



SUCCESS STORIES

Budgeting

Budget Transparency, Clarity and Public Participation

Context

By fostering an environment where budgets are transparent, understandable, and participatory, governments can improve accountability, build public trust, and achieve better policy outcomes.

PEMPAL Impact

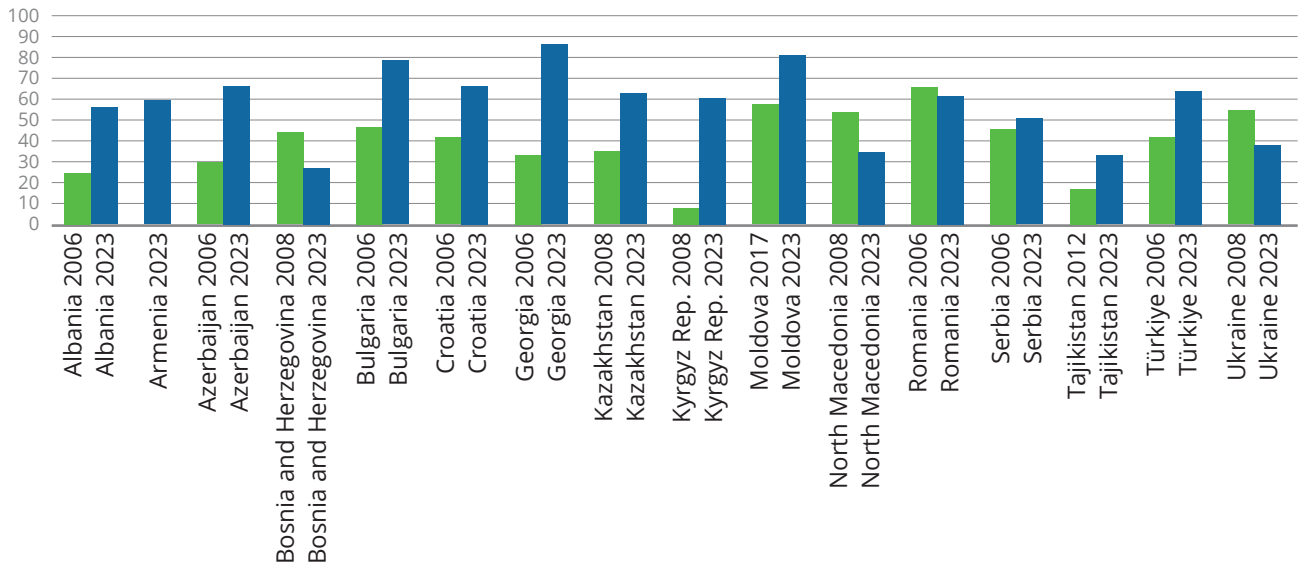
The PEMPAL Budget Community of Practice BCOP's Budget Literacy and Transparency Working Group (BLTWG) has provided extensive advice to member countries on improving budget transparency, accessibility, literacy and public participation.

The group first examined overall good practices and standards in transparency and literacy, followed by deep-dives into different aspects of increasing complexity, including citizens' budgets, different levels and types of public participation, and budget clarity and comprehensiveness. BLTWG partners with the International Budget Partnership and Global Initiative for Fiscal Transparency.

Since 2018, BLTWG held 17 in-person and virtual learning events (including parts of plenary meetings) and joined other BCOP events on related topics. Over one hundred documents and presentations were developed and shared. BLTWG developed five knowledge products: *Breaking Challenges in Constructing Citizens Budgets for PEMPAL Countries*; *Public Participation in Fiscal Policy and the Budget Process*; *Participatory Budgeting: Public Participation Mechanisms for National Ministries of Finance*; *Participatory Budgeting for Youth*; and *Improving Clarity and Accessibility of Budget Documentation*. In addition, two recent BCOP knowledge products have synthesized new budget openness good practices, with country cases and recommendations.

BCOP's work has contributed to the significant progress in budget transparency in PEMPAL region. **Member countries' Open Budget Index transparency scores improved by 45 percent**, from the average score of 40 to 58. It is the only region with consistent and significant gains.

Figure. Average Improvement of 45%: Changes in Open Budget Index Scores for Transparency (100 is the best score)



Country examples of how BCOP's BLTWG impacted member countries' progress:

- **Armenia:** Initiated participation in the Open Budget Survey and implemented related **transparency** measures, resulting in a strong first score, and introduced **participatory budgeting**.
- **Bulgaria:** Took measures to increase **budget transparency** and improve the **content, quality, and accessibility of budget documentation**.
- **Croatia:** Implemented **participatory budgeting at the national level, including online forms for citizens' participation** in the budget preparation and proposals/ comments throughout the year.
- **Kazakhstan:** Broadened **citizens' budgets**, implemented **participatory budgeting**, strengthened the **budget publication and public discussion** requirements, and produced a report on fiscal risks and sustainability.
- **Kyrgyz Republic:** Currently working on introducing **participatory budgeting** initiatives.
- **Moldova:** Produced **citizens' budgets** and introduced **participatory budgeting** initiatives with school piloting.

- **Serbia:** Improved **budget transparency** and content, quality, and accessibility of **budget documentation**, developed a **web portal** for citizens.
- **Tajikistan:** Implemented **budget transparency** measures.
- **Türkiye:** Currently designing measures to make **budget documentation** clearer and more understandable.
- **Uzbekistan:** During 2021-2024, developed and implemented 10+ legislative/regulatory documents to introduce and further improve **participatory budgeting**, improved the **content of budget documentation and budget transparency**.

Next steps

The BLTWG will be replaced by a new working group on Budget Innovations and Openness to support the focus on more advanced topics.

These will include modernization and strategic and impact orientation of budget documentation and implementation of proactive open budgeting (including upgraded interactive open budget portals, real-time budget tracking, and application of emerging IT innovations).



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