

South Africa

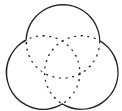
Overview



Transparency:

86 /100

(Open Budget Index score)



Public Participation:

19 /100



Budget Oversight:

81 /100

About the survey

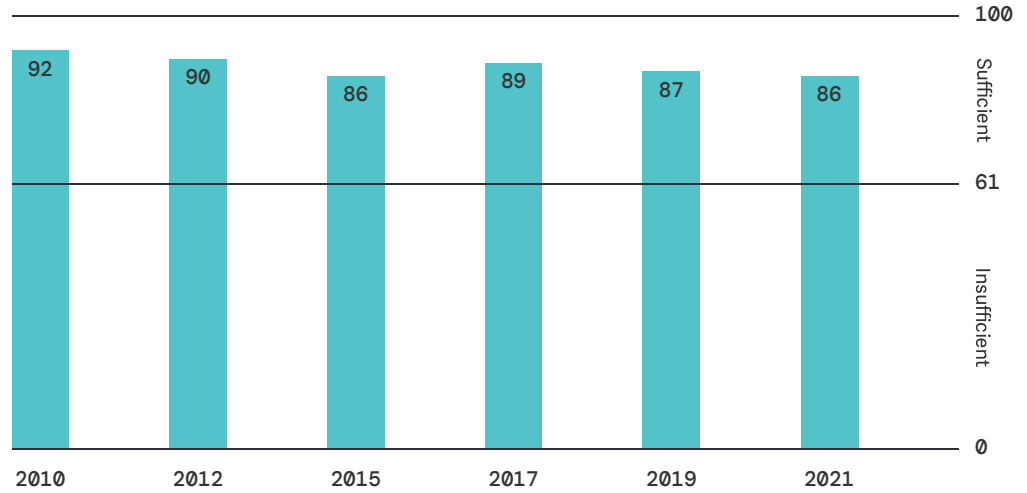
Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money 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 www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2021 Global and Regional Reports, findings for all surveyed countries, and the Data Explorer.

How has the transparency score for South Africa changed over time?



Public availability of budget documents in South Africa

KEY

- Available to the Public
- Published Late, or Not Published Online, or Produced for Internal Use Only
- ⊘ Not Produced

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

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

KEY	
● 61-100 / 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.	2020-21	100
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.	2020-21	89
Enacted Budget	The budget that has been approved by the legislature.	2020-21	45
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.	2020-21	67
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2019-20 & 2020-21	85
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.	2020-21	93
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.	2018-19	91
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2018-19	91

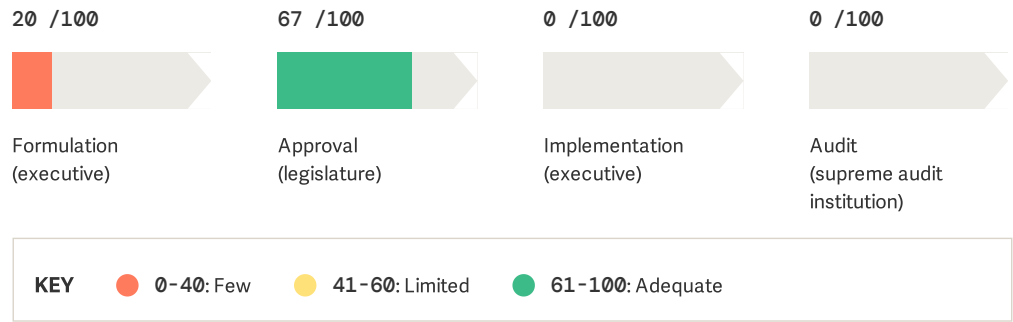
South Africa's transparency score of **86** in the OBS 2021 is near its score in 2019.

Recommendations

South Africa should prioritize the following actions to improve budget transparency:

- Improve the comprehensiveness of the Enacted Budget by presenting approved estimates of expenditure by functional classification and approved estimates of revenue by category and individual source.

Extent of opportunities for public participation in the budget process



Recommendations

South Africa's National Treasury has established pre-budget submissions during budget formulation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

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

South Africa's Parliament has established public hearings related to the approval of the annual budget, but should also prioritize the following actions:

- Allow any member of the public or any civil society organization 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.

South Africa's Auditor-General should prioritize the following actions to improve public participation in the budget process:

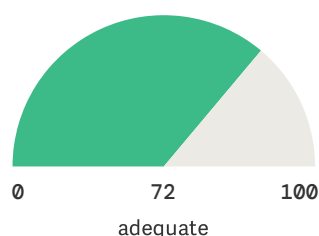
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

Budget Oversight

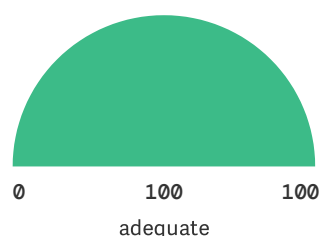
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information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

The Parliament and Auditor-General in South Africa, together, provide adequate oversight during the budget process, with a composite oversight score of **81** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

Legislative oversight



Audit oversight



KEY ● 0-40: Few ● 41-60: Limited ● 61-100: Adequate

Recommendations

South Africa's Parliament provides adequate oversight during the planning stage of the budget cycle and adequate oversight during the implementation stage. To further improve oversight, the following actions should be prioritized:

- The Executive's Budget Proposal should be submitted to legislators at least two months before the start of the budget year.
- The Parliament should approve the Executive's Budget Proposal before the start of the budget year.
- In practice, ensure the Parliament is consulted before the executive reduces spending due to revenue shortfalls.

The emerging practice of establishing independent fiscal institutions

South Africa's independent fiscal institution (IFI) is the Parliamentary Budget Office. Its independence is set in law, and it reports to the legislature. It publishes an assessment of the official macroeconomic and/or fiscal forecasts produced by the executive, and its own cost estimates of some new policy proposals.

The indicators on IFIs 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:
Jay Kruuse (Director)
Public Service Accountability Monitor (PSAM) – Rhodes University

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- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in South Africa by a representative of the National Treasury.