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## **International Budget Partnership: Synthesis Report on the piloting of the Subnational Open Budget Survey in Brazil, Indonesia and Tanzania**

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## Acronyms and Abbreviations

<b>AR</b>	Audit Report on Final Accounts
<b>BAB</b>	Budget Approving Body
<b>CB</b>	Citizens Budget
<b>EB</b>	Enacted Budget
<b>EBP</b>	Executive's Budget Proposal
<b>GDP</b>	Gross Domestic Product
<b>GFS</b>	Government Finance Statistics
<b>IAAR</b>	Individual Agency Audit Reports
<b>IBP</b>	International Budget Partnership
<b>ICT</b>	Information Communication Technology
<b>IMF</b>	International Monetary Fund
<b>INTOSAI</b>	International Organisation of Supreme Audit Institutions
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>LGA</b>	Local Government Authority
<b>OBI</b>	Open Budget Index (National)
<b>OBS</b>	Open Budget Survey (National)
<b>PEFA</b>	Public Expenditure & Financial Accountability
<b>PFM</b>	Public Finance Management
<b>SN</b>	Subnational
<b>SN OBI</b>	Subnational Open Budget Index
<b>SN OBS</b>	Subnational Open Budget Survey
<b>ToR</b>	Terms of Reference

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# I. Introduction and Summary Overview

## I.1 Introduction

1. Fiscus were commissioned by the International Budget Partnership (IBP) to work in close collaboration with CSOs in 3 pilot countries (Brazil, Indonesia and Tanzania) and with staff of IBP, in order to design a toolkit for the implementation of a Subnational Open Budget Survey. Following a preliminary study by IBP of 10 countries aimed at assessing the demand for transparency analyses at subnational level and the feasibility of undertaking such analysis, Fiscus were contacted to design an adapted survey to assess transparency at subnational level and to oversee a pilot implementation of the survey in three countries: Brazil, Tanzania and Indonesia. The design of this Subnational survey has drawn on the findings of the preliminary study and on the experience of four rounds (2006, 2008, 2010, 2012) of the national-level Open Budget Survey (OBS), as well as on the insights of the three CSOs engaged in the piloting process.

## Objectives

2. The principal objective of this exercise has been to design a toolkit (questionnaire + survey methodology) that would enable CSOs across the world to undertake Budget Transparency Surveys at Subnational tiers of government. The resultant questionnaire and methodological guidance note for the Subnational Open Budget Survey (SN OBS) are now available from IBP. In addition, the study team have also:
  - Provided training and technical assistance to the three IBP partners, who piloted the survey at the subnational level; and
  - Developed this synthesis report, summarising the results of these three subnational budget transparency pilot surveys undertaken by IBP partners in Brazil Indonesia and Tanzania.

## The design process for the Subnational Open Budget Survey (SN OBS)

3. In total, the design process has taken some 20 months to be completed. It required the development of a survey methodology that could address the questions of budget transparency considered by IBP and its partner organisations around the world as well as by leading academics, to be of principal importance at the Subnational level. At the same time, the survey methodology needed to be as universally applicable as possible, benchmarked against international good practice in budget transparency, and viable as a survey to be implemented at the local level by country-based (rather than international) CSOs. In contrast with the national OBS, it is not anticipated that IBP will be able to provide significant support to the implementation of the Subnational OBS, because of the financial and logistical challenges that would entail. As a result, it has been important to design a SN OBS questionnaire and related methodology, which could be self-explanatory.
4. In order to achieve this objective, the design process has gone through several stages:
  - Initially, Fiscus were asked to undertake an adaptation of the national OBS, taking account of the specificities of Subnational governments, and of the comments received through IBP's preliminary study of 10 countries, assessing the demand for information on budget transparency issues at the Subnational level. As a result, two draft questionnaires were initially generated – one focused at the intermediate (State/ Province) level and another at the lower (District/ Local Government) level. Each of these included adapted versions of the national OBS questions, as well as wholly new questions covering Inter-Governmental transfers, service delivery and procurement.

- Visits were undertaken to Indonesia and to Brazil in order to review the questionnaires with Seknas Fitra and INESC, who had committed to undertake pilot SN OBS surveys based on the questionnaires.
  - The questionnaires were circulated for comments to IBP staff and also to an invited group of researchers<sup>1</sup>, working on budget transparency and decentralisation issues.
  - A workshop was organised by IBP in Washington DC in July 2012 to review the comments received on the pilot questionnaires and to refine them in collaboration with Seknas Fitra (Indonesia), INESC (Brazil) and Sikika (Tanzania), prior to the completion of the pilot surveys. Two important conclusions emerging from this workshop were firstly, that a single questionnaire should be used for all SN governments regardless of their size and relative importance and secondly that the questionnaire should be adapted so as to be applicable to both elected and nominated SN governments.
  - The pilot questionnaire (at this stage consisting of 72 questions) was piloted in Brazil, Indonesia and Tanzania over September 2012 – April 2013. The Fiscus team visited the Sikika survey team in Dodoma, Tanzania to observe the process and provide support.
  - Three country draft reports were compiled, involving the processing of more than 3.000 answers from 44 Subnational governments assessed.
  - A second workshop was organised by IBP in Washington DC in May 2013 to consider the results of the pilot surveys and to assess the viability of the pilot questionnaire and methodology as an international tool-kit for assessing budget transparency at the Subnational level. In addition to IBP, Fiscus and the three CSOs engaged in the piloting process, two further CSOs participated in the review process: the Institute of Economic Affairs from Kenya, and Procurement Watch Inc., from the Philippines. The toolkit was perceived as generally appropriate, subject to some simplification and to the introduction of more extensive explanatory notes and more detailed guidance within the methodology note. It was also agreed to expand the number of questions on procurement and on dissemination mechanisms, two areas perceived to be of special importance at the Subnational level.
  - Fiscus and the three country teams made a formal presentation of the preliminary conclusions to the Urban Institute in Washington DC in order to collect further inputs from one of the leading international authorities on decentralisation and public administration.
  - A final set of changes to the Questionnaire and Methodology were then completed, based upon the feedback from discussions in Washington DC. After further rounds of comments and final editing work, the SN OBS tool-kit was completed at the end of November 2013.
5. The final output of the exercise has been a Questionnaire comprising 79 questions (72 in the pilot questionnaire), plus a Methodological Guidance Note. Each question, or sometimes group of questions, is complemented with additional Explanatory Notes, whose purpose is to frame and clarify its contents and guide the users on definitions, challenges and context specific issues that may have to be taken into consideration during the research. The methodology sets the framework for assessing

<sup>1</sup> Bruno Giussani, Paolo di Renzio, Jason Lakin and Per Tidemand.

Budget Transparency at Subnational Level and provides guidance to any CSOs interested in replicating the exercise at whatever Subnational tier they are operating.

## The focus & content of the Subnational Open Budget Survey (SN OBS)

6. The Subnational Open Budget Survey (SN OBS) addresses four specific aspects of budget transparency. In the three pilot countries, these four aspects were assessed in relation to the documentation available in 44 SN governments surveyed over 2012-2013:
  - The timely availability of budget information to the subnational public;
  - The clarity and relevance of the information contained in the main budget reports available to subnational citizens;
  - The quality of the mechanisms used to disseminate budget information among citizens;
  - The quality of the channels established for participation of citizenship in the review and monitoring of the budget documents.
7. The Questionnaire is based on the Open Budget Survey (National) designed by IBP, but it includes issues of specific interest for Subnational governments such as: a) Service Delivery, b) Procurement and c) Inter Governmental Transfers. In comparison with the national OBS, it also gives greater attention to the mechanisms of dissemination of budget documents and to the avenues for citizen participation in budget processes.
8. The budget documents, on which the bulk of the SN questionnaire is focused are the following:
  - Executive Budget Proposal
  - Enacted Budget
  - Year End Report on budget execution
  - Annual Audit Reports.
9. In addition, the availability (and content) of three further documents is also examined: the Citizens Budget, Individual Agency Audit Reports and the Annual Procurement Plan. Other sources of information on the budgets and expenditures for delivery of education and health services are also considered.

## The selection of pilot countries and institutions

10. Three countries were selected to participate in the pilot phase of the SN OBS: Tanzania, Brazil and Indonesia. In the first instance, IBP decided to invite CSOs with previous experience of work on accountability and budget transparency issues and to limit the number of countries to only three, in order to minimise the logistical challenges involved in the piloting process. At the same time, the intention was to work with a selection of countries that could be seen to represent a larger number of countries worldwide in terms of: a) Geographical location, b) typology of Subnational tiers of governance and c) per capita income levels. (See Table 1.)

**Table 1: Characteristics of the 3 Pilot Countries**

GEOGRAPHICAL LOCATION	NATURE OF SUBNATIONAL GOVERNANCE	GNI PER CAPITA 2012 (ATLAS METHOD; US \$ CURRENT)
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<b>Brazil</b>	Latin America	Well-established Federal State with a 3-tiered structure of elected governments.	\$ 11,630
<b>Indonesia</b>	Asia	Federal State, with a recent history of democratic decentralisation, involving 5 tiers of Subnational governments.	\$ 3,420
<b>Tanzania</b>	Africa	A Union of two states (Tanganyika and Zanzibar), each running a relatively centralised government with deconcentrated agencies of central government at regional level and some 140 elected Local Government Authorities (LGAs) at the lower level.	\$570

Sources: Country reports from Pilot Surveys and World Bank World Development Indicators, 2013.

11. A well-established and renowned CSO was invited to participate in the study in each country:

- INESC<sup>2</sup> in Brazil, who are in charge of implementing the National Open Budget Survey,
- SEKNAS FITRA<sup>3</sup> in Indonesia, also a long term IBP partner in the National Open Budget Survey,
- SIKIKA<sup>4</sup> in Tanzania, who was for the first time involved in Budget Transparency research, but with an extensive experience of engagement in accountability and service delivery issues in the health sector.

## 1.2 Main Findings and Lessons Learned from the Pilot Phase

12. Overall, the results of the piloting exercise have been positive:

- **The SN OBS was successfully implemented in 3 countries.** The survey was implemented in three countries located in three different continents, with different subnational governance structures and socio economic development levels. The Questionnaires as a whole and the specific topics selected were found by partners to be relevant and appropriate. The survey structure was satisfactory and although some difficulties were met, none of the partners found any of the questions impossible or irrelevant to apply.
- **The Design of the Survey and the Toolkit may be improved, but it is broadly satisfactory.** The design of the questionnaire and the methodology was initially based on the National toolkit, but the pilots showed that further adaptation was needed. At the end of the process, we have a set of questions that share common roots with the national questionnaire but that include sections, topics and views specifically adapted to address issues of particular interest at the subnational level of governance.
- **The scoring scale of the SN OBS appears appropriate and balanced (no country scores 100% nor 0%).** The range of scores obtained suggests that the questionnaire is correctly balanced. (Figures 1 & 2.) The topics addressed and the standards promoted through its questions and answers are suitable to address the needs and assess the reality of countries as different as Brazil, Indonesia and Tanzania. The best scores obtained

<sup>2</sup> <http://www.inesc.org.br>

<sup>3</sup> <http://seknasfitra.org/>

<sup>4</sup> <http://www.sikika.or.tz/en/>

in the survey do not exceed 70%, suggesting that even in a country such as Brazil with a long-standing commitment to transparency, further improvements are possible as assessed by the standards of the SN OBS. Even in Tanzania, where several LGA scored 0 % due to the (apparent) lack of availability of any budget documents<sup>5</sup>, the highest scoring LGA was just under 50 %, suggesting substantial scope for improvements in budget transparency, simply by improving the availability of existing documents.

- **The SN OBS has proven to be adaptable to different contexts.** The samples include vast Capital cities and States in Brazil, huge cities and small rural municipalities in remote islands in Indonesia, as well as isolated rural districts in Africa. The results thus suggest that a remarkable strength of the SN OBS Toolkit is its adaptability to different contexts (geographical, social and economic).
- **Results show there is room for improvement in Budget Transparency at SN level but also that there is strong demand for such improvements.** Most importantly, results show that Subnational transparency is a topic of interest where research to date has been limited (and therefore is needed), and that there is room for improvement in budget transparency even in advanced countries such as Brazil.

Figure 1: Overall scores for the Pilot SN OBS by country and stage of the Budget Cycle

	BRAZIL	INDONESIA	TANZANIA
<b>1- BUDGET FORMULATION</b>			
Executive Budget Proposal	66 %	19 %	2 %
<b>2- BUDGET EXECUTION</b>			
Enacted Budget	59 %	20 %	12 %
Procurement	45 %	61 %	10 %
<b>2- REPORTING/ OVERSIGHT</b>			
Year End Report	45 %	38 %	7 %
Service Delivery	35 %	27 %	3 %
Audit	38 %	9 %	8 %

Figure 2: Mean scores for the Pilot SN OBS by country and Subnational level assessed

	BRAZIL	Br State	Br Muni.	INDONESIA	Indo Prov	Indo Kota	Indo kabupt	TANZANIA (LGAs)
Mean	55 %	61 %	49 %	24 %	26, %	34 %	12 %	6 %
Max	70 %	70 %	48 %	51 %	35 %	51 %	17 %	48 %

<sup>5</sup> Given that this was a pilot survey, where some errors in interpretation of the questionnaire were certainly made, one should be cautious in interpreting the results of the surveys too literally. We would suggest that they are indicative of the trends in budget transparency but that implementation of the refined and improved SN toolkit would probably yield some significantly different scores.

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Min	41 %	56 %	41 %	3 %	15, %	11 %	3 %	0 %
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## 2. Country context, sampling & methodology

### 2.1 SN OBS Methodology & Questionnaire Structure

13. The Subnational Open Budget Survey Toolkit comprises two documents: The SN OBS Questionnaire and the SN OBS Methodology. We briefly outline the content of each below. Both of these documents can be found on the IBP website. A number of refinements have been made to each of these documents as a result of the piloting process; however, no fundamental changes have been made. Thus, the descriptions below serve equally well to enable the reader to understand the nature of the toolkit used in Brazil, Indonesia and Tanzania, and also to appreciate the key elements of the toolkit in its final form.

#### The SN OBS Methodology

14. The Methodology is designed to guide users on how to prepare a survey on budget transparency at SN level. The SN OBS is specifically designed to adapt to any typology of Subnational government. Whether it is a decentralized or de-concentrated SN government, large or small, elected or appointed, rural or urban, the survey should be readily applicable. Due to its wide coverage, some guidance must be provided to users based, drawing in part on the lessons learned during the implementation of the pilot studies.

15. The key subjects addressed in the methodology are:

- **Definition of public availability of budget documents:** the methodology presents a precise definition of when a document may be considered publicly available. It addresses issues such as the cost of documents, their timely availability and the number of formal requests that are considered acceptable, before a document is deemed unavailable.
- **Sources of Evidence:** The methodology (in combination with the Explanatory Notes in the Questionnaire) provides guidance on what sources of evidence should be provided in order to support the answers presented in the questionnaire. For every question, supporting evidence must be systematically cited so that answers can be verified and/or challenged.
- **Adaptation to local context:** The methodology stresses that additional guidance is always likely to be needed in order for researchers to fully understand how to apply the questionnaire in the local context where it is to be implemented, while respecting its internal coherence and the underlying principles and concepts on which it is based. One key feature of its contextualisation is a proper translation, which can take more resources than expected. The interpretation of some technical concepts may also be challenging (e.g.: what is the right term in the Indonesian context for “Expenditure Arrears”? What is the correct document in Tanzania that matches the contents of an “Annual Procurement Plan”?)
- **The Subnational Open Budget Index:** It is intended that over time, as more surveys are undertaken in different countries and at different levels of Subnational government, a data-base will be built up, which will allow for comparisons in the levels of budget transparency of different Subnational governments around the world. Over time, it is hoped to establish three categories of Subnational Open Budget Index, covering A) Provincial/ Regional or State level governments; B1) Large Municipal, Local or District Governments with a population in excess of 1 million; and B2) Small Municipal, Local or District Governments with a population less than 1 million.

The scoring methodology would be the same as that followed for the national Open Budget Index. This is based upon deriving a numerical score for each questionnaire answer, summing the total scores, dividing them by the highest potential score and expressing that result as a percentage of the maximum potential score.

- Orientation on Sampling:** It is not intended to use the SN OBS to generate an estimate of the “average” level of Subnational budget transparency in any given country. Indeed, it is probably not conceptually correct to conceive of an “average level” of Subnational budget transparency. Thus, the 3 sub-indices of the SN OBI would allow for a direct international comparison of the levels of budget transparency of different SN governments, rather than a comparison of different nations. By establishing the indices in this way, the need for complicated rules by which to derive the “average” level of Subnational transparency within a single country is avoided. Moreover, this would also allow small SN Open Budget surveys, covering only one, two or three SN governments in a particular country to be undertaken and to generate results, which would provide for useful international comparisons and would facilitate the faster expansion of coverage of the SN OBS. It would also encourage healthy competition across international borders, taking advantage of the increasing inter-connectedness of Civil Society Organisations around the world. Nevertheless, even if no “average” is actually constructed, CSOs may want to ensure coverage of a representative national sample of SN governments. How big should the samples be and how should they be selected? The methodology provides some recommendations on the survey sampling and coverage.
- Notes on the Survey process:** Based on the experience of the pilot studies, the methodology provides some lessons on the challenges and difficulties that CSOs and their researchers are likely to face in implementing the SN OBS. In general, each of the piloting institutions under-estimated the logistical challenges involved in undertaking the SN OBS. Thus, the methodology also provides guidance on the process of managing the survey. The following are amongst the key process issues, which require careful attention from survey managers/ coordinators: recruiting the right team of enumerators, training them adequately, preparing thoroughly the field visits, setting up an effective quality monitoring system, budgeting the survey process in an explicit and thorough way, and designing a timetable that is realistic and feasible.

## The SN OBS Questionnaire

- The revised questionnaire contains 79 questions. The pilot questionnaire contained only 72 questions but further questions have been added on procurement and on dissemination mechanisms. The structure of the questionnaire has, however, remained unchanged. Each section of the questionnaire assesses a different phase of the budget cycle as shown in the chart below.

**Figure 3: The key budget documents assessed in the SN OBS and their place in the budget cycle**



17. The questionnaire consists of four tables and 79 multiple-choice questions, grouped into four sections, as shown in the text box below:

- **Section One**, “the availability of budget documents”, comprising four tables which are used to record which documents have been used for the survey, their respective locations and characteristics, and their relative availability to the public;
- **Section Two**, “the Budget Formulation process”, comprising 29 questions;
- **Section Three**, “the Budget Execution process”, comprising 28 questions; and
- **Section Four**, “Budget reporting and Oversight,” comprising 22 questions.

## SUBNATIONAL OPEN BUDGET SURVEY QUESTIONNAIRE

### Section One: The Availability of Budget Documents

Table 1. Details of Budget Documents Utilised and their availability

Table 2. Supplementary Budget Documents Utilised and their availability

Table 3. Summary of Means of Dissemination for Main Budget Documents

Table 4. Languages in which Main Budget Documents are made available

### Section Two: The Budget Formulation process

2.1. Availability & Dissemination of the Executive's Budget Proposal (EBP)

- Extent of availability, timeliness & dissemination of the EBP
- Inputs by the Public into the Budget Formulation Process

2.2. Content of the Executive's Budget Proposal

- Details of Intergovernmental Transfers
- Estimates for the Budget Year and Beyond
- Estimates for Years Prior to the Budget Year
- Complementary information on assets and liabilities
- The Budget Narrative & Performance Targeting

### Section Three: The Budget Execution process

3.1. Approval of the Enacted Budget

- Availability, timeliness & dissemination of the Enacted Budget

3.2. The Content of the Enacted Budget

- Details of Intergovernmental Transfers in the Enacted Budget
- Enacted Budget: Estimates for the Budget Year and Beyond
- Enacted Budget: Complementary information on assets and liabilities
- The Budget Narrative & Performance targeting in the Enacted Budget

3.3. The Citizens Budget

3.4 The Procurement System

### Section Four: Budget Reporting and Oversight

4.1. Service Delivery Oversight

- Information on services delivered by SN Government
- Information on conditions of entitlement to services
- Information on avenues for citizen participation
- Access to budget information for the service facility level

4.2. Year-End Reporting

- Year End Report: Availability, timeliness, dissemination & citizen input
- Content of the Year-End Report
- Intergovernmental Transfers in the Year-End Report

4.3. Audit Phase

- Availability and dissemination of external Audit Reports
- Regularity and coverage of Audit reports
- Public engagement in the scrutiny of external Audit reports

18. The questions are concerned with what occurs in practice, rather than the requirements that may exist in law. Therefore, the purpose is not to assess the quality of the legal framework for decentralised entities, but rather to assess the current practices in relation to the publication of information, and the mechanisms of public participation in the budgetary process.

19. All of the questions are constructed so as to capture easily observable phenomena. Accordingly, researchers completing the questionnaires are asked to provide evidence for their responses. In most cases, the evidence takes the form of a reference to a budget document, or another public document. In a small number of cases – such as questions on participation processes and dissemination mechanisms, reference might be made to a law or regulation, as well as to a supporting public statement

by a government official or other knowledgeable party, who can confirm the actual practice. The detailed Explanatory Notes in the questionnaire provide guidance on the sources of evidence<sup>6</sup>.

## 2.2 Background to Pilot countries and their Subnational structures

### Brazil

20. As defined in Article 1 of the Federal Constitution, the indissoluble Union of States and municipalities and the Federal District form the Federative Republic of Brazil. The subnational entities are autonomous, they are provided with Government, Constitution and with tax collection capacity. Brazil is divided into 27 federation units, with 26 States and 1 federal district. A Governor elected every 4 years exercises the Executive power. State courts exercise the Judiciary power and each State has a Legislative Assembly (the legislature) with State representatives who vote state laws and oversee the activities of the Executive. They also have Audit Courts, which act as auxiliary office of legislative power to oversee and audit the State and municipal accounts. The Federal District (Brasilia) has features that are common to the Member States and municipalities and it can collect taxes as if it were a state and a municipality. The pilot survey included seven States, one of which was Brasilia.
21. The municipality in Brazil is a political and administrative entity of the third degree, in descending order of the Federation. The Brazilian municipalities are members of the Federation with their own Executive and Legislative branches, but they do not have a Judiciary. The head of the Executive Branch is the Mayor elected every four years and the Legislature consists of Councillors who form the Town Council. The organic law, limited by the Federal Constitution, governs the municipality.
22. Brazil has 5,570 municipalities throughout the country, some with a population greater than that of many countries of the world (São Paulo has 11 million inhabitants), others with less than thousand inhabitants; some with larger area than many countries in the world (Altamira, Pará, is nearly twice as large as Portugal), others with less than 4 square km. Seven municipalities were included in the pilot survey, comprising the larger cities of Brazil.

### Indonesia

23. Indonesia is an archipelago located in Southeast Asia, consisting of more than 17,000 islands. It is the third largest democratic country in the world after to India and USA, with more than 230 million people. Centuries of occupation by various nations in the past have moulded the country into a diverse culture.
24. Political participation is on the rise in Indonesia, as the public have only recently begun to enjoy political freedoms, following the controls imposed during the Suharto regime between 1965 and 1998. In more recent years, there has been fast progress towards better governance, for example achieving the highest score for budget transparency in South East Asia, as represented by an OBI score of 62 % in 2012.
25. Indonesia began a rapid decentralization process following the Reformation Movement in 1998, which reversed the strong centralisation policy pursued by Suharto. The first steps towards decentralization were taken in 1999 through Law No. 22 on Local Governments and Law No.25 on Financial Balance between central government and the local government. More extensive legislative reforms were introduced in 2004 through Law No. 32 and Law No.33.

<sup>6</sup> It should be noted that considerable attention has been given to improving the coverage and depth of the Explanatory Notes following the three pilot surveys.

26. Subnational governments in Indonesia are highly bureaucratic, comprising 5 layers. These levels of government have not changed since the Suharto presidency, although the head of Province, Regency, and City are now selected through a democratic voting process, whereas previously they were appointed by the President. Regulations on budgeting by the Subnational governments are still decided by the central government. The budget system and budget document format are the same for Province, Regency, and City.
27. The Province is the highest Subnational level. It is considered as the representative of the central government. The budgeting system of Provincial government is the same across all Indonesia and largely consistent with international standards. Provinces have some public service expenditure discretion, but, for the most part, they are responsible for transfers to the governments below them, as well as for oversight and technical support. Regency (Kabupaten) and City (Kota) comprise the Subnational level after the Province. They are at the same hierarchical level, but have different characteristics. The Regencies are mostly rural, while Cities are urban and, as a consequence, have more complex budgeting. However, the structure and system of their budget documents are similar and mostly consistent with international standards. Both Regency and City have the authority to deliver most public services.
28. Since 1999, the central government has promised more transparency and accountability. The debate over a law on Freedom of Information was started in 2000 during the presidency of Abdurrahman Wahid and 8 years later, in 2008, Indonesia's Freedom of Information Law was released in the form of a Public Information Disclosure Law (UU KIP). Amongst other things, this law ensures citizens' access to public documents, including budget documents, for all levels of government<sup>7</sup>.

## Tanzania

29. Tanzania is an East African country with an estimated population of 46 million people in 2012. It is one of the world's poorer countries with 88% of Tanzanians estimated in 2007 to be living on less than 2 US Dollars a day (World Bank). The literacy rate in 2010 was 73% and the life expectancy at birth amounted to 57.4 years.
30. After its independence from British colonial rule in the early 1960s, Tanzania followed a socialist model with a one-party state. However, following a major economic downturn in the early 1980s, the administration of President Ali Hassan Mwinyi initiated economic and political reforms that eventually led the country into a multiparty democracy in the early 1990s.
31. Tanzania has witnessed remarkable political stability. The present ruling party in Tanzania, the CCM<sup>8</sup> (and its predecessor, the Tanzania African National Union), has been in power since the country's independence in 1961, longer than any other political party on the African continent (Therkildsen, 2012). Competitive multiparty elections were introduced in 1994 ("grassroots elections")<sup>9</sup> and in 1995 for Presidential, Parliamentary and Local Government Council positions. During the first national elections in 1995, won by President Mkapa, the opposition – led by the charismatic and popular, Augustine Mrema, managed to gain almost 40% of the votes. However, the popularity of the CCM party increased steadily throughout the tenure of President Mkapa, winning 71 % of the presidential vote in 2000, and 80 % in 2005, when President Kikwete was elected. This led many observers to dismiss the potential of the opposition, which, in spite of a few committed leaders, showed limited organisational capacity during the 2005 elections.

<sup>7</sup> Extract from SEKNAS FITRA SN OBS final report July 2013.

<sup>8</sup> Chama Cha Mapinduzi (Party of the Revolution in Swahili).

<sup>9</sup> Elections for lowest levels of the local governments: the village councils, the *vitiongoji* and *mitaa*.

32. However, during the 2010 election, the opposition almost doubled its share of the votes. Hence, although President Jakaya Kikwete was sworn in for another five-year term on November 6th 2011, he took his office with a reduced mandate of 62% of the vote. As a consequence both of this electoral result and of the expansion of the media – particularly new, internet-based media - the opposition has become stronger and more vocal during the period of the Kikwete presidency. Freedom House categorized the country as ‘partly free’ in 2012.
33. The Tanzanian government is a two-tier system with a central and a local government. There are 30 regional administrative offices, but they serve only administrative purposes without political representation or decision-making. The Subnational level that was surveyed is the Local Government Authority (LGA) that is an autonomous part of the Tanzanian government, led by elected legislative assemblies. The 148 local governments are either urban authorities (city, municipal and town councils) or rural authorities (district councils). The latter incorporate small towns (township authorities) as well as village councils.
34. The Tanzanian Government’s commitment to reform the local government system through decentralizing functions and finances and the devolution of political decision-making powers dates back to the late 1990s. Since then, there has been a gradual restructuring of public services, according to the subsidiarity principle. This means that the lowest government level that is capable of effectively performing a particular function takes precedence over higher government levels, which should only provide support to lower units. The goal of the reform programme was to accelerate equitable socio-economic development, public service delivery and poverty reduction across the whole country.
35. A key issue in the reassignment of functions according to the subsidiarity principle is to ensure that communities meaningfully participate through demanding good governance in form of transparency and accountability. The existing legal framework provides citizens with avenues to jointly identify development priorities through the Opportunity and Obstacle of Development process. Village Assemblies are another pathway through which citizens can demand explanations from their leaders. These participatory institutions formally exist at the lower LGA level, but their effective consolidation into LGA plans and budgets constitutes another challenge to the reform process.<sup>10</sup>

### 2.3 Scope of the country samples and the pilot surveys

#### The guidance on sampling provided in the SN OBS Methodology

36. The 3 sub-indices of the Subnational Open Budget Index (SN OBI) will allow for a direct international comparison of the levels of budget transparency of different SN governments, rather than a comparison of different nations. Thus, the sub-indices will compare the budget transparency of a) States & Provinces (within Federal governments), b) larger cities/municipalities (with populations over 1 million); and c) that of smaller municipalities and local governments (with populations less than 1 million).
37. By establishing the indices in this way, the need for complicated rules by which to derive the “average” level of Subnational transparency within a single country is avoided. Moreover, this structure will favour small SN Open Budget surveys, covering only one, two or three SN governments in a particular country. Such small surveys would provide data for international comparisons and would encourage healthy competition across international borders, taking advantage of the increasing

<sup>10</sup> Extract from SIKIKA SNOB final report July 2013.

inter-connectedness of Civil Society Organisations around the world. In addition, by facilitating both small and large surveys, this framework will promote the faster expansion of coverage of the SN OBS.

38. Nevertheless, CSOs may want to generate some sort of national SN OBI average in addition to ranking the results of different SN governments against the international scores on the SN OBI. Even if no “average” is actually constructed, CSOs may also want to ensure coverage of a representative national sample of SN governments. In such cases, it would be necessary to survey a sample of SN governments at the same level (i.e., State/Provincial/Regional governments or Municipalities/ Local governments). How big should the samples be and how should they be selected?
39. The SN OBS Methodology provides the following basic rules of thumb by way of guidance (further details are included in the Methodology):
- The selection of sample SN governments should always be chosen so as to be representative of the main geographical and socio-economic variations to be found amongst the SN governments in the relevant category.
  - In most cases, a sample of between 25-36 entities is likely to be sufficient.
  - Where this is not possible, a minimum of nine entities should be surveyed (which would mean that the Standard Error would be 1/3rd of the standard deviation of the sample.)
  - Where the number of entities in the relevant category is 9 or less, then all of them should be surveyed.

### The scope of Country samples for the three Pilot Surveys

**Table 2: Scope of Country samples for the Pilot Surveys**

	Units Surveyed	Total number of units in country
<b>BRAZIL</b>	<b>14</b>	
States	7	26+1
Municipalities	7	5.570
<b>INDONESIA</b>	<b>12</b>	
Province	4	33
Kabupaten (rural)	4	405
Kota (urban)	4	97
<b>TANZANIA</b> (Local Government Authorities)	<b>18</b>	<b>135</b>

40. Each of the three partner organisations involved in the piloting process took their own decisions on which government tiers to assess, and on the size of the samples within each tier. As a pilot survey, the primary concern was to undertake a big enough sample to ensure that real experience of the survey process would be gained and that the main problems likely to occur in future would be detected. We believe that the surveys have been successful in this objective. On the other hand, in Brazil and Indonesia, the selection of the sample units was not random and the coverage of the surveys was smaller than one would normally recommend in order to claim a measure of national representativeness. In Tanzania, the survey sample was large enough to have provided some measure of national representativeness; yet it was not chosen at random but rather with a view to draw upon the existing contacts of SIKIKA with certain Local Government Authorities (LGAs) and to minimise the logistical challenges which the survey would entail (thus, the less accessible LGAs were avoided). In short, in none of

the pilot surveys was the guidance of the SN OBS Methodology on sampling actually followed, but for legitimate and justifiable reasons. Table 2 shows the scope of the country samples for the three pilot surveys.

41. Brazil decided to cover the two tiers of Subnational governance: Federal States and Municipalities. Within the latter group, coverage was, however, limited to State capitals due to the constraints of logistics, costs and available research teams. INESC chose 7 federal states out of a total of 27, and 7 large municipalities out of a total of more than 5.000.
42. Indonesia has an intricate design of 5 subnational tiers of government in a country formed by roughly 17.000 islands. The Subnational governments selected are representative of the tiers where the principal spending decisions are taken and where most of the public budget is spent and prepared. The sample chosen by SEKNAS FITRA included 4 of the larger Provinces, 4 of the Kota (urban municipalities) with high population and substantial service delivery, and 4 rural municipalities, or Kabupaten (Regencies), which are less densely populated and have a narrower range of service delivery functions.
43. Tanzania has chosen 18 Local Government Authorities (districts) out of a total number of 135. All LGAs have the same competences and government structure, even though some of them are designated as rural councils and others as municipalities. The LGAs were primarily located in the centre of the country so as to minimise the problems of travel to and from Dodoma, from where the survey was coordinated. Nevertheless, the sample included urban and rural LGAs, as well as LGAs in more and less wealthy areas of the country.

### 3. Pilot Survey results and overall conclusions

#### 3.1 Aggregate Scores of Pilot Surveys in Brazil, Indonesia & Tanzania

44. As we have noted in Chapter 2 above, the Subnational Governments selected to be surveyed in each of the pilot countries did not represent a nationally representative sample; nor was the selection a random sample. The primary purpose of the pilot surveys was to assess the feasibility and usefulness of the SN OBS, not to obtain a representative sample of SN governments, from which “average” levels of budget transparency at lower levels of government could be assessed. Nevertheless, the sample sizes were sufficiently large and sufficiently diverse to be indicative of underlying national trends in SN Budget transparency.

#### Overall Findings on Budget Transparency

45. Not surprisingly, the overall score on SN Budget Transparency for Brazil is over 50% (i.e. based on the average of the aggregate scores for all 14 of the SN governments surveyed). This reflects the efforts made over the last decade to improve transparency and citizens’ access to information. Indonesia, which performs relatively well on Budget Transparency at national level (score of 62 % in 2012), has some challenges still to be addressed at subnational tiers of governance, with a mean score of 24%.

46. Tanzania is also surprising but for some less positive reasons. With a 6% score, 9 of the 18 districts assessed did not provide a single one of the budget documents requested during the research process. The bulk of the aggregate score obtained in the survey derives from a single LGA (Kahama District), whose local authority is led by a committed leader with a genuine concern for transparency, who has established a public document centre, where any citizen can freely examine all Budget documents. In short, the primary problem in Tanzania is not that documents are not produced or that their content is inadequate but rather that the documents regularly produced for internal processes are not made available to the public.

**Figure 4: Mean level of Budget Transparency by Country (mean aggregate scores for all SN Governments assessed)**

	Brazil	Indonesia	Tanzania
<b>Mean</b>	<b>55 %</b>	<b>24%</b>	<b>6%</b>
Max	70 %	51 %	48 %
Min	41 %	3 %	0%

47. Interestingly, the maximum score in Brazil is 70%, which means there are some SN Governments performing outstandingly well. Moreover, it seems that the difference between the maximum and minimum scores is not great, which indicates a relatively even level of budget transparency throughout the governments assessed. This evenness is more surprising if we consider the fact that the units assessed have comprised both large Federal States and Cities, and some capitals of remote states in the Amazon Region.

48. On the other hand, the disparity found in Indonesia and Tanzania between higher and lower scores is striking. The substantial differences found between the higher and lower scores may suggest that transparency is still largely dependent on the willingness of local authorities to apply measures to improve access and transparency.

49. The most remarkable result is the surprising score of Kahama District in Tanzania, with a score close to 50%, where there are other 9 LGAs in the survey that have scored a perfect 0%: that is they have not disclosed a single budget document to the enumerators. Kahama is certainly a success story that may be enlightening to other districts in Tanzania on how to approach public accessibility to budget documents.

**Figure 5: Aggregate Budget Transparency by Tier of Government**

	BRAZIL	Brazil State	Brazil Municipality	INDONESIA	Indonesia Province	Indonesia Kota	Indonesia Kabupaten	TANZANIA (LGAs)
Mean	55 %	61 %	49 %	24%	26%	34 %	12 %	6 %
Max	70 %	70 %	48 %	51 %	35 %	51%	17 %	48 %
Min	41 %	56 %	41 %	3 %	15 %	11 %	3 %	0 %

50. Overall, States perform better in Brazil than Municipalities. The highest score of the survey corresponds to Brasilia Distrito Federal, with a score of 70%. But it is also notable that the range between the maximum and minimum is relatively small both within the States and within the municipalities. As we have noted, the relatively high scores reflect the positive impacts of the national commitment to transparency but, at the same time, scores are not outstanding, suggesting that every level – but more so within municipalities – more could be done to improve the content of budget documents and the relative accessibility of information.

51. In Indonesia, the best performers are Urban Municipalities (Kota). This is due to the highly centralized administration, in which Provinces are merely de-concentrated units of the Central Government, therefore with little room for taking initiative to improve transparency. Smaller and more rural municipalities (Kabupaten) have more modest scores in overall terms.

## Budget Transparency at the different stages of the Budget Cycle

52. Considering the level of budget transparency at different stages of the budget cycle, scores are higher for the Formulation and Execution stages. In Indonesia and Brazil, the availability and the quality of the content of the Executive Budget Proposal (EBP) are very similar to the Enacted Budget, although in Brazil the EBP is more accessible and complete than the Enacted Budget. By contrast, in Tanzania distribution of the EBP is not a common practice: it is generally the Enacted Budget, which is distributed where deliberate efforts are made to improve citizens’ access to such information.

53. As might be expected, the reporting and oversight stages are less accessible and information available is far from complete. This is true in all three pilot countries but especially in Indonesia and Tanzania. Public access/ completeness of Audit Reports score comparatively low in all samples.

**Figure 6: Accessibility and Completeness of information by stage of the Budget Cycle**

	Brazil	Indonesia	Tanzania
<b>1- FORMULATION</b>			
Executive Budget Proposal	66 %	19 %	2 %
<b>2- EXECUTION</b>			
Enacted Budget	59 %	20 %	12 %
Procurement	45 %	61 %	10 %

2- REPORTING/ OVERSIGHT			
Year End Report	45 %	38 %	7 %
Service Delivery	35 %	27 %	3 %
Audit	38 %	9 %	8 %

54. Another notable finding is the transparency of procurement processes in all three pilot countries. This is probably due to the influence of new central government regulations introduced through recent PFM reforms that have directed local authorities to increase the publication of tenders and the degree of access to information at all stages of the procurement process. More detailed scoring by pilot country is presented below.

Figure 7: Brazil - Aggregate scores for Procurement, Service delivery & Stage of Budget Cycle

<b>BRAZIL</b>	<b>BRAZIL: Mean</b>	<b>BRAZIL: Maximum</b>	<b>BRAZIL: Minimum</b>
<b>Percentage for Whole Questionnaire</b>	<b>55 %</b>	70 %	41 %
% Executive Budget Proposal (Q1 - Q28)	<b>66 %</b>	84 %	46 %
% Enacted Budget (Q29 - Q48)	<b>59 %</b>	76 %	44 %
% Procurement (Q49 - Q52)	<b>45 %</b>	75 %	11 %
% Service Delivery (Q53 - Q59)	<b>35 %</b>	71 %	14 %
% Year End Report (Q60 - Q67)	<b>45 %</b>	88 %	8 %
% Audit (Q68 - Q72)	<b>38 %</b>	80 %	0 %

**Figure 8: Indonesia -Aggregate scores for Procurement, Service delivery & Stage of Budget Cycle**

<b>INDONESIA</b>	<b>INDONESIA: MEAN</b>	<b>INDONESIA: MAX</b>	<b>INDONESIA: MIN</b>
<b>Percentage for Whole Questionnaire</b>	<b>24%</b>	<b>50,5%</b>	<b>3,2%</b>
% Executive Budget Proposal (Q1 - Q28)	19%	54,8%	3,6%
% Enacted Budget (Q29 - Q48)	20%	50,0%	1,7%
% Procurement (Q49 - Q52)	61%	75,0%	0,0%
% Service Delivery (Q53 - Q59)	27%	61,9%	0,0%
% Year End Report (Q60 - Q67)	38%	75,0%	0,0%
% Audit (Q68 - Q72)	9%	53,3%	0,0%

**Figure 9: Tanzania -Aggregate scores for Procurement, Service delivery & stage of Budget Cycle**

<b>TANZANIA</b>	<b>TANZANIA: Mean</b>	<b>TANZANIA: Max</b>	<b>TANZANIA: Min</b>
<b>Percentage for Whole Questionnaire</b>	<b>6%</b>	<b>47,7%</b>	<b>0,0%</b>
Percentage Executive Budget Proposal (Q1 - Q28)	2%	29,3%	0,0%
% Enacted Budget (Q29 - Q48)	12%	64,8%	0,0%
% Procurement (Q49 - Q52)	10%	91,7%	0,0%
% Service Delivery (Q53 - Q59)	3%	28,6%	0,0%
% Year End Report (Q60 - Q67)	7%	52,4%	0,0%
% Audit (Q68 - Q72)	8%	77,8%	0,0%

## 3.2 Findings on Issues of specific interest at Subnational Level

### Accessibility of information on Service Delivery

**Figure 10: Pilot Survey Results regarding Questions on Service Delivery**

<b>SERVICE DELIVERY - Average</b>	<b>BRAZIL</b>	<b>INDONESIA</b>	<b>TANZANIA</b>
	<b>35 %</b>	<b>27 %</b>	<b>7 %</b>
Information on the services entitled to	53 %	18 %	6 %
Information on conditions for entitlement	47 %	16 %	5 %
Mechanisms to register complaints about services	89 %	30 %	10 %
Individual budgets for schools	16 %	5 %	2 %
Expenditure by school	18 %	6 %	2 %
Individual budgets for health unit	11 %	4 %	1 %
Expenditure by health unit	13 %	4 %	1 %

55. At Service delivery level, individuals have reasonable access to information on the services they are entitled to at subnational level, and the conditions under which they are entitled. Mechanisms for registering complaints at service level also exist. On the other hand, access to budget and expenditure data for the service delivery level (schools and health centres) is limited.

56. Therefore, there is a challenge in all three countries to provide more information on the budgets provided to service delivery units and on the expenditures undertaken by these units. In large part, the reason behind this poor scoring relates simply to the lack of established practices for the provision of this information to the public. Often this is further complicated by the fact that many of the service delivery units do not themselves have this information, as it is produced and managed in more centralized management structures at a higher level.

## Accessibility of information on Procurement

PROCUREMENT - Average	BRAZIL	INDONESIA	TANZANIA
Consolidated Annual Procurement Plan	2 %	75 %	11 %
Information on launch of Public Tenders	80 %	86 %	11 %
Information on Award of Public Tenders	82 %	83 %	6 %
Information on decisions of Complaints Review Committee	17 %	0 %	4 %

57. Documents on Procurement processes are in all three countries among the more accessible. It is certainly a consequence of the international community effort in the past decade to fight corruption and improve transparency on public tenders. Indonesia is the star performer<sup>11</sup>, in large part as a consequence of a recently introduced Internet-based system for procurement management, which was launched national-wide. This system makes public the key procurement documents at every level of government.

58. Tanzania also scores surprisingly well on procurement by comparison with its overall performance. Several LGAs who have scored poorly in every other aspect, have at least a reasonable score on procurement questions.

59. Brazil scores well on the provision of information on tender launches and tender awards but very poorly on the public access to annual procurement plans. It seems that it is not as yet an established practice to develop and make public a comprehensive plan for public procurement for the coming fiscal year. As a result, it is difficult for citizens to anticipate and be able to follow up on the public contracts foreseen for the year.

## Scope of mechanisms for Citizen Participation in Budgetary processes

60. Participation has clearly improved in the last decades on matters relating to public management and budgets. Data in all three pilots suggests that citizens have spaces to provide opinions throughout the budget process, but most significantly during its preparation. Audit reports could still be significantly improved in terms of citizen access, but there are other issues like Service Delivery where public opinion is systematically channelled. Therefore, even if the overall scores are not even 50%, at least Indonesia and Brazil have internalised the need to hear citizens' opinions and to involve the public in decision taking on public affairs at subnational level, where citizens are closer to their public sector representatives.

Figure 11: Scope of mechanisms for Citizen Participation in Budgetary processes

PARTICIPATION - Average	BRAZIL	INDONESIA	TANZANIA
	47%	47%	4%

<sup>11</sup> The one area of poor performance in Indonesia relates to the disclosure of the decisions of the independent procurement complaints review body. This is because such a body does not yet exist.

Regular, annual mechanism to identify the public's perspective on budget priorities?	49 %	94 %	2 %
EBP Consultation processes designed for access by a representative selection of the public?	44 %	92 %	0 %
Scope of the Executive's consultation with the public during the formulation of the EBP?	27 %	56 %	0 %
Does the Budget Approving Body hold public hearings on the EBP?	52 %	8 %	0 %
Mechanism for citizens to register complaints or suggestions about SN Government services?	89 %	72 %	10 %
Does SN Government answer publicly to the clarifications requested by citizens on the Year End Report?	47 %	0 %	0
Does the process of scrutiny of the Audit Report allow for public participation?	18 %	6 %	14

## Quality of Dissemination efforts by Subnational Governments

61. The questionnaire includes several questions that consider how active SN Governments are in their efforts to disseminate budget documents. Questions address the timeliness of release of information and the prior announcement of dates of release of information, as well as the means of dissemination utilised to bring budgetary information to the attention of SN citizens. In relation to dissemination mechanisms, higher scores are given for the use of both oral and written means of dissemination and for the range of dissemination mechanisms utilised. The following table shows the different dissemination mechanism considered in the questionnaire.

**Table 3: Dissemination mechanisms examined in the SN OBS**

### Oral Dissemination

Radio, TV or other audio-visual dissemination means
Public meetings, hearings or other means of direct oral dissemination.
Information Desks, telephone "help-lines" and other forms of permanent assistance provided orally to citizens.

### Written Dissemination

Internet, including web pages, blogs, and messages/ materials disseminated through social media.
Pamphlets, or other summary written versions of budget documents
Printed copies of budget documents, made available at public libraries and/or through government offices

62. The data obtained suggest that subnational governments are aware of their role in making public access easier for citizens, and of the need for active dissemination efforts both through mass media and other more local methods. Clearly, Brazil's relatively advanced legislation on citizens' right to information is impacting positively on dissemination efforts at Subnational level. By contrast, both Indonesia and Tanzania have substantial room for improvement in the quality of dissemination efforts at Subnational level.

**Figure 12: Quality of Dissemination efforts by Subnational Governments**

DISSEMINATION - Average	BRAZIL	INDONESIA	TANZANIA
Knowledge of date of the release of the Executive Budget Proposal (EBP)?	59%	17%	6%
	96 %	12 %	2 %

Range of dissemination mechanisms for EBP?	51 %	0 %	5 %
Time available for Budget Approving Body to review EBP?	98 %	42 %	14 %
Range of dissemination mechanisms for the Enacted Budget?	47 %	3 %	2 %
Timing of release to the public of Year-End Report (YER)?	84 %	50 %	14 %
Range of dissemination mechanisms for Year End Report (YER)?	31 %	0 %	2 %
Timing of release to public of external Audit Report on final accounts?	40 %	8 %	5 %
Timing of release to public of individual agency audits?	24 %	17 %	0 %

### 3.3 Conclusions & lessons learned from the Pilot Phase

63. Overall, the results of the piloting exercise have been positive and have allowed for a Subnational Open Budget Survey to be finalised and made public:

- **The SN OBS was successfully implemented in 3 countries.** The survey was implemented in three countries located in three different continents, with different subnational governance structures and socio economic development levels. The Questionnaires as a whole and the specific topics selected were found by partners to be relevant and appropriate. The survey structure was satisfactory and although some difficulties were met, none of the partners found any of the questions impossible or irrelevant to apply.
- **The Design of the Survey and the Toolkit may be improved, but it is broadly satisfactory.** The design of the questionnaire and the methodology was initially based on the National toolkit, but the pilots showed that further adaptation was needed. At the end of the process, we have a set of questions that share common roots with the national questionnaire but that include sections, topics and views specifically adapted to address issues of particular interest at the subnational level of governance.
- **The scoring scale of the SN OBS appears appropriate and balanced (no country scores 100% nor 0%).** The range of scores obtained suggests that the questionnaire is correctly balanced. The topics addressed and the standards promoted through its questions and answers are suitable to address the needs and assess the reality of countries as different as Brazil, Indonesia and Tanzania. The best scores obtained in the survey do not exceed 70%, suggesting that even in a country such as Brazil with a long-standing commitment to transparency, further improvements are possible as assessed by the standards of the SN OBS. Even in Tanzania, where several LGA scored 0 % due to the (apparent) lack of availability of any budget documents<sup>12</sup>, the highest scoring LGA was just under 50 %, suggesting substantial scope for improvements in budget transparency, simply by improving the availability of existing documents.
- **The SN OBS has proven to be adaptable to different contexts.** The samples include vast capital cities and States in Brazil, huge cities and small rural municipalities in remote islands in Indonesia, as well as isolated

<sup>12</sup> Given that this was a pilot survey, where some errors in interpretation of the questionnaire were certainly made, one should be cautious in interpreting the results of the surveys too literally. We would suggest that they are indicative of the trends in budget transparency but that implementation of the refined and improved SN toolkit would probably yield some significantly different scores.

rural districts in Africa. The results thus suggest that a remarkable strength of the SN OBS Toolkit is its adaptability to different contexts (geographical, social and economic).

- **Results show there is room for improvement in Budget Transparency at SN level but also that there is strong demand for such improvements.** Most importantly, results show that Subnational transparency is a topic of interest where research to date has been limited (and therefore is needed), and that there is room for improvement in budget transparency even in advanced countries such as Brazil.