



International Budget Partnership launches report on Georgia's budget transparency

FOR IMMEDIATE RELEASE

Tbilisi, 16 November 2010 - Georgia scores 55 out of 100 in terms of transparency of the state budget and accountability of its implementation, according to a country report for 2010 released by the US-based organization International Budget Partnership. The score indicates that the Georgian Government provides an amount of information about the state budget that is higher than the world average as well as the average of Central Asia. The results form part of the Open Budget Index 2010 (OBI) which measures the transparency and accountability of state budgets around the world. The study, which is conducted by the International Budget Partnership once every two years, reveals that 74 of the 94 countries assessed in 2010, including Georgia, do not yet provide their citizens with enough data to perform comprehensive analysis of the budget.

Georgia's OBI score has improved over the last few years, from 34 / 100 in 2006 to 55 / 100 in 2010. The recent increase in Georgia's OBI score is largely thanks to the government's commitment to publish a relatively comprehensive Executive's Budget Proposal. The increase in Georgia's OBI score was one of the largest achieved by any country and moved Georgia from a nation that provided worse-than-average budget information to a nation that provides better-than-average budget information. However, Georgia still provides only some information to the public in its budget documents which makes it challenging for citizens to hold the government accountable for its management of public money.

Out of the eight key budget documents assessed by the International Budget Partnership as keys to budget transparency and accountability, Georgia publishes extensive pre-budget statement, significant enacted budget and in-year reports, some information on the Executive's Budget Proposal and minimal information on year-end report and audit report. Georgia does not produce two key budget documents: Citizen's budget and mid-year reviews.

The oversight bodies, the legislature and the Supreme Audit Institution (the Chamber of Control), are assessed as having moderate strength.

"The country report identifies a number of possible ways for Georgia to further improve its budget transparency and to achieve a higher OBI score," says Mariam Khotenashvili from Transparency International – Georgia. "One reform step which would be relatively easy to implement would be for the government to publish reports describing how the executive has followed up on audit recommendations of the Chamber of Control. The Chamber of Control could also undertake greater follow-up and publish reports on how its recommendations were taken up by the government. At the moment, without proper follow-up, it is not obvious to what extent the government actually acts on the Chamber of Control



findings.” Some other recommendations to Georgia are to start producing and publishing a Citizens Budget and Mid-Year Reviews, improve the comprehensiveness of the Executive’s Budget Proposal, provide more opportunities for the public to testify at legislative hearings on the budget, enable to legislature to provide more comprehensive oversight when the budget is being approved and empower the Chamber of Control to publish comprehensive Audit Reports.

The complete Open Budget Survey 2010, including detailed analysis, methodology, and recommendations, is available at www.openbudgetindex.org.

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