAO of the draft ordinary budget. 3. Compilation by the Directorate of the draft investment budget. <p>September</p> <ol style="list-style-type: none"> 1. Preparation of 2nd macroeconomic forecast. 2. Approval of Preliminary Draft Budget by Cabinet. <p>October</p> <ol style="list-style-type: none"> 1. Opinion on macroeconomic and fiscal forecasts by the Fiscal Council. 2. Submission of the Preliminary Draft Budget to Parliament on the 1st Monday of October (1) <p>November</p> <p>Submission of the State budget proposal to Parliament (2).</p> <p>December</p> <p>Adoption of State Budget by Parliament by December 31st at the latest.</p> <p>January</p> <ol style="list-style-type: none"> 1. Issuance by GAO of the budget execution circular. 2. Signing of Memorandum of Understanding on budget execution with all ministries. 3. Allocation of appropriations to line ministries. 4. Analysis of final budget outturn by GAO. <p>Note: GAO: General Accounting Office; (1) since October 2018 Greece also submits Draft Budgetary Plan to European Commission; (2) the date can vary, but legislation stipulates “at least 40 days prior the beginning of the next fiscal year”.</p> <p>source: OECD Journal on Budgeting, Volume 2019 Issue 2, Budgeting in Greece more info: https://doi.org/10.1787/2f5e7d7a-en</p>
Guatemala	<p>Formulation</p> <p>Expenses are planned based on priorities, objectives, goals, and income. The Secretariat for Planning and Programming of the Presidency (SEGEPLAN) is in charge of defining the broad guidelines of government policies, and it is up to each entity to develop its annual operating plans, which contain the definition of objectives to be achieved and activities to be carried out in the future year to achieve those goals.</p> <p>The Superintendence of Tax Administration is in charge of estimating income from taxes and the</p>

	<p>Ministry of Finance estimates income from external loans and donations that will be received during the year.</p> <p>With this, the budget ceilings are defined, which are the spending limit for each entity, which are discussed in the Government Cabinet and, with the approval of the President, are transferred to the Ministries of State and Secretaries of the Presidency so that they carry out the process of internal programming based on their own objectives for the year (operational objectives), priorities, goals and the assigned budget ceiling and proceed to allocate the budget to the programs and projects, according to the technique and regulations issued by the</p> <p><i>Ministry of Finance.</i></p> <p>Once the resource allocation process is complete, the entities present their draft budget to the Ministry of Finance, which analyzes it and prepares it to form the budget project that must be delivered to Congress for discussion and approval of the budget.</p> <p>Execution</p> <p>It is the process by which institutions acquire the necessary inputs to be able to provide the goods and services they provide to the population. The execution of the budget is carried out at the time the purchased goods are received.</p> <p>Evaluation</p> <p>In accordance with the Budgetary Law, the Ministry of Finance is responsible for the evaluation of the budgetary execution of the State Budget of Income and Expenditures, this must include the measurement of the physical and financial results obtained and the effects produced in accordance with the management indicators of Public Entities, and must be carried out during execution and at the end of the year.</p> <p>Control</p> <p>The liquidation of the budget is not a stage of the budget process, rather it is a document that contains the result of the budget execution and the financial result of the different activities carried out by public entities. Its elaboration and presentation respond to what is established in the Constitution, article 241, which establishes that the Executive must annually render state accounts to the Congress.</p>
Guinea-Bissau	<p>Political instability has limited the development of Guinea-Bissau’s institutional capacity. The country has a history of political and institutional fragility dating back to its independence from Portugal in 1973. The PFM system in Guinea-Bissau is weak, because the internal and external controls imposed in the PFM systems are not enough to ensure the transparency and accountability of the use of public funds. The budget prepared by the Ministry of Economy and Finance (MEF) is often not approved by the National Assembly on an annual basis and is used in a very limited way to guide expenditures. There have been many attempts to address the lingering weaknesses in the budget preparation, execution, and reporting functions, but overall PFM systems (budget preparation, execution, and control) remain weak while the quality of expenditure is low, with expenditures being driven by immediate needs rather than prioritization of social or economic returns. The spending decisions are made by an in-house committee in charge of the expenditure execution (COTADO). Established by Minister of Finance and Economy Order 25/2017 of January 31, the COTADO committee consists of 11 executive directorates of that ministry. During the suspension of the Treasury Committee, the COTADO committee led by the Minister of Economy and Finance decides on spending ceilings and priorities, taking account of cash available every two weeks, while the Treasury Committee meetings have been discontinued. The COTADO committee receives spending proposals made by the DG Budget every two weeks, taking account of budget line items and spending requests submitted by line ministries to the Minister of Economy and Finance.</p>

Ireland	<p>Government spending for the year ahead is announced by the Minister in the Budget speech. However, the speech is simply one element in a budgetary cycle that takes place continuously over the course of the year.</p> <p>In April the Stability Programme Update is submitted to the European Commission. This outlines the economic background to the budget and sets out the Government’s economic strategy over the next five years. In June the National Economic Dialogue is held. It is attended by Ministers, Members of the Oireachtas, business and employee representatives, social and voluntary groups, environmental groups, and other representative bodies. The Dialogue allows for the sharing of views about the competing economic and social priorities facing Government.</p> <p>In June the Summer Economic Statement is published. It provides an updated assessment of the how the economy and the public finances are doing and sets out the Government’s strategy for the Budget. It allows for an open discussion about options and priorities in advance of the October budget. The European Council endorses the Stability Programme Update in the form of final Country-Specific Recommendations. These generally propose fiscal and economic policy improvements and reforms.</p> <p>In July the Mid-Year Expenditure Report reviews the Government’s expenditure position to end-June across all spending areas. It sets out the up-to-date pre -Budget position. The weekend before the Budget the White Paper on Receipts & Expenditure is published by the Department of Finance. It sets out projected national revenues and spending for the current year, and for the next year.</p> <p>On Budget Day in early October the Minister for Finance and the Minister for Public Expenditure and Reform present the Budget Statement to Dáil Éireann. This speech sets out the changes Government proposes to make to taxes and spending in the following year. These proposals are debated. Any changes that are proposed to have immediate effect are voted on by Dáil Éireann as Financial Resolutions. The Social Welfare and Pensions Bill provides for changes in the social welfare code announced in the Budget and is usually enacted soon after Budget Day. The Finance Bill, which puts the tax measures announced in the Budget into law, must be enacted within four months of the passing of the Budget Day Financial Resolutions.</p> <p>The European Commission releases its assessment of Ireland's draft Budgetary plan in November.</p> <p>In December the Department of Public Expenditure and Reform publishes the Revised Estimates Volume. This book provides full details about spending in each Government Department and agencies as well as performance information.</p> <p>The Fiscal Monitor summarises high-level revenue and expenditure information from month to month. All revenue and expenditure returns are measured against targets called 'profiles', which are set at the start of the year. These are based on the forecasts that were published in the Budget.</p>
Indonesia	<p>The main budget/PFM processes are as below:</p> <p>Budget Planning</p> <p>During this stage, the government will prepare the Indonesia fiscal policies, basic macroeconomics assumptions, the annual working plans and allocate the budget on each work plan. All these materials will be included in the draft of the state budget act to be discussed with the legislative.</p> <p>Stipulation of the State Budget Act</p> <p>The proposal of state budget act is discussed with the legislative. Based on the discussion, the legislative will stipulate the Proposal to be the State Budget Act.</p>

	<p>Implementation of the State Budget Act The President stipulates a Presidential Regulation concerning the details of the APBN. The Minister of Finance ratifies the budget implementation document no later than December</p> <p>Starting January 1 of the following fiscal year, government agencies/ministries may carry out revenues and expenditures related to their field of duty in accordance with the budget implementation document.</p> <p>Supervision of the implementation of the State Budget Act Supervision of the implementation of the State Budget Act is carried out internally by the Inspectorate General within each government agencies/ministries and Financial and Development Supervisory Agency.</p> <p>Accountability for the implementation of the state budget act As a form of accountability for the implementation of the State Budget, the Government will submit the Central Government Financial Report to the BPK to be audited. The President will submit a draft law on accountability for the implementation of the State Budget along with the central government's financial reports that have been audited by the BPK to the DPR (legislatives) no later than 6 months after the end of the fiscal year.</p>
Japan	<p>The State budget is formulated by the Cabinet, deliberated, and approved by the Diet and then executed by ministries, agencies, and other public bodies. The final accounts of the expenditures and revenues of the State, which are the results of the State budget execution, are prepared by the Cabinet and deliberated on in the Diet. Final accounts of the expenditures and revenues of the State shall be audited annually by a Board of Audit and submitted by the Cabinet to the Diet, together with the statement of audit, during the fiscal year immediately following the period covered.</p>
Kuwait	<p>Budget is done by entities then managed by Ministry of finance, then it is reviewed by the National assembly before approved by them</p>
Kingdom of Bahrain	<p>Budgets are prepared by the Ministry of Finance and National Economy (MOFNE) in coordination with all the government entities for two years and issued by law; any additional budget is issued by law. All laws are approved by both the Council of Representatives and the Consultative Council. Rollover of budget is done based on the requests of the government entities and should be approved by the Minister of Finance and National Economy and issued by decision.</p> <p>MOFNE assesses the performance of the budget regularly and issues reports on the yearly performance of the budget based on both preliminary and results.</p>
Latvia	<p>The main law on PFM in Latvia is the “Law on Budget and Financial Management” The Law determines the following procedures: formulation, approval, implementation, reporting and responsibilities in the budget process.</p>
Myanmar	<p>The existing legal framework for budget preparation originates from the Constitution of the Republic of the Myanmar 2008, section 103. the President or his assigned representative is required to submit the budget bill to Parliament and obtain approval to use Union funds. The budget process in Myanmar is decentralized.</p>

	<p>Union administrative organizations and line ministries submit their budget proposal to the Budget Department, Ministry of Planning and Finance.</p> <p>While Regions and/or States are empowered with their own parliament and affairs, any transfers to these regions and/or states from the Union must be recommended by the Finance commission. State/region-level institutions submit their budget proposal to region and/or state budget offices, who then submit them to the Budget Department, Ministry of Planning and Finance.</p> <p>State-owned Enterprises budgets are included as part of the budget of the relevant line Ministry under which they operate.</p> <p>Budgets are scrutinized by the two vice-Presidents (union-level and region-and/or state-level) and submitted to the Parliament by the President.</p> <p>The approved budget bill is promulgated as the Union Budget law in March one month prior to the fiscal year. The process for requesting supplementary allocations during the fiscal year is similar and results in the annual supplementary Budget law in November or December.</p>
Madagascar	<p>Firstly, every ministry prepared their own perspective budget regarding to their missions and annual program</p> <p>The Ministry of finance notifies to every ministry their budgetary allocation</p> <p>Budgetary conference: where adjustment of the budget would be undertaken</p> <p>Budget is submitted to the Council of Ministers</p> <p>Adoption of the budget by the Parliament</p> <p>Budget execution</p> <p>Reporting</p> <p>External audit.</p>
The Netherlands	<p>The budget cycle in the Netherlands follows the typical annual order of budget preparation, budget approval, budget execution and budget accountability. The budget system in the Netherlands is viewed internationally as a successful example about top-down control of expenditure ceilings and compliance with fiscal rules. This may have had negative consequences for the quality of bottom-up budget estimates over time as one recent audit suggested.</p>
New Zealand	<p>The Budget process in New Zealand allows the Government to:</p> <ul style="list-style-type: none"> • set its fiscal objectives in respect of revenue, expenditure, debt repayment and investment; • maintain effective fiscal control and plan for the coming year and beyond; • allocate the available resources, consistent with the Government's strategic objectives and priorities; • fulfil the legislative requirements for the Budget; and • seek authority from Parliament for spending.

	<p>All Ministers have a key role in the Budget process. Together, they agree on the Budget strategy and priorities for spending, which in turn informs departmental Budget initiatives. Ministers drive the development, fine-tuning and negotiation of Budget initiatives and packages in their portfolios or focus areas as part of the Government's overall Budget package.</p> <p>Specific phases of the Budget</p> <p>The Budget process can be divided into distinct phases:</p> <p>Strategic phase</p> <p>The strategic phase generally occurs from June to December. This involves the development of an overall strategy for the Budget, including strategic priorities and targets for spending, revenue, the projected fiscal surplus, and public debt intentions.</p> <p>Decisions taken during the strategic phase are reflected in the Government's Budget Policy Statement (BPS) which is required to be tabled in Parliament by no later than 31 March.</p> <p>Decision phase</p> <p>The decision phase generally occurs from January to April. Ministers put forward Budget initiatives for consideration and then the Treasury assesses them and prepares recommendations on which initiatives Ministers should support.</p> <p>This advice is then collated, shared with various Ministerial Groups, and considered by Budget Ministers (the Prime Minister, the Minister of Finance, and the Associate Minister of Finance) who put forward a Budget package to Cabinet for a final decision.</p> <p>Budget production phase</p> <p>Following decisions by Cabinet on the Budget package, the Treasury and agencies prepare all the required documents for presentation on Budget Day. This includes the Estimates of Appropriations, the Budget Economic and Fiscal Update, the Fiscal Strategy and Child Poverty Reports, as well as a media kit containing the Minister of Finance's Budget Day speech, and any other discretionary products such as the Budget briefly, press releases, and the Summary of Initiatives.</p> <p>Legislative phase</p> <p>The final phase of the Budget process involves obtaining Parliamentary support for the Government's Budget package (all spending for the year ahead). This includes examination of the Estimates for each Vote by the appropriate select committee.</p> <p>Implementation phase</p> <p>The implementation phase covers any subsequent amendments to the Budget. Where additional appropriations are needed during the year, spending is authorized by Parliament before the end of the financial year, via the Appropriation (Supplementary Estimates) Bill. In the interim, authority for additional spending is provided by an Impress Supply Act.</p>
Puerto Rico U.S.A.	Local government budget requires approval by the Financial Oversight and Management Board for Puerto Rico.
Portugal	<p>At the beginning of each legislature, Government proposes to Parliament a medium-term budget framework (MTBF) to be debated alongside with the annual Budget Law proposal. This MTBF sets global expenditure limits to the budgetary programmes. In the following years the MTBF is updated and presented to Parliament by April 15th. An update of this MTBF can also be included in the annual Budget Law proposal, presented to Parliament by October 10th.</p> <p>Preparation of annual Budget starts at the beginning of n-1 year: Government, with input from ministries and its services prepares a long-term budgetary strategy, including macroeconomic and</p>

	<p>fiscal forecasts, updating the MTBF by April. Afterwards, negotiations may occur, to adjust budgetary programmes' spending limits and line Ministries.</p> <p>Services present their individual budget proposals to a central service at the Ministry of Finance that after checking the alignment with the global setting, reports to Government to obtain global values for estimated revenues, expenditures, and deficit in cash basis and according to SEC 2010 rules. Government decides on the alignment of budget with global aims and adjustments may be required to individual entities budgets. Complementary information is also compiled, and a Budget law proposal is presented to Parliament until October 10 of n-1.</p> <p>Parliament has a period of 50 days to discuss and vote the annual Budget Law. Civil Society participates through various organizations that give opinions on the Budget proposal. There are also public hearings of some entities (namely, the Court of Auditors). Political parties may present amendments to the Law and technical appraisal is given by a specialized unit within Parliament and by the Public Finance Council (specially on macroeconomic forecasts). When the Budget Law is approved, all amendments are incorporated on the information systems.</p> <p>During Budget execution, Ministry of Finance compiles and reports monthly on budget execution and, in year n+1, until May 15 (2022 onwards, before the deadline was June 30) presents the General State Account (GSA) to the Court of Auditors and Parliament.</p> <p>Court of Auditors issues an Opinion on the GSA until September 30 (before 2022 the deadline was December 31).</p>
Paraguay	<p>Law No. 1535/99 "On State Financial Administration" Title II – "On the Budget System", Chapter I "On General Provisions", defines in article 5 the following:</p> <p>"The General Budget of the Nation, made up of the budgets of the organisms and entities mentioned in article 3 of this Law, is the instrument for assigning financial resources for the fulfillment of state policies and objectives. It constitutes the financial expression of the annual work plan of State agencies and entities. It will provide the amount and origin of income, determine the amount of authorized expenses and financing mechanisms. It will be prepared by programs and with appropriate techniques for the allocation of the financial resources of the State. As a system, the budget is the set of rules, techniques, methods, and procedures used and of the agencies involved in the budget process, in its phases of programming, formulation, approval, execution, modification, control and evaluation of income and expenses and their financing".</p>
Philippines	<p>The Philippine national government budget evolves within the framework of the total impact of government activity on the national economy. The budget process of the Philippine government has four phases and is considered a cycle: (1) Budget Preparation; (2) Budget Authorization/Legislation; (3) Budget Implementation/Execution; and (4) Budget Accountability.</p> <p>While evidently separate, the four phases overlap and operate in continuum during a budget cycle year.</p> <p>The budget preparation phase starts with the Development Budget Coordination Committee (DBCC). It is headed by the Secretary of Department of Budget and Management (DBM) and its members are the Secretary of Finance, the Director-General of the National Economic and Development Authority (NEDA), and the Governor of the Central Bank of the Philippines, with the Office of the President for general oversight. The NEDA provides the over-all macro-economic assumptions with which budgetary levels are to be determined. The Department of Finance (DOF), the Bureau of the Treasury, the Bureau of Internal Revenue and the Bureau of Customs help the DBCC in determining the sources of financing. They project the revenues that will be generated for the budget year as well as the borrowings that may have to be tapped. The DBCC determines the overall economic targets, expenditure levels, the revenue projection, deficit levels and the financing plan. It submits them to the President and the Cabinet for approval. Once these are approved, the</p>

	<p>DBM issues the Budget Call. This requires agencies to prepare their budgets in accordance with the said guidelines, macro-economic assumptions, and ceilings. The DBM spells out guidelines, procedures, and timetables.</p> <p>All government agencies then undertake their own internal consultations. They rank programs, projects and activities using the capital budgeting approach. Then they submit their budget estimates, considering their own priorities and those of the national government under the Medium-term Public Investment Program (MTPIP).</p> <p>The DBM then conducts technical budget hearings where agencies defend and justify their proposals. Organizational and budgetary issues are clarified. The proposed expenditure programs are confirmed by the agency heads. The DBM consolidates the budget proposals and then submits them to the Cabinet where the budget is discussed with the President.</p> <p>Budget legislation/authorization. Once the budget is approved by the President and the Cabinet, the President submits it to Congress. This must be done not more than thirty days after the opening of its regular session, as required under the Constitution.</p> <p>The General Appropriations Act (GAA) is the legislative authorization that contains the new appropriations in terms of specific amounts for salaries, wages and other personnel benefits; maintenance and other operating expenses; and capital outlays authorized to be spent for the implementation of various programs/projects and activities of all departments, bureaus and offices of the government for a given year.</p> <p>Budget execution covers the allotment of appropriations by the central budget authority to and the incurrence of obligations by, the spending departments and agencies of government. The steps in the execution of the budget are:</p> <ol style="list-style-type: none"> 1) Early procurement activities 2) Submission of Budget Execution Documents of agencies to outline their financial plans and performance targets for the year 3) Allotment release. 4) Obligation 5) Cash allocation 6) Disbursement <p>Budget accountability. The accountability phase is the final phase of the budget process. This is when the agencies report their actual physical and financial performance. The assessment of the physical achievements of an agency is aided by performance indicators. These are yardsticks for determining how well an agency has accomplished its objectives. They measure outcome, output, process efficiency and client satisfaction. They may be quantitative or qualitative in nature.</p>
Romania	<p>In Romania, the budget law is annual. The budget law provides and authorizes, for the budget year, budget revenues and expenditures, as well as regulations specific to the budget year.</p> <ul style="list-style-type: none"> ○ The annual budget laws include the following: ○ the law of the state budget, the law of rectification of the state budget. ○ the law of the state social insurance budget, ○ the law of rectification of the state social insurance budget. <p>The annual budget laws may be amended during the budget year by rectification laws, drawn up by 30 November at the latest. The same procedures apply to rectification laws as to the initial annual budget laws, except for the deadlines in the budget calendar.</p> <p>As an exception, in the event of a significant deterioration in the forecast of macroeconomic indicators, a budget correction may be promoted in the first 6 months of the year. (art. 4-6 of Law no. 500/2002 on public finances)</p>

<p>Republic of Yemen</p>	<p>Issuing a decree to form the budget preparation committee headed by the prime minister and the membership of several relevant ministers so that the minister of finance will be vice-chairman of the committee.</p> <p>Each minister or head of a line ministry/department issues a decree to form a budget committee at the respective line ministry.</p> <p>The budget sector in the Ministry of Finance:</p> <ul style="list-style-type: none"> ○ Preparing the draft general framework for budgets ○ Develop the necessary draft instructions to prepare budgets ○ Receiving budget projects from various entities. ○ Discuss budget projects with the authorities <p>Approval of budgets by different committees</p> <p>Discussion of budgets by the Budget Preparation and Approval Committee</p> <p>Submit budgets to the Council of Ministers for approval.</p> <p>Raise the budgets to the presidency of the House of Representatives and then refer them to the various committees of the House of Representatives</p> <p>Preparing draft resolutions by the Council of Ministers and submitting the budget to the House of Representatives and submitting this under the financial statement reviewed by the Minister of Finance in the Chamber of Deputies.</p> <p>The Presidency of the House of Representatives shall refer all budgets with its draft resolutions and financial statement to a special committee headed by the Vice-Speaker of the House of Representatives and the membership of the chairperson of the parliamentary blocs and the chairman and members of the Finance Committee and the chairmen of the parliamentary committees, and this committee will study the budget statements and prepare recommendations on them and submit them to the Speaker of the House to refer them to a session dedicated to this purpose and after the debate in the hall and in the presence of the government the government is committed to taking into account the recommendations of parliament</p> <p>The Parliament then approves the proposed Budgets and submits them to the President of the Republic to issue it into law.</p>
<p>South Sudan</p>	<p>Fiscal year: June/July of next year. Budget is of three chapters; namely, Salaries, Operation, and capital.</p> <p>The parliament passes appropriation act each year to operationalize the budget.</p>
<p>South Africa</p>	<p>The Constitution of the Republic of South Africa clarifies that the country's budget process must promote transparency, accountability, and the effective financial management of the economy, debt, and the public sector. Furthermore, the budget in each sphere of government, being national, provincial, and local spheres, must be prepared. The government entity responsible for managing the government's annual budget process and providing public finance management support is the National Treasury of South Africa.</p> <p>The National Treasury is responsible for managing South Africa's national government finances.</p>

Supporting efficient and sustainable public financial management is fundamental to the promotion of economic development, good governance, social progress, and a rising standard of living for all South Africans. The Constitution of the Republic (Chapter 13) mandates the National Treasury to ensure transparency, accountability, and sound financial controls in the management of public finances.

The National Treasury's legislative mandate is also described in the Public Finance Management Act (Chapter 2). The National Treasury is mandated to promote government's fiscal policy framework; to coordinate macroeconomic policy and intergovernmental financial relations; to manage the budget preparation process; to facilitate the Division of Revenue Act, which provides for an equitable distribution of nationally raised revenue between national, provincial and local government; and to monitor the implementation of provincial budgets.

As mandated by the executive and Parliament, the National Treasury will continue to support the optimal allocation and utilization of financial resources in all spheres of government to reduce poverty and vulnerability among South Africa's most marginalized.

Through the Public Finance Management Act, the following budget cycle is followed in our country:

The national and provincial budget process is a continuous cycle that runs from April to March every year. The following outline illustrates the timetable for one year's budget process.

May to June:

During this period, National Treasury issues the Medium-Term Expenditure Framework (MTEF) budget guidelines (expenditure estimates guidelines) to departments. The MTEF sets out three-year spending plans of the national and provincial governments. It aims to ensure that budgets reflect the government's social and economic priorities and give substance to its reconstruction and development commitments.

July:

Departments submit their expenditure estimates in detail to the National Treasury for the upcoming budget.

September:

The final recommendations on allocations are then taken to Cabinet for approval. The Adjustments Appropriation process also begins in this month, making recommendations regarding unforeseeable and unavoidable expenditure.

October to November:

The Adjustments Appropriation Bill and the Amended Division of Revenue Bill are tabled. The Adjusted Estimates of National Expenditure (AENE) provides detailed information on mid-year actual expenditure and performance and revised spending and performance projections for the rest of the current financial year, including roll-overs of unforeseeable and unavoidable expenditure items.

The Medium-Term Budget Policy Statement (MTBPS), which highlights key government priorities, the size of the spending envelope for the next MTEF period, the proposed division of revenue, and major provincial and local government allocations, is also tabled in Parliament.

December to February:

The National Budget, Appropriation Bill, Division of Revenue Bill, Estimates of National Expenditure, and related budget information are finalized and then tabled by the Minister of Finance in Parliament. The Estimates of National Expenditure (ENE) provides detailed information on

	departmental and entities' policy developments, spending plans, as well as service delivery achievements and commitments over a seven-year period.
USA	<p>Though there are numerous possible sources for this, the ones that are most authoritative and readily available are:</p> <p>GAO, A Glossary of Terms Used in the Federal Budget Process, GAO-05-734SP, available at https://www.gao.gov/products/gao-05-734sp. Appendices I and II have good overviews of the budget process.</p> <p>OMB Circular A-11, Preparation, Submission, and Execution of the Budget, available at https://www.whitehouse.gov/omb/information-for-agencies/circulars/#budget. Section 10 has a good overview of the budget process.</p> <p>However, with both, beware that the documents describe the way the process should be, rather than the way it may work in practice. Various actors often do not meet the deadlines prescribed by law, and some of the activities specified by law do not occur at all.</p>
Viet Nam	<i>No response given</i>
Venezuela	<p>Regarding the Budgetary Cycle, in the Bolivarian Republic of Venezuela it is typified in Articles 187 numeral 6, 310 and 350 of the Constitution of the Bolivarian Republic of Venezuela, published in the Official Gazette of the Bolivarian Republic of Venezuela (G.O.R.B.V.) No. 5. 908 Extraordinary dated 02/15/2009, likewise, in Articles 9, 28, 40 and others of the Decree with Rank, Value and Force of Organic Law of the Financial Administration of the Public Sector (LOAFSP), published in G.O.R.B.V. N.º 6.154 Extraordinary dated 11/19/2014, which in summary establishes that the approval of the annual budget of the nation is divided by stages or phases:</p> <p>A first phase in which the Ministry of People's Power for Planning intervenes, which issues or generates guidelines to all the organs and entities of the national public administration to prepare a draft budget file and prepare each one its Annual Operating Plan (POA). Subsequently, this Ministry receives these project sheets and the AOPs of each agency and generates a Preliminary Draft Budget, all this process is carried out digitally through the Budget System, which is the SISPRE.</p> <p>Then we have a second phase in which the Ministry of People's Power for Finance, Economy and Foreign Trade is involved, but specifically the main actor is the Governing Body of the Budget System, which is the National Budget Office (ONAPRE), which consolidates the preliminary drafts of the many bodies and entities of the Public Administration and once consolidated, ONAPRE prepares the Budget Bill and sends it to the National Executive.</p> <p>In a third phase, the President of the Republic submits the following to the National Assembly before October 15:</p> <ul style="list-style-type: none"> ○ The Budget Law ○ The Special Law of Indebtedness ○ The Pluriannual Framework Law ○ And the National Annual Operating Plan <p>Subsequently, the National Executive submits to the Legislative Branch and the latter, before December 15 in plenary (National Assembly), discusses and approves the Budget Law for the following financial year.</p> <p>And finally, the President of the Republic decrees the general distribution of the expenditure or expense budget of each of the agencies of the National Public Administration, this distribution is detailed in Projects, items, sub-items, specific or generic.</p>

Table 1.4

Possible solutions to internal and external SAI challenges

Country	Possible solutions suggested by respondents
Azerbaijan	<ul style="list-style-type: none"> Increasing the number of SAI staff, involvement of current employees in various types of local and international trainings to improve their professionalism Regular organization of meetings and discussions between the participants of the budget preparation and implementation process in a wide range, at different levels,
Algeria	<ul style="list-style-type: none"> Des programmes de formations sur la certification des comptes et sur les normes IPSAS sont en cours.
Bosnia and Herzegovina	<ul style="list-style-type: none"> Design internal controls that could be used generally for all audit subjects. Having precise legal accountability measures for failures to timely approve budget laws from which the SAI could derive audit criteria. We would like to see how other SAIs face the issue of not having annual budget laws approved in a timely manner or never, in what way do they qualify such an issue and to whom they address the qualification.
Cuba	<ul style="list-style-type: none"> Capacity building and learning by doing
Dominican Republic	<ul style="list-style-type: none"> Regional reference framework with the possibility of being adapted to the reality of each SAI. b. Synergy between the institutions responsible for PFM Strengthening of internal control systems. Increase in the technical capacity of the SAI to perform PFM performance audits.
Egypt	<ul style="list-style-type: none"> Continuing to implement the State Public Strategy through expanding the scope of using the Information Technology System.
Eritrea	<ul style="list-style-type: none"> Introduction of detailed strategic and annual plans both at government entities and at the Ministry of National Development
Guinea-Bissau	<ul style="list-style-type: none"> Operationalize and give greater autonomy to the Ministries' General Inspectorates Strengthen the inter-institutional collaboration between the Inspectorate General of Finance, Parliament, and the Court of Auditors Approve the Access to Information Law Update the 1992 law that established the Court of Auditors, introducing a fine mechanism in case of information denial
Guatemala	<ul style="list-style-type: none"> To elaborate specific methodology related to the evaluation of PFM system for SAI To include in the SAI legal mandate the assessment of the hole PFM system To develop training programs for auditors on assessment of PFM system To obtain financial and technical resources for supporting the capacity of the SAI to perform PFM system assessments.
Greece	<ul style="list-style-type: none"> PC's and laptops are technologically obsolete and should be replaced specially for employees performing audit tasks. Licenses for Special Audit software and Big Data analysis software, use of Artificial intelligence and Machine Learning applications. Vocational training e.g., on Critical thinking, remote auditing techniques, information's system auditing for auditors from all regions of Greece.

	<ul style="list-style-type: none"> • Interoperability and/ or interface with GAO’s Integrated Financial Management Information System (IFMIS) as well as with FMISs’ of auditees/ General government entities or Entities controlled by the state.
Indonesia	<ul style="list-style-type: none"> • Training and secondment for auditors in the field of PFM system. • Formulate clear and specific audit objectives. • Thematic or collaborative audits involving many units in SAI organization that related to specific audit themes, for example: audit on education budget. • Regional SAI Organization to develop regional assessment framework. • Conduct audits on internal controls over financial reporting activities to identify weaknesses and provide relevant recommendations. • Establish Memorandum of Understanding or agreement on data/documents access for auditors.
Kuwait	<ul style="list-style-type: none"> • More expertise on PFM
Kingdom of Bahrain	<ul style="list-style-type: none"> • Provide workshops and on the job training for SAIs’ staff on such issue. • Implement Capacity Building comprehensive programs.
Madagascar	<ul style="list-style-type: none"> • To allocate more resources to the SAI • To reinforce internal synergy • To improve internal control in public administration • To reinforce synergies and collaboration among all the key stakeholders of the PFM system • To facilitate the access to information
Myanmar	<ul style="list-style-type: none"> • To improve SAI’s capacity building • To held workshops, training and knowledge sharing programs with the responsible person from the audited entities to get awareness of PFM.
The Netherlands	<ul style="list-style-type: none"> • Increase budgetary literacy among auditors • Awareness that strict control of multi-annual budget ceiling may compromise optimal allocation • Detect gradual degradation of public service levels, regardless of budget increases or decreases
Puerto Rico U.S.A.	<ul style="list-style-type: none"> • Assign more resources (i.e., budget or employees) to the Office of the Comptroller of Puerto Rico. • Perform monitoring of entities compliance with internal controls policies. • Improve availability and quality of public information by government.
Philippines	<ul style="list-style-type: none"> • There should be proper allocation of budget among government agencies • Auditors to undergo capacity building on the PFM system of the country; provide appropriate training opportunities to auditors engaged in the audit of the budget to improve their audit skills • Simplify the objectives of the PFM system which can be easily understood by ordinary people • Make available to the public budgeting and fiscal policies and rules

Portugal	<ul style="list-style-type: none"> • Internal challenges may dwindle through interdepartmental works, staff rotation, improvement of information availability or internal workshops. • Internal control in public administration is one of the areas under review in undergoing public finances reform. Implementing the proposed solutions would enhance its capacity and effectiveness. Namely, increased coordination of internal control, development of legal framework, increased interrelation between control levels (operational, sectorial, and strategic), harmonization and development of audit methodologies, professional standards and reporting models.
Paraguay	<ul style="list-style-type: none"> • Constant training of auditors in the field of the GFP system • Program for the incorporation of trained human resources to the Mission Units in charge of auditing the PFM system. • Allocation of greater financial resources. • Strengthening in the institutions of the Public Administration of the Standards of Minimum Requirements for Internal Control Systems.
Republic of Mauritius	<ul style="list-style-type: none"> • Capacity building of NAO staff in Public Finance Management system and PEFA
Republic of Yemen	<ul style="list-style-type: none"> • Providing adequate financial resources. • Provide qualified staff and meet the required needs. • Update current legislation in line with modern/current or future requirements. • Responsiveness of units subject to COCA audit to the outputs/recommendations of our SAI/COCA. • The interaction of the top leaders of the country with the outputs of our SAI/COCA and the issuance of guidance/directives to the units/agencies/departments subject to COCA audit to interact/react seriously and effectively with the outputs of our SAI/COCA.
Romania	<ul style="list-style-type: none"> • Specialization of external public auditors in the field of PFM • A strategic approach to the PFM, accompanied by internal structures within the Court of Accounts to work together to achieve a comprehensive approach to the Government's work • Implementation of an adequate internal managerial control system in the public administration • The reform of the internal public audit within the public entities and of the attributions of the Central Harmonization Unit for the Public Internal Audit • Encouraging collaboration between all key actors of the PFM system
South Sudan	<ul style="list-style-type: none"> • Policy reform.
South Africa	<ul style="list-style-type: none"> • Capacitate and empower auditors with expertise in the field of PFM system • Look at possibility of customizing regional assessment framework • Influence auditees to strengthen internal control through our audits
Venezuela	<ul style="list-style-type: none"> • Enable the professionalization and specialization of the auditing staff to have an optimal human talent to achieve effective audits. • Improve resources in the SAI so that the staff has sufficient technological equipment to improve the capacity of audits.
Viet Nam	<ul style="list-style-type: none"> • Improving the SAI's situation, building legal framework that allows SAI to implement administrative sanctions when possible