Algeria

Overview



Transparency:

3 /100

(Open Budget Index score)



Public Participation:

0/100



Budget Oversight:

32 /100

About the survey

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money is spent on public interests.

The Open Budget Survey (OBS) is the world's only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions, such as legislatures and national audit offices, in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 8th edition of the OBS covers 120 countries.

Visit <u>www.internationalbudget.org/open-budget-survey</u> for more information, including the full OBS methodology, the 2021 Global and Regional Reports, findings for all surveyed countries, and the Data Explorer.



Transparency

This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the **online availability, timeliness, and comprehensiveness** of eight key budget documents using 109 equally weighted indicators and scores each country on a scale of 0 to 100. A transparency score of 61 or above indicates a country is likely publishing enough material to support informed public debate on the budget.

Algeria has a transparency score of 3 (out of 100).

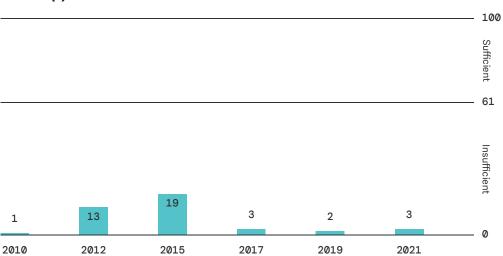
Transparency in Algeria compared to others



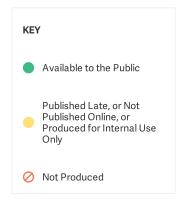
Global Average			45
Jordan			61
Morocco			48
Egypt			43
Tunisia			42
Saudi Arabia			23
Lebanon			9
Iraq			6
Algeria			3
Qatar			2
Sudan			1
Yemen			0
0 Insufficient	6	S1 Sufficient	100



How has the transparency score for Algeria changed over time?



Public availability of budget documents in Algeria



Document	2010	2012	2015	2017	2019	2021
Pre-Budget Statement					0	0
Executive's Budget Proposal		•	•			
Enacted Budget		•	•	•		
Citizens Budget	0	0	0	0	0	
In-Year Reports	0			0		0
Mid-Year Review			0			
Year-End Report			0		0	0
Audit Report			0			



How comprehensive is the content of the key budget documents that Algeria makes available to the public?

KEY
6 1-100 / 100
41-60 / 100
1 -40 / 100

Key budget document	Document purpose and contents	Fiscal year assessed	Document content score
Pre- Budget Statement	Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.	2021	Not Produced
Executive's Budget Proposal	Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation.	2021	Hard Copy
Enacted Budget	The budget that has been approved by the legislature.	2021	39
Citizens Budget	A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.	2021	33
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2020	Not Produced
Mid-Year Review	A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.	2020	Internal Use
Year-End Report	Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.	2019	Not Produced
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2018	Published Late

Algeria's transparency score of 3 in the OBS 2021 is near its score in 2019.

What changed in OBS 2021?

Algeria has increased the availability of budget information by:

· Publishing the Citizens Budget online.



Recommendations

Algeria should prioritize the following actions to improve budget transparency:

- Publish the Executive's Budget Proposal, Mid-Year Review and Audit Report online in a timely manner.
- Produce the Pre-Budget Statement, In-Year Reports and Year-End Report, and publish them online in a timely manner.
- Improve the comprehensiveness of the Citizens Budget by establishing mechanisms to identify the public's requirements for budget information, and by distributing it to the public via methods of dissemination beyond online publication.
- Improve the comprehensiveness of the Enacted Budget by including expenditure estimates for individual programs, estimates of individual revenue sources, and estimates of government borrowing and debt.



Public Participation

The OBS assesses the formal opportunities offered to the public for meaningful participation in the different stages of the budget process. It examines the practices of the central government's executive, the legislature, and the supreme audit institution (SAI) using 18 equally weighted indicators, aligned with the Global Initiative for Fiscal Transparency's <u>Principles of Public Participation in Fiscal Policies</u>, and scores each country on a scale from 0 to 100.

Algeria has a public participation score of **0** (out of 100).

Public participation in Algeria compared to others

Global Average					14
Egypt					19
Tunisia					15
Morocco					7
Jo rdan					4
Sudan					4
Algeria					0
Iraq					0
Lebanon					0
Qatar					0
Saudi Arabia					0
Yemen					0
0	Insufficient	6	1	Sufficient	100

For more information, see <u>here</u> for innovative public participation practices around the world.



Extent of opportunities for public participation in the budget process



Recommendations

To further strengthen public participation in the budget process, Algeria's Ministry of Finance should prioritize the following actions:

- Pilot mechanisms to engage the public during budget formulation and to monitor budget implementation.
- Actively engage with vulnerable and underrepresented communities, either directly or through civil society organizations representing them.

Algeria's Parliament should prioritize the following actions:

- Allow members of the public or civil society organizations to testify during its hearings on the budget proposal prior to its approval.
- Allow members of the public or civil society organizations to testify during its hearings on the Audit Report.

Algeria's Court of Accounts should prioritize the following actions to improve public participation in the budget process:

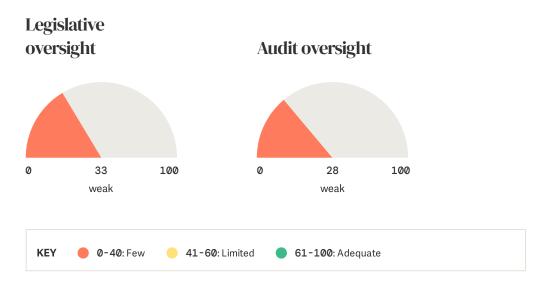
• Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.



Budget Oversight

The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in Algeria, together, provide weak oversight during the budget process, with a composite oversight score of **32** (out of 100). Taken individually, the extent of each institution's oversight is shown below:



Recommendations

Algeria's Parliament provides limited oversight during the planning stage of the budget cycle and weak oversight during the implementation stage. To improve oversight, the following actions should be prioritized:

- The legislature should debate budget policy before the Executive's Budget Proposal is tabled and approve recommendations for the upcoming budget.
- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.
- A legislative committee should examine in-year budget implementation and publish reports with their findings online.



- In practice, ensure the legislature is consulted before the executive shifts funds specified in the Enacted Budget between administrative units; spends any unanticipated revenue; or reduces spending due to revenue shortfalls during the budget year.
- A legislative committee should examine the Audit Report and publish a report with their findings online.

To strengthen independence and improve audit oversight by the Algeria Court of Accounts, the following actions are recommended:

- Require legislative or judicial approval to appoint and remove the head of the Court of Accounts.
- Ensure audit processes are reviewed by an independent agency.

The emerging practice of establishing independent fiscal institutions

Algeria does not have an independent fiscal institution (IFI). IFIs are increasingly recognized as valuable independent and nonpartisan information providers to the Executive and/or Parliament during the budget process.

*These indicators are *not* scored in the Open Budget Survey.



Methodology

- Only documents published and events, activities, or developments that took place through 31 December 2020 were assessed in the OBS 2021.
- The survey is based on a questionnaire completed in each country by an independent budget expert:

For inquiries please contact the International Budget Partnership info@internationalbudget.org

 To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert.

