



Fiscal Transparency during the Covid-19 Emergency Response

Bosnia and Herzegovina, North Macedonia, and Serbia

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List of Abbreviations and Acronyms

Abbreviation	Definition
BiH	Bosnia and Herzegovina
CSO	Civil Society Organization
CSV	Comma-separated Values
EU	European Union
GGICR	Good Governance and Investment Climate Reform
HIF	Health Insurance Fund
IAF	Information Analysis Framework
IBP	International Budget Partnership
IMF	International Monetary Fund
INTOSAI	International Organization of Supreme Audit Institutions
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
OBS	Open Budget Survey
OBI	Open Budget Index
OECD	Organization of Economic Co-operation and Development
PD	Portable Document Format
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PI	Performance Indicator
PP	Public Procurement
PPA	Public Procurement Agency
PPE	Personal Protective Equipment
SAI	Supreme Audit Institution
SAO	State Audit Office
SBL	Supplementary Budget Law
SME	Small and Medium Enterprise
UK	United Kingdom
UKPAC	United Kingdom's Parliamentary Public Accounts Committee
UN	United Nations
TFEU	Treaty on the Functioning of the European Union



Fiscal Transparency during the Covid-19 Emergency Response

Executive Summary

Over recent years, countries around the globe have embraced fiscal openness to live up to global fiscal transparency standards, sustain improved fiscal outcomes, and encourage the efficient, effective, and proper use of public resources. These considerations are especially relevant during crises, given the scale of funds that are deployed. Understanding how resources are used and for what purpose strengthens citizens' and business' confidence in the government's stewardship during a crisis. Disclosure of information related to fiscal policy is necessary if citizens are to assess whether public resources are being effectively deployed, have achieved the desired outcomes, and shielded those most at risk during a crisis. While decisions need to be taken quickly during an emergency and some mistakes are likely, making information about spending available is an important step towards building trust, enabling learning from policy formulation and implementation during a crisis, and promoting the good use of funds.

The speed, reach, and magnitude of the Covid-19 pandemic sent a shockwave around the globe that tested the capacity of Public Finance Management (PFM) systems to support governments' responses to crises. Fiscal transparency was not a foremost priority for decision-makers during the crisis as they sought to put in place emergency measures with imperfect information and under rapidly changing conditions. This report presents a comparative analysis focused upon the experiences and lessons drawn from fiscal transparency efforts in three countries in the Western Balkans - Bosnia and Herzegovina (BiH),¹ North Macedonia, and Serbia – focusing on this extraordinary period, complementing existing public budgeting assessments that apply internationally recognized PFM frameworks on a regular basis. It includes examples of good practices that were deployed in various countries - within the region and beyond - during their response to Covid-19. In doing so, it aims to distil lessons and provide recommendations about what could be done better in preparation for and during future emergency

¹ BiH is a highly decentralized country with several levels of administration. Some regulations instituted at the federal level do not apply to sub-national jurisdictions, while other regulations promulgated by sub-national jurisdictions can overlap. When collecting primary evidence for BiH - to the extent possible - data was collected for multiple jurisdictions to accommodate any discrepancies. Data was collected from the following BiH jurisdictions: BiH-Institutions; Federation of BiH (BiH); Republika Srpska (BiH); and Sarajevo Canton (BiH). When BiH is used in this report, it collectively refers to jurisdictions at all levels.

events, whether related to future health crises or reacting to other emergencies such as natural disasters or post-conflict reconstruction.

Snapshot of Key Findings

Budget and Spending Transparency: Almost all jurisdictions' original budgets were approved before the start of 2020, and they then adopted one or two subsequent rebalances in response to the pandemic.² The study found information on budget rebalances from at least one publicly accessible source for each jurisdiction. A few governments published documents in machine-readable formats, including on pandemic-specific websites.

Budget Adjustments: In most of the rebalanced budgets, budget adjustments or reallocations were not clearly delineated beyond aggregate balances. Reallocations were not presented in a single document, and in most cases, the information was not provided in machine readable formats. As such, when information related to budget adjustments was available, most of the data needed to be extracted and compiled manually to identify policy linkages as well as to compare the adjustments to original allocations.

Budget Classifications: The documentation supporting emergency fiscal policy packages did not include detailed budget classifications and were only tenuously linked, if at all, to other budgeting documents produced in the normal course of the budgeting year or the broader government policy framework published before the start of the crisis. At most, some jurisdictions provided a breakdown of expenditure according to administrative and economic classifications and a broad narrative as to the purpose of the spending. Even when providing justifications for rebalances based on actual rather than proposed expenditure, only aggregate information/spending totals were provided rather than delineated information tagged to emergency initiatives.

Extra-Budgetary Funds: Public resources used by the respective jurisdictions to respond to the pandemic were predominantly managed through the budget. This is a notable achievement as budget comprehensiveness and consistency are key PFM objectives. It was generally observed that the transparency of health insurance funds and spending from reserve allocations was lower than for main budget expenditures. This suggests greater consideration should be paid to fiscal transparency elements of emergency measures funded from off-budget resources.

Health Sector Spending: All jurisdictions increased the Ministry of Health's budget, except for BiH-Institutions as it does not have a direct health spending mandate. In most jurisdictions, information in the budget documents is sufficiently detailed to determine that additional resources were devoted to hiring health workers; however, the information did not detail the number of staff, type of services provided, payment levels, and the permanency of the posts.

² BiH-Institutions was the only exception; as the original budget was adopted in the middle of 2020, it already contained COVID-19 related spending.

Special Assistance: All jurisdictions published some information on the emergency support provided to different beneficiaries as part of the Covid-19 response, whether Small and Medium Enterprises (SMEs) or vulnerable groups. However, there is a variance in transparency practices adopted by each jurisdiction regarding the beneficiary information that was published.

- **Vulnerable Groups** - Some jurisdictions included a broad explanatory narrative detailing the vulnerable groups that emergency assistance aimed to support. However, jurisdictions did not provide disaggregated data on allocations or provide non-financial indicators, so it is difficult to gauge whether the expenditure was properly targeted to benefit vulnerable groups, such as the unemployed, poor, women and children.
- **SMEs** - Jurisdictions were generally more transparent about state aid provided to SMEs. Some jurisdictions outlined eligibility criteria for state aid, published the name of the SMEs that received assistance, the amount of state aid provided, and what form that aid was provided (i.e., grant/ loan/ guarantee).

Publication of Emergency Procurement Information on e-Procurement Platforms: Legislation in all jurisdictions contain provisions governing abridged procurement processes during an emergency. Each jurisdiction manages e-procurement platforms for sharing procurement related information. The scope of information published on the e-procurement platforms is similar across jurisdictions (i.e., delineated according to the stages of the procurement process). Only one jurisdiction demarcated certain pandemic-related contracts by publishing the information on a dedicated Covid-19 website. The study could not verify that all procurement information in each jurisdiction, especially related to emergency procurements, was published on the e-procurement portals, the quality of the information, and/or whether the information disclosed covers all Covid related emergency procurements.

Identification of Weaknesses in Emergency Procurement Processes through External Audits: The timely issuance of audit findings by Supreme Audit Institutions (SAIs) ensures the ongoing effectiveness of the government's response, incentivizes proper management of funds throughout the crisis, and allows tangible lessons to be contemporaneously drawn from the experience. The study did not find any evidence of SAIs providing just-in-time or assurance audit services. However, several SAIs conducted targeted compliance audits focused on jurisdictions' emergency measures. Audit findings in over half of the jurisdictions highlighted weaknesses in emergency procurement processes and the transparency of procurement information related to the emergency response. These audit reports were published in the second half of 2021.

Information Accessibility of Emergency Policy and Spending: Budget information and state aid for SMEs (i.e., beneficiaries of fiscal incentives and subsidies/ grants) were the topics about which information was most commonly available. Information on public procurement was also easily accessible due to the establishment of e-procurement portals. However, it is unclear whether the availability of procurement information per se, indicates that the disclosure of procurement information was comprehensive. Health staffing and payroll were the hardest topics to find information about across all jurisdictions and such information was primarily sourced from government statements and press releases. Information on non-financial performance and the impact of emergency measures was lacking across all jurisdictions.

Information Openness: Less than a third of the information disclosed by jurisdictions was in machine-readable formats – which makes data readily accessible and usable for analysis. Most of the information was published in Portable Document Format (PDF) documents, websites, press releases, and/or in government statements. Generally, sources of information were scarce, fragmented, and not linkable. Only one jurisdiction had a dedicated Covid-19 portal with data in machine-readable formats, including an open finance webpage where budget and transaction data was downloadable in Comma-separated Values (CSV) flat-file format. In other jurisdictions, the data published on different portals (e.g., public expenditure and procurement) or from different sources were normally not linked and often only published as one-off documents rather than building on previous budget documents or policy frameworks. As such, to track changes across time, citizens must manually compare the different data points.

Immediate Actions to Improve Fiscal Transparency during Future Crises

The analysis identified several reforms that can be implemented by any jurisdiction to strengthen fiscal transparency during future emergency responses. The list of most important foundational and cross-cutting actions is outlined in Box 1, followed by a wider set of specific measures to consider.³

Box 1: Most important elements for Fiscal Transparency during future Emergency Responses

Six critical actions to ensure Fiscal Transparency during an Emergency Response	
1	<p><i>Prepare and Adopt Transparency Rules in Advance</i></p> <p>Develop a set of clear and simple Transparency Rules as part of broader emergency/ disaster preparedness planning that can be automatically utilized during a crisis.</p> <p>Transparency Rules outline the practices or directives automatically applied when designing and implementing emergency measures. The Rules should emphasize recordation (i.e., ‘keeping the receipts’) and either automatic or ex-post publication of information and documentation.</p>
2	<p><i>Enable the Application of Transparency Rules during an Emergency</i></p> <p>Create systems and processes that ease information recording, aggregation, disclosure, and distribution during the emergency response and recovery stages. For instance, adopting automatic publication routines for a larger selection of documents/ information during an emergency (adding caveats, if necessary, to identify preliminary information or evolving data); reducing the seniority of officials needed to authorize disclosure of documents/ information so that more information can be published quickly; and in jurisdictions that publish information in multiple languages, publishing</p>

³ Country-specific recommendations are provided in section E.

	information in whichever language it is available when it becomes available during an emergency, rather than waiting until all translations are completed.
3	<p><i>Embrace Agility in Decision-making during the Emergency</i></p> <p>An emergency environment often requires quick decision-making using imperfect information. Jurisdictions should empower managers and staff to take decisions swiftly to respond to an emergency and provide clear communication protocols for managers to share decisions and information with supervisors and lateral units.</p>
4	<p><i>Establish Networks to ensure ongoing Stakeholder Outreach during the Emergency</i></p> <p>Maximize participatory approaches to policy making during non-emergency periods to nurture citizen, civil society, and private sector engagement networks. These networks should be leveraged during a crisis to facilitate a two-way flow of information that provides governments with feedback on immediate community needs and shares information about support that has been included in emergency measures.</p>
5	<p><i>Measure the Impact of Emergency Measures</i></p> <p>Emergency measures are usually fashioned in response to a crisis or disaster. Time pressures and the need to provide immediate support often mean decision makers focus on a broader program framework and resourcing mechanisms that emphasize disbursement rather than impact. Budgeting and policy-making approaches – including during emergencies - should ensure information about beneficiaries and the impact can be measured.</p>
6	<p><i>Promote a Feedback Loop on Transparency Practices</i></p> <p>Enable ex-post assessments and distillation of lessons to guide future adjustments to transparency rules and protocols embedded in fiscal systems and emergency plans based on recommendations from SAIs and other oversight institutions to enhance the efficiency, effectiveness, and fairness of future emergency responses.</p>

Source: Authors

Specific Reform Measures

Lessons learned from the response to the Covid-19 crisis can serve to guide fiscal transparency reforms across the Western Balkans. Specifically, the analysis identifies five primary areas of action for strengthening fiscal transparency during possible future emergencies (including natural disasters, health emergencies, or economic shocks): transparency of emergency spending, transparency of special assistance, transparency of emergency procurement, audit of emergency measures, and information accessibility (i.e., ensuring information can be accessed and understood by individuals and groups impacted). Recommended fiscal transparency practices in each area based on lessons from the comparative analysis are outlined below.

1. Transparency of Emergency Spending

- **Enhance Transparency of Within-Year Budget Adjustments:** Budget rebalances and emergency fiscal policy measures, such as supplemental budgets, were essential tools used to respond to the health, social, and economic crisis. Published documents need to clarify how resource allocations in the approved budget are being adjusted as part of any emergency response or supplemental budgeting process. This allows citizens to better understand how resources are being reallocated compared to the planned budget.
- **Consistent Application of Budget Classifications for Emergency Related Expenditure:** Disclosed documentation should include relevant budget classifications to provide a complete and coherent picture of emergency spending. Classifications should be applied consistently across budget documents so that citizens can understand the relationship between original budget expenditure, emergency policy measures, and budget rebalances.
- **Enhance Sector and/ or Functional Budget Classifications Related to the Emergency Response:** Disclosing and classifying spending in areas relevant to the emergency response such as investment projects, health programs, and public sector wages, assists in identifying how public resources are being reapportioned to respond to crises.
- **Include Non-financial Indicators in Budget Documentation to Enable an Assessment of the Impact of Emergency Spending:** It is important to track impact as well as expenditure. Performance is monitored through non-financial indicators that allow for the assessment of the efficiency and effectiveness of adjusted expenditure during an emergency.
- **Publish Mid-year Reviews and In-year Outturn Reporting:** Mid-year reviews provide a comprehensive update on the implementation of the original budget, including revised forecasts underpinning the budget and updates of likely budget outcomes for the current fiscal year. Publication of mid-year reviews during an emergency enhance transparency around the implications for the government's existing program. In addition, in-year outturn reporting is especially important when emergency spending occurs after the mid-year mark to enhance transparency around actual aggregate expenditure compared to originally approved expenditure. Budget adjustments made in response to a crisis should correspond with any policy changes instituted as part of the emergency response.

2. Transparency of Special Assistance

- **Disclose Information Related to State Aid for SMEs:** SMEs are critical stakeholders for preserving jobs and economic activity, and for the economic recovery once the crisis subsides. All jurisdictions analyzed in this study established emergency measures focused on providing state aid to SMEs. To maximize the transparency of the public resources provided to SMEs as part of the emergency response, governments should publish the criteria they use to determine eligibility for assistance; the details of the SMEs that receive support under the emergency measure; the date state aid is provided; and the type of aid provided (i.e., whether the assistance is provided in the form of a grant/transfer, loan, or guarantee).

- **Disclose Information Related to Support Provided to Vulnerable Groups:** The pandemic has impacted groups differently, as some, such as the poor, women, and children, etc. are more vulnerable to the effects of a crisis. Jurisdictions should disclose measures designed to support vulnerable groups including non-financial indicators used to measure the disaggregated impact of emergency spending on each identified vulnerable group.

3. Transparency of Emergency Procurement

- **All Jurisdictions Should Publish Procurement Information Related to Emergency Spending:** All governments publish some information regarding public procurement. However, during emergencies procurement laws in all jurisdictions allow for by-passing regular procedures to facilitate faster purchasing. Agility is important in crisis situations; however, provisions that allow for circumventing normal procedures should be enhanced to prescribe how transparency will be maintained when normal processes are bypassed, including the documentation of key information that allows for ex-post review and lesson learning.

4. Audit of Emergency Measures

- **SAIs should conduct Targeted and Timely Audits of Emergency Measures as part of the Response:** The timely issuance of audit findings ensures the ongoing effectiveness of governments' emergency responses, incentivizes proper management of funds throughout the crisis, and allows tangible lessons to be contemporaneously drawn from the experience. SAIs' legal mandate should be broad enough to allow them to use unique approaches to conduct audits during the emergency response. This can include short, targeted audits of specific emergency measures or real-time assurance and compliance audits. SAIs should publish the audit findings contemporaneously to maximize fiscal transparency.
- **Implement Recommendations in 2020 Annual Audit Reports to Bolster the PFM Response to Future Emergencies:** Recent consolidated financial and compliance audit reports highlight weaknesses in managing expenditure during an emergency. Implementing audit recommendations related to strengthening emergency procurement processes and mandating the timely publication of emergency procurement details on e-procurement portals will prepare the PFM system to better respond to future crises.

5. Information Accessibility

- **Legal Frameworks Should Require Fiscal Data Related to the Emergency Response be Published:** Laws to support fiscal transparency during emergency responses should be enacted. This includes conferring a positive obligation on public institutions to disclose fiscal information – including during emergencies. Prescribed disclosure obligations should include key budgeting documentation, content standardization between emergency and non-emergency documentation, publication of emergency response measures in an open format, and how often the information should be updated.

- **Publish Spending Information on an Open Data Portal for Emergency Spending:** Emergency spending information was scarce, fragmented, and not linkable. Publication of consolidated expenditure information is a practice that should be broadly adopted. However, utilizing expenditure identifiers and/or dedicated portals during a crisis consolidates relevant data and is even more important as it ensures emergency related expenditure information is accessible and understandable.
- **Available Data Should be Published in an Open Format:** Jurisdictions should provide information in open formats that are searchable. Most information related to emergency responses was published in PDF formats. Using open formats allows citizens to better dissect and use the data to understand the emergency response.

A. Introduction

Governments have been under pressure to deliver emergency support during the global Covid-19 pandemic and chart an economic recovery. PFM systems are the primary tool governments use to deliver resources to health systems, vaccine programs, measures to provide additional social protection, and to support education, jobs and SMEs. Supplemental budgeting processes and other commonplace public finance measures provide flexibility for governments to respond to emergencies and external shocks. Prior to the pandemic there were discussions as to how to enhance the agility and flexibility of PFM systems globally to respond to natural disasters and emergencies.⁴ However, the speed, reach, and magnitude of the Covid-19 pandemic has sent a shockwave around the globe that has tested the capacity of PFM systems to support governments' response to crises.

Fiscal transparency refers to the comprehensiveness, clarity, reliability, timeliness, and relevance of public reporting on the past, present, and future state of public finances⁵ and the capacity of those impacted by public finance decisions to understand the implications. Western Balkan governments' response to the emerging Covid-19 crisis was driven by the need for fast and flexible fiscal policy measures. Fiscal transparency was not an immediate priority for decision-makers during the crisis as they sought to put in place emergency measures with imperfect information under rapidly changing conditions. However, the disclosure of fiscal policy information is necessary to assess whether public resources are being effectively deployed, have achieved the desired outcomes, and shielded those most at risk during a crisis. Given the scale of public spending and decisionmakers' need to foster public confidence in their management of the crisis, fiscal transparency should be prioritized as a goal for future emergency responses.

During an emergency, the government's legitimacy is critical to the success of the fiscal policy response.⁶ Fiscal transparency and public accountability help to bolster institutional legitimacy by facilitating an assessment of whether public resources are being deployed effectively. Budget disclosure during a crisis allows stakeholders to understand the goals, scope, and cost of the response and reassures citizens that public resources are not being squandered or misused. In this way, fiscal transparency can reinforce citizens' trust in government and strengthen market confidence in the government's stewardship of the crisis response.⁷

⁴ World Bank. (2022). *Disaster Resilient and Responsive Public Financial Management: An Assessment Tool*. World Bank: Washington, DC. For a more detailed discussion on Transparency aspects of the Disaster Resilient and Responsive Public Financial Management (DRR-PFM) Assessment Tool please see Section B of this report.

⁵ Fiscal Policies. (n.d.). International Monetary Fund. <https://www.imf.org/en/Topics/fiscal-policies/fiscal-transparency> (accessed March 27, 2022).

⁶ Wendling, C., V. Alonso, S. Saxena, V. Tang, & C. Verdugo (2020), *Keeping the Receipts: Transparency, Accountability, and Legitimacy in Emergency Responses*. IMF Fiscal Affairs Department Covid Emergency Note, Washington DC: p.1.

⁷ See Footnote 5: pp.1-2.

One-off deviations from normal practices may be needed to maintain agility in an evolving environment; however, it is likely there will be occurrences of mismanagement during the emergency response – whether intentional or unintentional⁸ – making transparency even more important. ‘Keeping the books open’ matters as it allows for fair scrutiny of the management of the response, factoring in the extraordinary circumstances under which the measures had to be designed and implemented. Understanding how resources are used and for what purpose strengthens citizens’ and business’ confidence in the government’s stewardship during an emergency.

Globally, many countries experienced some degree of mismanagement in spending and contracting, especially during the early stages of the pandemic.⁹ Some instances were errors in judgement made during a period that required an agile government response in a fast-moving and changing environment; while others were clear attempts by government officials to benefit from the emergency. Governments now have an opportunity to look back on the pandemic response and reflect on the weaknesses in their existing PFM systems, which allowed this mismanagement to occur. This includes the absence of adequate fiscal transparency measures.

A closer examination of the successes and challenges in maintaining fiscal transparency during an emergency will allow governments to bolster existing PFM systems and processes so that they are better prepared to leverage fiscal transparency during future crises. As a health crisis that touched every corner of the globe and triggered cascading social and economic emergencies, the scale of the Covid-19 pandemic is unique. Future crises - such as climate induced natural disasters like flooding or landslides - may be more regional or have a narrower impact. The response to the Covid-19 pandemic presents a unique opportunity to study how governments responded to a broad, wide-scale emergency impacting many areas of government and society to identify ways to better incorporate fiscal transparency and achieve greater impact in the future.

This study distills lessons and identifies reforms aimed at building greater transparency in PFM systems so that they can respond to future emergencies with greater agility and openness. Fiscal transparency, public participation, and accountability are intractably linked. Citizen participation and effective checks and balances on fiscal policy rely on transparency and budget disclosure. This is equally so during a crisis. Constraints in the availability of comprehensive practice information and data on public participation and accountability for all jurisdictions during the emergency, and the desire to identify discrete reforms aimed at enhanced fiscal transparency in Western Balkan jurisdictions, means the present analysis concentrates on the comprehensiveness, clarity, reliability, timeliness, and relevance of public reporting of public finances during the emergency. This does not diminish the need for future analysis of the interplay between transparency, participation, and accountability during an emergency response.

⁸ Steingrüber, S., Kirya, M., Jackson, D., & Mullard, S. (2020). *Corruption in the time of COVID-19: A double-threat for low-income countries*. (Chr. Michelesen Institute U4 Brief 2020:6): pp1-2; and See UN Global Task Force on Corruption. (2021). *Corruption and COVID-19: Challenges in Crisis Response and Recovery*. UNODC Policy Paper. <https://www.unodc.org/documents/Advocacy-Section/COVID-19-Crisis-responserecovery-WEB.pdf> (accessed 23 January 2022).

⁹ See Footnote 7.

Fiscal transparency practices used by governments during the pandemic in multiple jurisdictions across three Western Balkan countries are compared. BiH, North Macedonia, and Serbia were selected as they were eligible for support under the GGICR Trust Fund at the inception of the study. Given the country's decentralized governance, the analyses of fiscal transparency practices in BiH touches on practices in several sub-national jurisdictions. However, the remit of the study and the approach to data collection necessitated by the pandemic means the analysis predominantly focuses on state-level fiscal transparency. Sub-national fiscal transparency, especially related to Covid-19 spending and service delivery, is equally important. Complementary World Bank analysis of health sector PFM and procurement practices in two subnational jurisdictions in BiH is currently being prepared.¹⁰ It is hoped the present study lays the foundation for a more detailed evaluation of subnational fiscal transparency in all three state-level jurisdictions during the global pandemic.

As the evaluation examines PFM performance during the Covid-19 crisis, it focuses on fiscal transparency practices across the core emergency period from March 2020 to June 2021. Different fiscal transparency tools deployed by the respective jurisdictions during the emergency are assessed, and country and regional level actions are proposed. This analysis supplements existing public budgeting assessments previously conducted during non-emergency periods that applied internationally recognized PFM assessment frameworks. Those existing assessment frameworks focus on key budgeting documents produced in the normal course of the budgeting process and evaluate the comprehensiveness of information provided in the documents, timeliness of production, and extent of publication of the information. However, they place less emphasis on public expenditure processes that are heavily relied on during emergencies, such as contingency appropriations, emergency spending and contracting provisions, reallocations and virements, supplementary budgets, and external grants.¹¹ The present analysis meets the need for a supplemental assessment focused on fiscal transparency during emergency conditions.

This report focuses on fiscal transparency during an emergency situation, leaving several other considerations outside its scope, while acknowledging their importance. First, the report does not address the efficacy of emergency spending, and does not assess whether fiscal responses were well calibrated. Second, it also does not assess issues of demand for transparency and participation in detail. Both the wider fiscal and wider stakeholder engagement consideration are clearly very important but fall outside the scope of this report. As analysis is being carried out for each of these dimensions, future reviews are expected to draw the links across these topics as wider retrospectives of lessons regarding fiscal management during the pandemic are carried out.

¹⁰ See Forthcoming World Bank. (2022), *Strengthening Transparency, Integrity and Accountability of Public Procurement in the Bosnia and Herzegovina Health Sector: Pilot Study on Sarajevo and Tuzla Cantons*. World Bank, Washington DC; and World Bank. (2022). *Pilot Study on Transparency and Accountability of Public Financial Management (PFM) in Health Systems of Sarajevo and Tuzla Cantons*. World Bank, Washington DC.

¹¹ See Saxena, S., & Stone, M. (2020). *Preparing Public Financial Management Systems for Emergency Response Challenges*. IMF Fiscal Affairs Department Covid Emergency Note, Washington DC.

I. Methodology

The study was designed to evaluate the comprehensiveness, clarity, reliability, timeliness, and relevance of public reporting on the past, present, and future state of public finances during the Covid-19 emergency across three state-level jurisdictions.¹² All research for this assessment is desk-based and drawn from information publicly available on official institutional websites, digital document repositories, and platforms supported by the government, independent institutions, or civil society platforms that draw on publicly available government data.

Gathering and organizing of information, data, and practices was conducted in three stages. They were:

- (a) Scanning for recent good practice guidance focusing on PFM in emergencies (i.e., *primary knowledge products*) and examples of fiscal transparency included in emergency measures implemented in other regions (i.e., *global case examples*)
- (b) Collection of evidence and data from jurisdictions that are the focus of this study, including information on the legal framework and the availability of key fiscal information; and
- (c) Thematic coding of the evidence to allow for a comparative analysis

A literature review identified recently published international good practice guidance focusing on PFM in emergencies and the application of fiscal transparency principles. Examples of good practice guidance that the study drew on to set the parameters for data collection included:

- Government Financial Management and Reporting in Times of Crisis¹³
- Managing Covid Funds: The Accountability Gap;¹⁴ and
- Fiscal Data for Emergency Response Guide for COVID-19.¹⁵

The collection of evidence, data, and practices from jurisdictions that are the focus of this study was guided by an Information Analysis Framework (IAF)¹⁶ collaboratively designed by regional and global technical experts and practitioner networks, with input from country counterparts. The international good practice guidance and global case examples were used as inputs for the design of the IAF. This research tool anchored a structured, semi-standardized approach for country level experts to collect and

¹² See Footnote 4.

¹³ OECD. (2020). *Government Financial Management and Reporting in Times of Crisis*. OECD Publishing, Paris, https://read.oecd-ilibrary.org/view/?ref=433_433120-4x64f30lbd&title=Government-financial-management-and-reporting-in-times-of-crisis (accessed January 23, 2022).

¹⁴ IBP. (2021). *Managing Covid Funds: The Accountability Gap*. International Budget Partnership Report, Washington DC. https://internationalbudget.org/covid/wp-content/uploads/2021/05/Report_English-2.pdf (accessed January 23, 2022).

¹⁵ GIFT. (2020). *Fiscal Data for Emergency Response Guide for COVID-19 (Version 1.1)*. Global Initiative for Fiscal Transparency Guide, Washington DC. http://www.fiscaltransparency.net/documents/GuideforFiscalDataCOVIDV_1_1_0.pdf (accessed January 23, 2022).

¹⁶ Inputs on the scope and framing of the IAF were collected during the Project's Virtual Launch Workshop with partners and counterparts on January 21, 2021.

distill evidence and practice information from the jurisdictions, thereby allowing for a detailed comparative analysis.

The IAF was divided into two parts focusing on the: (i) Regulatory and Legal Framework; and (ii) Information Availability. The scope of evidence collection was broad and included data on the legal provisions that governed fiscal transparency, public finance, and/ or emergency measures; the level of public access to information especially related to emergency measures; and evidence of systemization of information disclosure.

A thematic coding approach was used to organize the evidence gathered by country level experts, identify emergent themes, and more discretely organize the evidence according to those themes/ topics. The thematic coding organized the data inputs around legal and regulatory provisions related to fiscal transparency mechanisms; types of information/ data published and the extent it was published; the variety of formal reports prepared and published and variances in practices from non-emergency periods; and the transparency implications of any proactive disclosure mandates. The thematic coding process also drew on the taxonomy of data formats outlined in the Fiscal Data for Emergency Response Guide for COVID-19¹⁷ to organize evidence on information availability.

A common set of issues or challenges emerged during the thematic coding process. The challenges revolved around:

- Transparency of COVID-19 spending
- Transparency of the effectiveness and inclusivity of the COVID-19 response
- Transparency of COVID-19 related public procurement; and
- Information accessibility.

Supplemental desk research was conducted at the end of the study period to explore the application of the audit function to emergency measures. This data point was not included in the IAF as audit findings on emergency measures had not been published at the time data was collected. However, toward the end of the study period it became apparent that external audit was an important facilitator of information disclosure related to emergency measures and the audit findings included valuable lessons concerning fiscal transparency during the crisis.

This report was peer-reviewed and benefited from inputs from government representatives and fiscal transparency stakeholders in jurisdictions that are the subject of this analysis. These consultations allowed for the verification of data and capture of additional practices highlighted as examples throughout the report. A detailed description of the research approach can be found in *Annex 1: Methodology for Assessing Fiscal Transparency during the Covid-19 Emergency Response*.

II. Outline

This report is divided into five sections. The purpose of each part is as follows:

- **Section A** (this section) outlines the conceptual framework and the reasons for enhancing fiscal transparency of emergency responses, as well as outlining the pedagogical approach to collecting and analyzing the data.
- **Section B** presents a brief overview of why fiscal transparency matters, how it is linked to PFM performance, and initial impressions as to the extent fiscal transparency was maintained globally during the Covid-19 emergency response.

¹⁷ See Footnote 15.

- **Section C** draws on the results of PFM evaluations conducted during non-emergency periods to outline fiscal transparency performance prior to the pandemic in the jurisdictions that are the focus of this study.
- **Section D** defines the emergency response period in the Western Balkans and uses the challenges identified through the thematic coding process and the external audit function to compare fiscal transparency practices across jurisdictions during the Covid-19 crisis; and
- **Section E** concludes by proposing country and regional level actions for strengthening fiscal transparency for more effective emergency responses.

B. Why Fiscal Transparency Matters

Countries around the globe have embraced fiscal openness to live up to global fiscal transparency standards, benefit from improved fiscal outcomes, and ensure citizens can access information necessary to engage in processes that ensures the efficient, effective, and proper use of public resources.¹⁸

Governments can mobilize the economy for the benefit of all citizens through improved macro-fiscal performance. A government's legitimacy is underpinned by the proper use of public funds generated by the economy to deliver government policies and services. Finally, transparency and budget disclosure facilitate citizen participation in fiscal policy setting and monitoring, while improving effective checks and balances on fiscal policy.

I. The global trend towards greater transparency

International fiscal transparency standards are drawn from practice principles and formally endorsed standards. A wide range of governments have endorsed fiscal transparency standards directly or through participation in different international organizations and forums (e.g., the United Nations [UN], the International Monetary Fund [IMF], and World Bank); civil society forums; and fiscal transparency practitioner communities. The primary sources of international fiscal transparency standards are detailed below.

The IMF *Fiscal Transparency Code 2019 (the Code)*¹⁹ is widely recognized as the international standard for disclosure of information about public finances. The Code was originally adopted in 1998 and has had several iterations, with the 2019 version being the most recent.²⁰ The Code covers what information should be included in fiscal reports, the timeliness and quality of the reports, and that the reports should be subject to external audit. The data and analysis included in fiscal reports should be internationally comparable, historically consistent, and enable budget stakeholders to link policy information with fiscal data.

The *High-Level Principles on Fiscal Transparency, Participation, and Accountability* were endorsed by the UN General Assembly in 2013. Members of the UN affirmed the importance of ensuring citizens' access to public finance information and obligated nations to publish this data. The High-Level Principles reinforce the need for fiscal information to be credible and published according to international standards,

¹⁸ See preamble to UNGA Resolution 67/218 endorsing the *High-Level Principles on Fiscal Transparency, Participation, and Accountability* (2013) – “Believing that access to high quality information, meaningful public participation, and effective accountability mechanisms: Enhance the integrity, quality and implementation of fiscal policies; Reduce corruption; Increase the legitimacy of and trust in government; Increase willingness to pay taxes and provide financing; Strengthen the effectiveness of development assistance, and thereby strengthen the efficiency, equity, effectiveness, stability and sustainability of fiscal policies and enhance the likelihood that fiscal policies have positive economic, social and environmental impacts.”

¹⁹ The IMF Fiscal Transparency Code has had several iterations. The Code was initially adopted in 1998 and revised in 2001, 2007, and 2019.

²⁰ Fiscal Transparency. (n.d.). International Monetary Fund. <https://www.imf.org/en/Topics/fiscal-policies/fiscal-transparency> (accessed 23 January 2022).

including the Code. The UN General Assembly endorsement of the High-Level Principles acknowledges the other international norms and standards they are built on, including the:

- Organization for Economic Co-operation and Development (OECD) Best Practices in Budget Transparency (2002)
- International Budget Partnership (IBP) Open Budget Index (OBI)
- International Public Sector Accounting Standards promulgated by the International Public Sector Accounting Standards Board
- International Standards of Supreme Audit Institutions promulgated by the International Organization of Supreme Audit Institutions (INTOSAI); and
- Multi-agency Public Expenditure and Financial Accountability (PEFA) program.

Following the UN endorsement of the High-Level Principles, the Council of the OECD endorsed the *Recommendation on Budgetary Governance* in 2015. The OECD Recommendation reaffirmed member nations' commitment to ensuring budgeting documents and data be open, transparent, and accessible.

An example of formal regional transparency obligations include Article 15 of the *Treaty on the Functioning of the European Union (TFEU)*.²¹ The Treaty places obligations on European Union (EU) institutions and agencies to conduct their work as openly as possible.²² Furthermore, the TFEU conveys a right for any citizen of the Union and any natural or legal person residing in or being registered in a Member State, to access documents of the Union's institutions, bodies, offices, and agencies, whatever their medium.²³ Although framed in terms of EU institutions, it establishes practice expectations for EU member states. This right is framed broadly, therefore, incorporates fiscal data. This provision is only circumscribed by Article 16, which outlines citizens' right to the protection of personal data.

²¹ European Union. *Consolidated version of the Treaty on the Functioning of the European Union*, 13 December 2007, 2008/C 115/01.

²² See Footnote 20: Article 15 (1)

²³ See Footnote 20: Article 15 (3)

II. Inclusion of Fiscal Transparency in Global Tools aimed at enhancing the agility of PFM systems to respond to Natural Disasters

Generally, fiscal transparency has a beneficial impact on macro-fiscal outcomes. Using broad measures of transparency, evidence suggests fiscal openness helps lower deficits and debt, borrowing costs, and either directly or indirectly limits unnecessary fiscal schemes.²⁴ Also, timely and comprehensive reporting has been linked to better budget credibility, namely a reduction in the discrepancy between what a government budgets as compared to what it spends and between revenue forecasts and revenue collections.²⁵ The macro-fiscal benefits of fiscal transparency has propelled efforts to incorporate greater transparency in PFM systems and across budgeting processes.

The pressure on governments to deliver a swift and agile response to the Covid-19 pandemic altered the orderly conduct of the annual budgeting process in many jurisdictions. Governments adapted quickly through new spending and reprioritization of public resources. Common budgetary mechanisms deployed by governments include contingency appropriations, emergency spending provisions, reallocations and virements, supplementary budgets, and external grants.²⁶ In parallel, governments have had to ensure liquidity and manage existing and new domestic and international debt.

The need for speed and flexibility also led to the adoption of ad hoc public budgeting practices, such as suspending fiscal rules, removing expenditure ceilings, fast tracking allocations to spending units, and streamlining and digitalizing procurement and payments processes.²⁷ While necessary, these actions have not been without cost. The OECD has noted the adoption of extraordinary practices have in some instances come at the expense of internal and external controls and fiscal transparency.²⁸ Clarity and transparency of spending decisions and implementation have been a major concern in many countries' response to the pandemic.²⁹ This recent experience highlights the need to think strategically about how to maintain transparency in PFM systems during emergencies.

In response to the global debate as to how to enhance the agility and flexibility of PFM systems to respond to natural disasters and emergencies,³⁰ the World Bank designed the Disaster Resilient and Responsive Public Financial Management (DRR-PFM) Assessment Tool. A DRR-PFM Assessment helps a country strengthen its PFM systems to prepare for, respond to, and recover from disasters. The DRR-PFM

²⁴ de Renzio, P., & Wehner, J. (2015). *The Impacts of Fiscal Openness: A Review of the Evidence*. GIFT & IBP Incentives Research, Washington DC: p.23.

²⁵ de Renzio, P., & Cho, C. (2020). *Exploring the Determinants of Budget Credibility*. IBP, Washington DC.

²⁶ See Footnote 10.

²⁷ See Footnote 12.

²⁸ See Footnote 12.

²⁹ See Footnote 12.

³⁰ World Bank. (2022). *Disaster Resilient and Responsive Public Financial Management: An Assessment Tool*. World Bank: Washington, DC.

Assessment has eight pillars, made up of multiple elements that allow governments to quickly collect data that details default PFM practices in disaster situations, highlighting potential weaknesses and strengths.

DRR-PFM Pillar 5 focuses on Budget Management, Control, and Reporting and draws on international fiscal transparency standards to guide reforms aimed at ensuring resources during the disaster response and recovery period are used as intended in a transparent manner. Element 5.6 outlines issues policymakers should consider when seeking to enhance the transparency of disaster-related expenditure (See Box 2).

Box 2: Inclusion of Fiscal Transparency in global tools aimed at enhancing the agility of PFM systems to respond to natural disasters and emergencies

Disaster Resilient and Responsive Public Financial Management (DRR-PFM) Assessment Tool	
<i>Pillar 5: Budget Management, Control, and Reporting during Disasters</i>	
Element	Issues
5.6 Transparency of Disaster-Related Expenditure	<p>1. Does the government prepare and publish the following disaster-related information in a timely and transparent manner?</p> <ul style="list-style-type: none"> a. Entitlements for persons, households, and businesses for disaster relief, response, and recovery and how these entitlements can be accessed b. Programs for persons, households, and businesses for disaster relief, response, and recovery and how these programs can be accessed c. Budget allocations for disaster-related expenditures d. Information on disaster-related programs and their intended activities e. Periodic budget execution reports for disaster-related expenditures and annual reports on specific funds dedicated to disaster response f. Public procurement contracting information for disaster response and recovery activities, including both ex-ante (list of pre-qualified/pre-selected contractors) and ex-post (contract awards, basis of awards) data g. Disaster response implementation reports summarizing financed activities and associated results <p>2. Is disaster-related expenditure and program information made available in open data formats and with adequate privacy safeguards?</p>

Source: DRR-PFM Assessment Tool

III. Addressing Corruption through Enhanced Transparency

A range of studies have correlated increased transparency with reduced corruption.³¹ From the outset of the Covid-19 crisis the IMF has advised its members to “spend what you [sic] need, but keep the receipts.”³² Accordingly, the IMF has asked member countries requesting emergency assistance to commit to:

- (i) Enhanced reporting of crisis-related spending
- (ii) Undertaking and publishing independent ex-post audits of crisis-related spending
- (iii) Ensuring procurement transparency by, for example, publishing procurement contracts; and/or
- (iv) Preventing conflicts of interest and corruption by publishing the beneficial ownership information of firms awarded procurement contracts.

Additional measures have been suggested to mitigate corruption vulnerabilities during budget execution in an emergency. They include:

- Budget execution should be conducted within the prevailing legal framework and in accordance with good practices, activating emergency provisions where available.
- Controls should be adapted and streamlined to ensure timeliness without compromising safeguards.
- All transactions should be recorded to facilitate comprehensive monitoring and reporting; and
- An adequate audit trail should always be maintained to facilitate ex-post assessment and evaluation.³³

IV. Trust in Government and Opportunities for Citizen Engagement

Fiscal transparency is a pillar of open and inclusive government. The OECD defines ‘open government’ as “a culture of governance based on innovative and sustainable public policies and practices inspired by the principles of transparency, accountability, and participation that fosters democracy and inclusive growth.”³⁴ Fiscal openness facilitates a dialogue with citizens around policy priorities and the costs of certain decisions, coalesces stakeholders around policy objectives, and instills collective responsibility for citizens and public institutions to work toward achieving the goals. Transparency of the government’s

³¹ See Footnote 23: p.17.

³² Beyond “Keeping the Receipts”: Initial Governance Lessons from Covid Emergency Spending. (2021). International Monetary Fund. <https://www.imf.org/en/News/Seminars/Conferences/2021/04/12/beyond-keeping-the-receipt> (accessed January 23, 2022).

³³ Khasiani, K., Koshima, Y., Mfombouot, A., & Singh, A. (2020), *Budget Execution Controls to Mitigate Corruption Risk in Pandemic Spending*. IMF Fiscal Affairs Department Covid Emergency Note, Washington DC.

³⁴ OECD. (2016). *Open Government: The Global Context and the Way Forward*. OECD Publishing, Paris: p.5.

policymaking when responding to a crisis, such as the Covid-19 pandemic, has been recognized as a key ingredient in the successful design and implementation of emergency measures.³⁵

In extraordinary circumstances it is important that citizens trust that their government is competent and is working toward their interests; a government can foster trust by being responsive, reliable, ethical, fair, and open.³⁶ The OECD defines trust as “a person’s belief that another person or institution will act consistently with their expectations of positive behavior.”³⁷ Transparency enhances citizens’ and firms’ awareness of the factors that influence government decision-making, especially related to fiscal policy. Improved understanding of the goals, constraints, and tradeoffs around each decision fosters greater appreciation of government policies. This boosts confidence in the policy measures a government seeks to implement and reinforces trust in the government’s ability to adeptly respond to an emergency.

Requirements attached to international financing for emergency measures affirms the importance of transparency and accountability to the effective implementation of the Covid-19 response. For instance, in the Western Balkans, the IMF is providing financial assistance and debt service relief to Albania, Bosnia and Herzegovina, Kosovo, Montenegro, and North Macedonia as part of its Covid-19 emergency relief.³⁸ Those arrangements include a commitment on the part of borrowing countries to promote reforms that facilitate the accountable and transparent use of funds. These requirements are driven by a need for financial assurance and a recognition that fiscal transparency and accountability are critical ingredients for the successful implementation of emergency measures.

Transparency is a key ingredient in fostering the trust that governments need to successfully design and implement emergency measures during a crisis. Governments should aim to foster trust with all critical stakeholders, including citizens, the business community, and civil society. Civil Society Organizations (CSOs) are “the wide array of non-governmental and not for profit organizations that have a presence in public life, express the interests and values of their members and others, based on ethical, cultural, political, scientific, religious, or philanthropic considerations.”³⁹ CSOs provide ongoing feedback that governments need to be responsive to community needs, promote openness by demanding and sharing information about the delivery of government programs, and directly assist government in the delivery of certain services.

³⁵ Davenport, S.; Kalluar, E., & Kunicova, J. (2020), *Coming Together While Staying Apart: Facilitating Collective Action through Trust and Social Connection in the Age of Covid-19*. World Bank, Washington DC: p.20.

³⁶ Trust in Government. (n.d.). OECD. <https://www.oecd.org/gov/trust-in-government.htm> (accessed January 23, 2022).

³⁷ OECD. (2017). *OECD Guidelines on Measuring Trust*. OECD Publishing, Paris: p.42

³⁸ See IMF Member Country governance commitments on the IMF Covid-19 Financial Assistance and Debt Service Relief portal, <https://www.imf.org/en/Topics/imf-and-covid19/COVID-Lending-Tracker> (accessed January 23, 2022).

³⁹ Civil Society (n.d.). World Bank Group. <https://www.worldbank.org/en/about/partners/civil-society/overview#:~:text=The%20World%20Bank%20Group%20works,political%2C%20scientific%2C%20religious%20or%20philanthropic> (accessed April 12, 2022).

Strong positive engagement of governments with CSOs remained the exception during the pandemic, but there are a few emerging examples of good practices that could be adopted more widely. Governments' crisis responses were characterized by centralization of decision-making. Limited opportunities were provided for CSO participation in the design or implementation of emergency measures. Instead, CSOs sought to 'fill the gaps' by stepping in to perform localized emergency relief roles. Civil society sought to respond to the growing needs of citizens, especially the most vulnerable and marginalized groups. Some of the Western Balkan constituencies served by CSOs included young people; the elderly; women and children, especially those prone to domestic violence; the Romani community; the homeless; disabled people; Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) people; migrants; and other underrepresented groups.⁴⁰ Textbox 3 outlines emerging experience in BiH to enable greater engagement on fiscal management and public procurement by CSOs.

Box 3: Opportunities and initial progress for greater CSO engagement in budgeting and public procurement in BiH

The governments in BiH could benefit from a more systematic approach to citizen engagement in budget management across jurisdictions. CSOs in BiH stress that the demand for greater transparency and participation in budget management exists and is increasing, but the opportunities to engage are limited. Inputs from CSOs could help ensuring that strategies and budgets reflect ground realities and citizens expectations and that disclosure formats are easy for non-specialists to read and use. Furthermore, inputs from such organizations would help in keeping the institutions accountable for the quality and quantity of services they deliver across the sectors. Designing and implementing a formal model of citizen engagement such as the one in Philippines could be considered for adoption in BiH.

In Philippines, the CSOs and leaders and senior officials of the Department of Budget and Management of worked together to create 'Principles of Constructive Engagement' to guide interactions between the CSOs and various parts of government. These principles were later adopted by the Government for its budget issuances and guidelines for CSO participation in the national budget process.

Initial progress has been made with regards CSO involvement in public procurement in BiH. CSOs, the media and other interested parties may submit requests to the Public Procurement Agency (PPA) for it to monitor specific procedures.⁴¹ Furthermore, the Public Procurement Law provides that CSOs shall have an observer role on the PPA Board,⁴² thereby facilitating CSO input into the design of new public procurement (PP) regulations subsequently endorsed by the BiH Council of Ministers. As a result of these opportunities, CSO engagement increased during the pandemic -- the number of monitoring

⁴⁰ CSO Involvement in the Crisis Response. (n.d.). Balkan Civil Society Development Network.

<http://bcp.balkancsd.net/covid-19-regional-overview/cso-involvement-crisis-response/> (accessed April 12, 2022).

See also: Neshikj, I.; & Spazovska, B. (2020). Filling Democracy's Gaps in the Western Balkans. In Youngs, R. (Ed.) Coronavirus as a Catalyst for Global Civil Society. Carnegie Endowment for International Peace, Washington DC – https://carnegieendowment.org/files/Youngs-Coronavirus_Civil_Society_final.pdf.

⁴¹ Rulebook on Monitoring of PP Procedures, BiH Official Gazette no. 72/16

⁴² PPL, Article 92.

procedures initiated by the PPA at the request of CSOs increased from 45 in 2019 to 71 in 2020⁴³. The PPA entered a Memorandum of Understanding with Transparency International BiH and several partner CSOs to allow them to request the PPA to institute direct monitoring of specific PP procedures⁴⁴. The PPA and the partner CSOs also collaborate on the provision of training to CSOs to actively monitor PP procedures.

Among PFM practices, program budgeting can play a positive role in helping stakeholders see how funding allocations and policy results are linked. This can be important for enabling evidence-based discussions over fiscal allocations and priorities within government, as well as between government and other stakeholders – including citizens and the private sector. Among the jurisdictions covered, all have made some initial progress with program budgeting, but also significant scope for further improvement. Textbox 4 provides an overview.

Box 4: Status of program budgeting

In Bosnia and Herzegovina, reforms towards introducing program budgeting were initiated more than a decade ago. Progress remains limited across different government levels, with most progress achieved at the BiH Institutions level. While program-based budgets are produced at each of the four analyzed government levels as part of the annual budget exercise, i) the program budget classification is not formally adopted, thereby serving only as an indicative plan, ii) the program budget information is insufficiently used for decision making, and iii) the program budget information is not published.

This results from a number of weaknesses such as i) lack of comprehensive, credible and mutually aligned strategies at either the government or sector level, ii) the subsequent difficulties in designing credible programs and performance indicators (in particular at outcome level), iii) lack of IT solutions for integrated budget planning and execution management (the two solutions are divorced), and iv) still weak commitment to strengthening accountability for performance. Legislative changes are expected to make the program budgeting mandatory starting from 2024 (for direct budget users) and from 2026 (for Extrabudgetary Funds).

In Serbia, program budgeting is embedded in the Budget System Law (Serbia’s organic budget legislation) and the program structure of the budget was introduced across the entire budget system at the central government level starting from 2015. The program classification is prescribed by the Instruction for Preparation of the Program Budget which is updated frequently and is published on the website of the MoF. The classification is centrally managed by the Budget Department of the MoF and it identifies categories such as program, program activity/project. The Instructions define the methodological basis for formulation of other important program budgeting elements such as objectives, indicators and performance measurement.

⁴³ According to the PPA Reports on Monitoring of PP Procedures, the number of monitoring procedures initiated by the PPA at the request of CSOs increased from 45 in 2019 to 71 in 2020.

⁴⁴ PPA Announcement, 2021, [Cooperation between United States Agency for International Development \(USAID\) and PPA - Significant progress towards more efficient and transparent PP procedures.](#)

Performance management remains underdeveloped. This largely relates to needed improvement of existing program budgeting practices, which lack substance in some key elements. While performance plans are prepared for budget beneficiaries, and the implementation is reported semi-annually and annually, there is limited analysis and follow-up with regard to the reported performance. Setting more essential objectives, and proper evaluation of results and indicators, would enable optimized use of public funds by feeding the information on performance into prioritizing budget activities in the following budget cycles.

While approved program budgets are publicly available, implementation information is not shared during budget execution.

In North Macedonia, program budgeting practices are underdeveloped. While information on programs and expected performance is included in the budget, program budgeting has not yet been formally adopted, and remains at an immature level of development. Strategic and annual plans include information on program objectives, costs, expected results and performance indicators. Budget users prepare semi-annual and annual reports on the implementation of programs and progress towards achieving objectives. However, there is no established mechanism for comparing the results with targets, and reliability of available data is uncertain. Nonetheless, the State Audit Office is reviewing government performance with increasing institutional and financial coverage.

Source: authors based on latest PEFA reports and country analyses

C. Fiscal Transparency in the Selected Jurisdictions in the Western Balkans prior to the Covid-19 Pandemic

International budgeting and public finance standards establish a set of principles which governments across the world have largely embraced. Performance and assessment frameworks provide a means for governments, international organizations, and independent civil society to measure and compare actual practices with international standards, and to identify reforms based on the international standards. The Open Budget Survey (OBS) and the PEFA Framework are examples of two globally recognized assessment frameworks that draw on international standards and principles - including those related to fiscal transparency - to assess existing practices.

The OBS seeks to measure budgeting performance globally over a specific period. It is an independent, comparative evaluation conducted by the IBP biennially to assess countries' PFM practices related to budget disclosure, public engagement in budgeting, and checks and balances on the budget process.⁴⁵ The OBS traditionally focuses on open budgeting at the state-level. With respect to fiscal transparency, the data from the survey is used to assign a Transparency Score to each jurisdiction, which measures public access to information related to the budget process in 117 countries by assessing the online availability, timeliness, and comprehensiveness of eight key budget documents⁴⁶ using 109 equally weighted indicators and scoring each country on a scale of 0 to 100.

In the most recent survey prior to the onset of the pandemic (i.e., OBS 2019), a Transparency Score above 61 indicated there was enough published material to support informed public debate on the budget.⁴⁷ In 2019, the average global OBS transparency score was just 45; for the Western Balkan jurisdictions examined in this regional analysis, it was only 39.4.⁴⁸

The PEFA Program was initiated in 2001 by the European Commission, IMF, World Bank, and the governments of France, Norway, Switzerland, and the UK, to harmonize the assessment of PFM across jurisdictions by standardizing the method for PFM diagnostic assessments. The PEFA Framework provides a methodology for assessing PFM performance at a specific point in time based on 94 characteristics (dimensions) across 31 key components of PFM (indicators) in 7 broad areas of activity (pillars). The PEFA Framework can be replicated across successive assessments to measure performance

⁴⁵ See Open Budget Survey. (n.d.). International Budget Partnership. <https://www.internationalbudget.org/open-budget-survey> (accessed January 23, 2022).

⁴⁶ The key budget documents are: (i) Pre-Budget Statement; (ii) Executive's Budget Proposal; (iii) Enacted Budget; (iv) Citizens Budget; (v) In-Year Reports; (vi) Mid-Year Review; (vii) Year-End Report; and (viii) Audit Report.

⁴⁷ See Open Budget Survey Transparency Score. (n.d.). International Budget Partnership. <https://www.internationalbudget.org/open-budget-survey/rankings> (accessed January 23, 2022).

⁴⁸ The OBS 2019 Transparency Scores for each of the three countries are: Bosnia & Herzegovina 33; North Macedonia 41; and Serbia 40.

over time.⁴⁹ There are multiple versions of the Framework; the initial PEFA 2005 version, the updated PEFA 2011 Framework, and the most recent PEFA 2016 Framework. PEFA 2016 builds on the 2005 and 2011 versions through the addition of four new indicators, expansion and refinement of existing indicators, and recalibration of baseline standards for good performance in many areas.

All three jurisdictions have benefited from periodic PEFA assessments using different iterations of the PEFA Framework. The most recent federal PEFA assessment in Bosnia and Herzegovina was conducted in 2014 using PEFA 2011, North Macedonia in 2015 using PEFA 2011 with adjustments for revisions anticipated in the new PEFA 2016⁵⁰, and in Serbia in 2020 using PEFA 2016.

The sequencing, emphasis, and number of dimensions included in each Performance Indicator (PI) across each iteration of the PEFA Framework differs. As such, similar PIs in different PEFA Frameworks are not directly comparable. However, the subject areas covered by PEFA 2016 PI-5 “Budget Documentation”, PI-9 “Public Access to Fiscal Information”, and PI-10 “Fiscal Risk Reporting” are sufficiently like PEFA 2011 PI-6 “Comprehensiveness of information included in budget documentation”, PI-9 “Oversight of aggregate fiscal risk from other public sector entities”, and PI-10 “Public access to key fiscal information” to inform a broader discussion about respective jurisdictions’ fiscal transparency performance.⁵¹ PEFA 2016 PI-9 examines the comprehensiveness of fiscal information provided by the government and the extent of the public’s timely access to the information while PI-10 assesses reporting on fiscal risks related to public corporations, subnational governments, and the government’s contingent liabilities.⁵²

Aspects common to both the OBI and PEFA 2016 include measuring the publication of key budget documents, timeliness of publication, comprehensiveness of information contained in the budget documents, the format in which the information is published, and whether summaries of budget information are provided. Interestingly, the budget documents that each performance framework focuses on and the timeline for publication differs. Table 1 below compares the budget documents each performance framework assesses and the timeline they are measured against.

⁴⁹ The PEFA assessment framework is updated periodically, therefore, has several iterations. Most recently, the PEFA 2016 assessment framework replaced PEFA 2011. The latest framework includes more explicit measures related to fiscal transparency.

⁵⁰ At the time of publication, the results of the most recent North Macedonia PEFA Assessment are yet to be released.

⁵¹ See PEFA Secretariat. (2017). *PEFA 2016: Guidance on Tracking PFM Performance for Successive Assessments*. PEFA Secretariat, Washington, DC, https://www.pefa.org/sites/pefa/files/resources/downloads/Tracking%20PFM%20Performance-Revised%20Guidelines%20New%20Logo_Feb20.pdf (accessed 23 January 2022).

⁵² There is a broad substantive alignment between PEFA 2011 PI-8 & PI-10 and PEFA 2016 PI-9 & PI-10.

Table 1: Comparison of Key Budget Documents and Publication Timeline for OBI and PEFA 2016

Budget Documents	Open Budget Index (8 Key Budgeting Documents)	PEFA 2016 PI-5 (9 Key Budgeting Documents)	
		Basic Documents ⁵³	Additional Documents ⁵⁴
Macroeconomic Forecasts			Available within 1 week of their endorsement
Pre-Budget Statement	Published at least 1 month before the budget proposal is submitted to parliament		Published at least 4 months before the start of the fiscal year
Annual Budget Proposal	Published while the parliament is still considering the proposal and before the budget's approval	Published within 1 week of submission to parliament	
Citizens Budget: Summary of Budget Proposal	Published while the parliament is still considering the proposal and before the budget's approval		Published within 2 weeks of the budget proposal being submitted to parliament
Enacted Budget	Published within 3 months of the budget's approval	Published within 2 weeks of the budget's approval	
Citizens Budget: Summary of Approved Budget	Published within 3 months of the budget's approval		Published within 1 month of the budget's approval
In-Year Budget Execution Report	Published within 3 months after the reporting period ends	Routinely available to the public within 1 month of issuance	
Mid-Year Review	Published within 3 months after the reporting period ends		

⁵³ The Audited Annual Financial Report and the External Auditor's Report are considered 1 budget document in the PEFA 2016 Framework but for purpose of comparison with other PFM Assessment Frameworks, are represented as 2 separate documents in the Table.

⁵⁴ The Pre-Budget Statement and the Citizens Budget are considered 1 budget document in the PEFA 2016 Framework but for the purpose of comparison with other PFM Assessment Frameworks, are represented as 2 separate documents in the Table.

Annual Budget Execution Report		Published within 6 months of the end of the fiscal year	
Year-End Financial Statement	Published within 12 months of the end of the fiscal year	Published within 12 months of the end of the fiscal year	
External Audit Report	Published within 18 months of the end of the fiscal year	Published within 12 months of the end of the fiscal year	
Other External Audit Reports			Published within 6 months of submission

Source: Open Budget Index and PEFA Framework

The variance between the definition of key budget documents (i.e., form) and the emphasis on the quality of the information published (i.e., function) lends itself to a comparison of the lessons and recommendations from the respective assessments rather than a direct comparison of specific rankings. It should be noted that the main budgeting documents that these assessments focus on do not explicitly include the budgeting measures that are most heavily relied upon during emergencies, such as contingency appropriations, emergency spending and contracting provisions, reallocations and virements, supplementary budgets, and external grants. The key fiscal transparency findings from OBS 2019 and the relevant state-level PEFA Evaluation for each country are described below.

I. Bosnia and Herzegovina

The OBS 2019 for Bosnia and Herzegovina only covered the state-level jurisdiction (i.e., BiH-Institutions). This includes the BiH Council of Ministers, the highest executive body of state-level governance in Bosnia and Herzegovina, and other state-level institutions. PEFA assessments have been conducted at the BiH-Institutions level in 2014 along with three sub-national jurisdictions, namely the Federation of BiH (BiH), Republika Srpska (BiH), and the autonomous Brcko District. Transparency data on the Federation of BiH (BiH) and Republika Srpska (BiH) were collected for this report along with other subnational jurisdictions that have yet to benefit from a separate PFM assessment during non-emergency conditions, such as Sarajevo Canton (BiH). For the sake of comprehensiveness, transparency ratings from assessments of sub-national jurisdictions conducted during non-emergency conditions have been included as subsets in Table 2 below, which summarizes the fiscal transparency ratings using globally recognized PFM assessment frameworks.

Due to the diffused governance arrangements in Bosnia and Herzegovina, BiH-Institutions has the weakest mandate but is generally considered the most open. Nonetheless, it only received an OBS 2019 Transparency Score of 33. At the time of the survey, only five of the eight key budget documents the framework measures were available to the public.⁵⁵ The Government has never published a Citizens Budget or Mid-Year Budget Review and since OBS 2015, the In-Year Reports have been published late. Amongst the key budget documents that were published, the assessment raised concerns over the quality of the Executive’s Budget Proposal. It recommended additional revenue and expenditure information be included in future Budget Proposals. In addition, the comprehensiveness of the Enacted Budget was raised as an area for improvement. Specifically, the inclusion of expenditure estimates for individual programs, additional information on individual sources of revenue, and estimates of internal debt were identified as areas for strengthening.

The 2014 federal PEFA Evaluation for Bosna and Herzegovina used the PEFA 2011 framework, which used a less stringent measure to assess fiscal transparency. Bosnia and Herzegovina met the threshold for five of the nine information benchmarks related to the publication of key budgetary documents.⁵⁶ All key information, including budget documentation, execution, and audit reports as well as contract awards were found to be made available to the public in timely manner. However, the documentation did not contain information on financial assets for different institutions and information about the previous year’s budget out-turn was not presented in the same format as the budget document. As such, the comprehensiveness of information included in budget documentation (PEFA 2011 PI-6) was given a B rating while the orderly publication of fiscal information (PEFA 2011 PI-10) received an A rating as five of the six publication benchmarks were met (and the final one was not applicable).

II. North Macedonia

North Macedonia received an OBS 2019 Transparency Score of 41. Seven key budget documents were available to the public.⁵⁷ Even though the Executive’s Budget Proposal that was submitted to the legislature for approval details the sources of revenue, allocations to ministries, proposed policy changes, and other information important for understanding the country’s fiscal situation, the overall quality of this budget document was weak compared to the comprehensiveness of other budgeting documents published.

⁵⁵ Pre-Budget Statement, Executive’s Budget Proposal, Enacted Budget, Year-End Report, and Audit Report.

⁵⁶ The number of Key Budget documents differ between PEFA 2016 and PEFA 2011. PEFA 2011 PI-10 “Public Access to Key Fiscal Information” used 6 benchmarks to rate a country’s performance: (i) Budget documentation submitted to parliament; (ii) Public access to in-year budget execution reports; (iii) Public access to year-end financial statements within 6 months after the completion of the audit; (iv) External audit reports published within 6 months of the completion of the audit; (v) Contracts over \$100,000 published at least quarterly; and (vi) Information about resources available to primary service units [i.e., schools and health clinics] published at annually or available on request. BiH-Institutions (BiH) met the threshold for benchmark (i), (ii), (iv), and (v).

⁵⁷ Pre-Budget Statement, Executive’s Budget Proposal, Enacted Budget, Citizens Budget, In-Year Reports, Year-End Report, and Audit Report.

In comparison to past rounds of the OBS, in 2019 North Macedonia recorded improvements in the publication of the Pre-Budget Statement and the Citizens Budget was published for the first time.

Consistent with previous assessments, the Mid-Year Review was not published. After achieving its lowest Transparency Score of 35 in OBS 2012, North Macedonia – to its credit - has gradually improved its performance during each subsequent OBS round. To continue to improve its fiscal transparency performance, the OBS 2019 recommended that additional policy and fiscal risk information be included in the Executive’s Budget Proposal and the comprehensiveness of the Citizens Budget be strengthened by including additional information on the main policy initiatives in the budget, follow-up mechanisms and contact information to improve citizen engagement and access to follow-up information. OBS 2019 also recommended that the Mid-year Review, consistent with international standards, include a review of the economic assumptions underpinning the budget and an updated forecast of budget outcomes as well as a comprehensive update on the implementation of the budget as of the middle of the fiscal year.

North Macedonia is presently finalizing a PEFA evaluation using the PEFA 2016 Framework (not yet published), following a previous round in 2015. As for Bosnia and Herzegovina, the previous 2015 assessment was conducted using the earlier PEFA 2011 framework. The previous evaluation did apply several new criteria that were intended for the updated PEFA 2016 framework but had, at the time, not been formally adopted. In the 2015 assessment, North Macedonia received an A for public access to key fiscal information (PEFA 2011 PI-10), a B for the comprehensiveness of the budget information in the budget documents (PEFA 2011 PI-6) as only six of the nine information benchmarks were met. Limitations identified in the assessment included the absence of cash balances or other financial assets in the Fiscal Strategy or the Budget Documents to allow for a comparison of the previous year’s budget out-turn against the proposed budget. In addition, summarized budget data for both revenue and expenditure were absent, key budget documents did not include summaries of proposed expenditure related to budget classifications, analysis of the impact of proposed policies was not provided, and there was limited information about fiscal risk and contingent liabilities.⁵⁸ In the draft 2021 assessment, North Macedonia retains an ‘A’ rating for public access to key fiscal information, but only a D for the comprehensives of budget information, as the number of overall elements included in the budget documentation dropped to five out of a total of 12 requirements (based on the 2016 PEFA methodology).

III. Serbia

Serbia has a OBS 2019 Transparency Score of 40. Like Bosnia and Herzegovina, only 5 key budget documents were available to the public.⁵⁹ After achieving a Transparency Score of 47 in OBS 2015, Serbia’s overall transparency performance declined to 43 in OBS 2017. The OBS 2019 score marked another downward shift in Serbia’s fiscal transparency performance, despite the publication of an additional key budget document for the first time leading up to the OBS 2019 assessment, namely the Citizens Budget. The OBS framework assesses both the form and function of key budgeting documents. Despite, the publication of the Citizens Budget, there is potential for the document to be strengthened over the coming

⁵⁸ Wiggins, J., Philip, J., Pogačar, B., & Bajo, A. (2015). *PEFA Assessment of the Former Yugoslav Republic of Macedonia Report*. DFC International Consultants: pp.7 & 35. <https://www.pefa.org/node/921> (accessed 23 January 2022).

⁵⁹ Executive’s Budget Proposal, Enacted Budget, Citizen’s Budget, In-Year Reports, and Audit Report.

years to ensure the content is presented in a way that is more accessible. The Mid-Year Review was produced in 2019 for the first time since 2012 but was only for internal use and not published. A Pre-Budget Statement and the Year-End Report were not produced at all. In the case of the Year-End Report, this is a step back from the previous assessments when this document was published. Serbia can improve its fiscal transparency performance by publishing the remaining key budget documents it did not routinely publish at the time of the 2019 assessment (i.e., Pre-Budget Statement, Mid-Year Review, and Year-End Report), improving the comprehensiveness of the Citizens Budget, incorporating additional policy and fiscal risk information in the Budget Proposal, and expanding the scope of regular audits conducted by the SAI within its existing mandate.

In 2021, Serbia completed a PEFA evaluation using the PEFA 2016 framework. In relation to fiscal transparency measures, PEFA 2016 PI-9 measures the comprehensiveness of fiscal information available to the public based on key documents or elements of information that are published. In Serbia, two of the basic documents are not published in a way that allows the information to be accessible to the public. The In-Year Budget Execution Reports are produced but not made publicly available in a format that allows for comparison with the enacted budget. The Annual Budget Execution Report is not published before the final accounts are sent to parliament. The absence of these basic documents means performance was rated as a D. There was also concern about the lack of performance information included in key published budgeting documents.

PEFA 2016 P-10 measures the extent to which fiscal risks are reported. The assessment acknowledged that the Government is developing these capacities; however, it stressed the need to strengthen its analysis of fiscal risk. The published Fiscal Strategy is meant to describe and quantify fiscal risk, whether associated with adverse macro-fiscal situations, financial positions of sub-national governments or public corporations, and contingent liabilities of the central government. However, at the time of the assessment there was limited data to conduct the analysis, which restricts the potential publication of this information in the Fiscal Strategy. This contributed to an overall C + rating for this indicator.

Table 2 below provides a comparison of the ratings that each state-level jurisdiction received for fiscal transparency indicators during the most recent PFM performance assessments. Although OBI assessments have not been conducted at the sub-national level in Bosnia and Herzegovina, the PEFA assessment ratings for Federation of BiH (BiH) and Republika Srpska (BiH) are included in the table to provide a more complete summary of non-emergency PFM assessment outcomes across the jurisdictions covered by this report.

Table 2: Comparison of Fiscal Transparency Ratings for each Country and Sub-National Jurisdiction from Recent PFM Assessments conducted in Non-Emergency Conditions

Country/ Sub-National Jurisdiction	OBI Transparency Score 2019	PEFA Assessments		
		Budget Documentation/ Comprehensiveness <i>[PEFA 2016 PI-5 or closest PEFA 2011 equivalent (i.e., PI-6)]</i>	Public Access to Key Information <i>[PEFA 2016 PI-9 or closest PEFA 2011 equivalent (i.e., PI-10)]</i>	Fiscal Risk Reporting <i>[PEFA 2016 PI- 10 or closest PEFA 2011 equivalent (i.e., PI-9)]</i>
BIH-Institutions (BiH)	33	C (2014)	A (2014)	A (2014)
Federation of BiH (BiH)	NA	C (2014)	B (2014)	D (2014)
Republika Srpska (BiH)	NA	B (2014)	A (2014)	C+ (2014)
North Macedonia	41	D (2021)	A (2021)	C (2021)
Serbia	40	B (2021)	D (2021)	C+ (2021)

Source: Authors based on OBI and PEFA reports.

D. Comparison of Fiscal Transparency Practices Across Jurisdictions during the Covid-19 Emergency

This section of the analysis identifies patterns across jurisdictions and how practices during the Covid-19 emergency compared to international examples. An evaluation of implementation gaps during this period is provided, outlining disparities between legal transparency mandates and actual emergency implementation practices. This is complemented by an evaluation of the accessibility and openness of fiscal information more generally. The comparative assessment is framed around five key themes, namely Transparency of Covid-19 Spending; Transparency of Special Assistance; Transparency of COVID-19 related Public Procurement; Audit of Covid-19 Emergency Spending; and Information Accessibility. Each of the topics are covered in greater detail below.

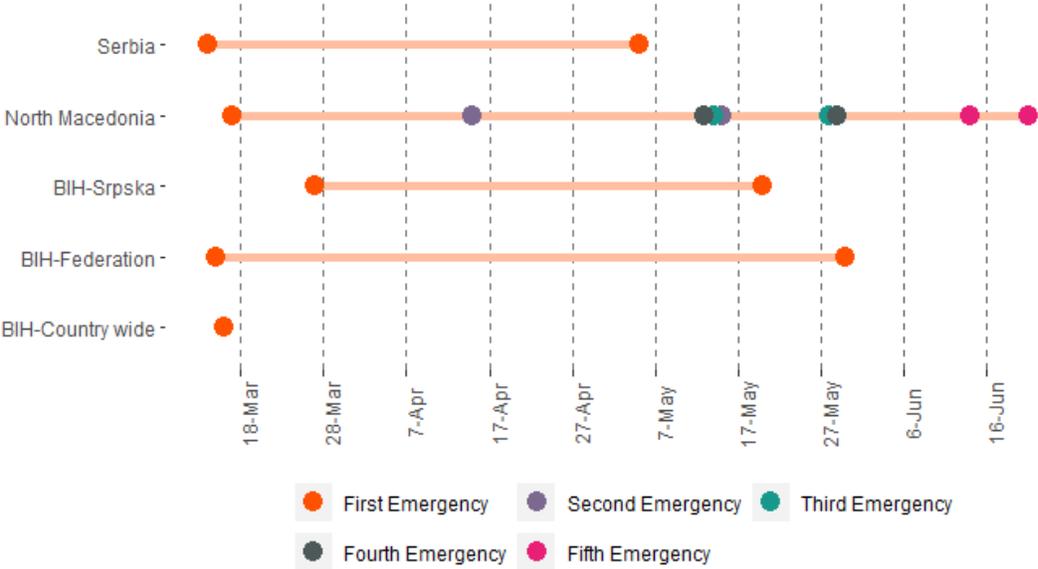
I. Period of Analysis

This report focuses on fiscal transparency rules and practices in the selected Western Balkan jurisdictions during the initial year of the Covid-19 pandemic response, specifically March 2020 to June 2021. For the purposes of data collection, the study adopted the period when formal emergencies were declared in the Western Balkan jurisdictions (namely March 2020) as the starting point for the crisis. The fiscal year in all jurisdictions aligns with the calendar year. The study continued to collect data through until normal budgeting mechanisms reengaged in the next fiscal year (i.e., early in 2021). Desk research continued through 2021 to monitor transparency related to the implementation of emergency measures and capture lessons from external audit findings published over the course of 2021.

The time period includes the time when States of Emergency were declared across the jurisdictions covered, but also the subsequent months when the Covid-19 crisis continued but formal emergencies were lifted (Graph 1). State of emergency declarations allow governments to exercise greater power or forego certain controls in the short-term to maintain agility in the face of an emergency. Broad emergency declarations can suspend normal rules and processes contained in budgeting and PFM laws, such as the need to obtain parliamentary approval for new expenditure, and to reallocate funds within the budget without external approval or complying with regular procurement processes.

Some PFM legislation has discrete provisions that allow the government to disregard policy or process constraints for a short period, also beyond a declared State of Emergency, so long as a justification is provided. For instance, in Serbia the *Budget System Law* recognizes extraordinary circumstances and allows temporary deviations from fiscal rules. In such a situation, the Government is obliged to prepare a report outlining how it will re-comply with the fiscal rules and submit it to the National Assembly within 30 days or through the next Fiscal Strategy. The Republika Srpska (BiH) *Fiscal Responsibility Law* also allows such exemptions and requires a justification to deviate from the rules and the presentation of a strategy to return to compliance.

Graph 1: State of Emergency Timelines for Jurisdictions



Source: Authors based on materials collected

II. Transparency of COVID-19 Spending

Budget and Spending

Almost all the reviewed governments’ original budgets were approved before the start of 2020. After the onset of the crisis, each jurisdiction needed to approve one or two subsequent rebalances in response to the pandemic. The specific budgeting timelines are outlined in Graph 2 below.

Graph 2: Budget Adoption and Revision Timelines for 2020



Source: Authors based on materials collected

BiH-Institutions⁶⁰ were the only exception to this trend. The Government⁶¹ adopted its original budget in the middle of 2020; therefore, the initial budgeting documents already included Covid-19 related spending. Sarajevo Canton (BiH) adopted its second budget adjustment by July 2020. Serbia, North Macedonia, and Republika Srpska (BiH) adopted second adjustments before the end of the year. The Federation of BiH (BiH) only had one budget adjustment for the period that is the focus of the analysis.

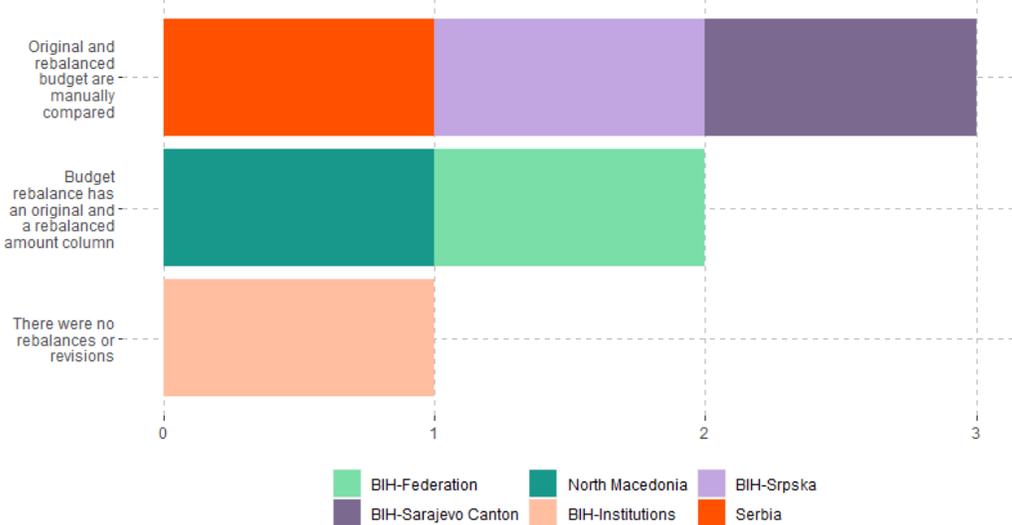
Information on budget rebalances from at least one publicly accessible source for each jurisdiction were located. Some jurisdictions, such as North Macedonia, published documents in machine-readable formats, including on pandemic-specific websites. However, there were no specific provisions in the budget adjustments/ supplemental budget documents that addressed the need for fiscal transparency or incorporated tailored processes or actions aimed at enhancing fiscal transparency through the emergency measures.

⁶⁰ The research covers the following BiH jurisdictions – BiH-Institutions, Sarajevo Canton (BiH), Republika Srpska (BiH), and Federation of BiH (BiH).

⁶¹ The term “Government” is used to refer to the “BiH Council of Ministers”, the highest executive body at the BiH-Institutions level of governance.

In most of the rebalanced budgets, budget adjustments or reallocations were not clearly delineated beyond aggregate balances. Graph 3 below details the information each jurisdiction provided when rebalancing the budget. Reallocations were not presented in a single document and, mostly, did not provide the information in machine readable formats. As such, when information related to budget adjustments was available, most of the data needed to be extracted and processed manually if it was to be understood in the context of the broader budget and policy framework for the jurisdiction.

Graph 3: Information Provided when Rebalancing the Budget



Source: Authors based on materials collected

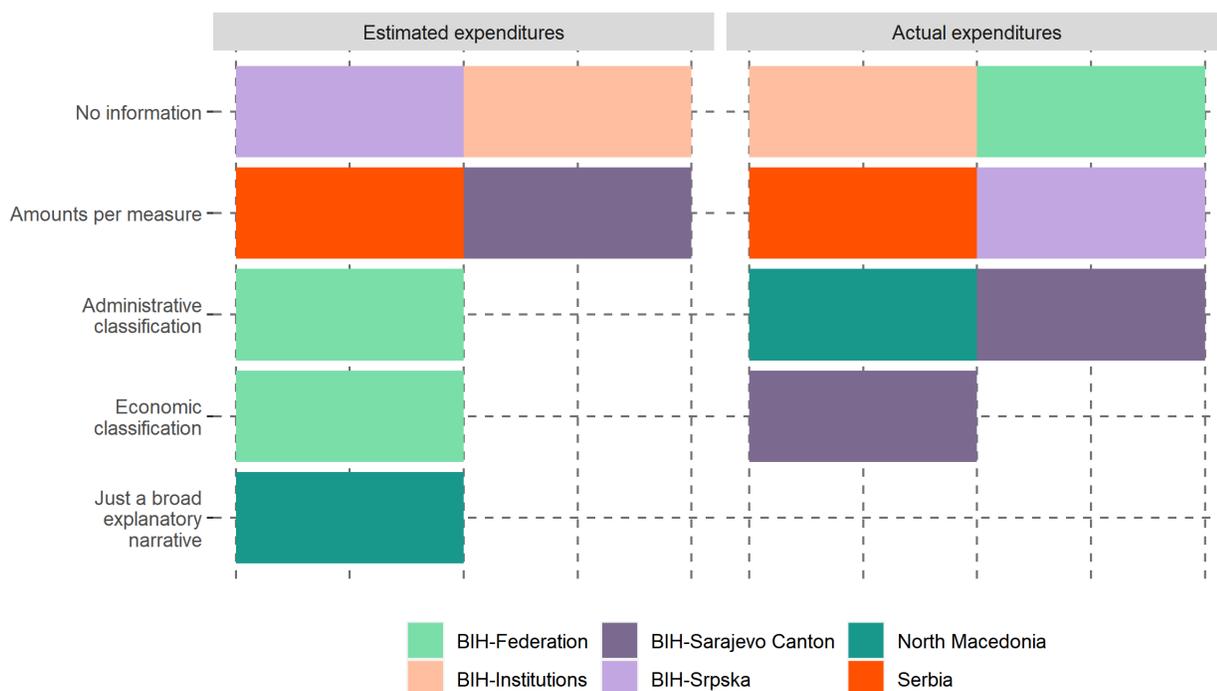
South Africa is an example as to how governments can maintain fiscal transparency around supplementary budgeting processes, especially during an emergency. In 2016, South Africa created an Open Budget Portal as part of its efforts to implement its third Open Government Action Plan.⁶² Conditions arising from the Covid-19 pandemic meant the Government of South Africa had to prepare a supplementary budget. Spending information and adjustments were disclosed on the Open Budget Portal,⁶³ including the main budget balance, tax revenue shortfalls, and non-interest increases in expenditure related to emergency measures. Supplemental spending was mapped according to key emergency measures (such as support to vulnerable households, the health system, municipalities, frontline services, and SMEs) as well as allocations to departments, spending units, and programs. Importantly, disclosed information included the policy and financing trade-offs for 20 programs with the biggest decrease in funding.

⁶² South Africa’s Third National OGP Action Plan 2016-18. (2016). Open Government Partnership. <https://www.opengovpartnership.org/members/south-africa/commitments/ZA0017/> (accessed March 28, 2022).
⁶³ Government of South Africa. (2020). *Supplementary Budget 2020/21*. Web publication through vulekamali/ SA Online Budget Data. <https://vulekamali.gov.za/covid-19-response/supplementary-budget-2020-21/> (accessed March 28, 2022).

Budgeting totals were only broadly demarcated in BiH, North Macedonia, and Serbia; however, the greatest hurdle to understanding how public resources were being directed as part of the emergency response was the limited application of budget classifications for different types of expenditure. Basic administrative and functional classifications are essential for monitoring allocative and operational performance. Even in the absence of program-based budgeting, governments can add functional classifications to track and monitor resources allocated to different emergency programs. Ideally, program and expenditure classifiers adopted for emergency measures should align as closely with those used during normal budgeting processes. This would provide a clearer bridge between the expenditure contained in the original budgeting documents and subsequent adjustments and targeted emergency response measures.

The documentation supporting the emergency fiscal policy packages generally did not include detailed budget classifications and were weakly linked to other routine budget documents published before the start of the crisis. Graph 4 details the different approaches and level of budget classification applied to budgeting documents in each jurisdiction. Despite the lack of budget classifications, it was possible to manually identify major re-allocations (except for BiH-Institutions) based on differences in overall budgeting totals (e.g., variance in Health Department budgets) and, in some cases, administration classifications.

Graph 4: Budget Classifications and Policy Information provided for Covid-19 Measures



Source: Authors based on materials collected

There was limited use of detailed classifications in emergency responses. Even when basic classifications were published, such as in Serbia, Republika Srpska (BiH), and Sarajevo Canton (BiH) they were not published in an open format, so had to be manually correlated against emergency policy objectives and previous budget allocations. The Serbian "Program of Economic Measures to Reduce the Negative Effects Caused by the COVID-19 Virus Pandemic and Support the Serbian Economy" only showed aggregate

spending amounts per measure. The justification for the second budget rebalance, which was based on actual expenditures, also only offered aggregate information rather than delineated information tagged to specific initiatives.

North Macedonia has a Covid-19 dedicated webpage with a list of government institutions responding to the crisis and transfer recipients that benefitted from state aid. However, there is no way to connect this information with budgeting documents produced in the normal course of the budgeting year or the broader government policy framework as only a broad explanatory narrative of the estimated expenditures was provided.

The Federation of BiH (BiH) included information about Covid-19 transfers in their rebalanced budget, which provides a breakdown of estimated expenditures by administrative and economic classification. Sarajevo Canton (BiH) also provided estimates for each spending measure and applied administrative and economic classifications in their budget expenditure reports. Meanwhile, Republika Srpska (BiH) only published the details of businesses that received state aid as part of the emergency response on two websites. Problematically, none of the information published in any jurisdiction identified the budget trade-offs for the emergency measures that were adopted.

As outlined above, effective functional classification in the budget documents is a useful tool for governments to show how public funds are being mobilized to respond to a crisis. France used program classifications to identify Covid-19 spending in the state budget. The first *Supplementary Budget Law (SBL)* detailed the broad policy goal of tackling the pandemic and established two programs that were to be funded through the SBL. As the emergency evolved, a second SBL established and appropriated funds for two additional programs. Data regarding emergency response spending could be monitored through program classifications in the budget, disclosed through the French Open Data Portal, which proactively disclosed the flow of resources to key response areas.

Global Example: France – Publication of Approved Emergency Expenditure using Program Classifications

The screenshot shows the data.gouv.fr website interface. At the top left is the French Republic logo and the text 'data.gouv.fr'. To the right, it says 'Open platform for French public data'. Below the logo are navigation links: 'Data', 'Reuse', 'Organizations', 'Dashboard', 'Documentation', 'News', 'Support'. On the right side, there are flags for France and a 'Login / Register' button. A search bar with the placeholder 'Research' is visible. The main content area features the title 'Data relating to the solidarity fund set up in the context of the COVID-19 epidemic' and a sub-note 'This dataset comes from a certified public service' with a 'COVID-19' tag. The text describes the solidarity fund established in March 2020. On the right, there is a 'Producer' section with the 'etalab.gouv.fr' logo and a 'Produced with Open Data Commons' seal. At the bottom right, the word 'Etalab' is displayed.

Source: data.gouv.fr

Another global example of the publication of budget classification in key budget documents is Peru. Peru provided emergency response budget classification information by publishing a Covid-19 open format dataset that included all relevant regularly used budget classifications, linked emergency expenditure to regular budget datasets, and identified subsequent budget adjustments as part of the regular budgeting framework.

The government created a devoted Covid-19 section on the Peru Open Data Portal⁶⁴ that consolidated information and datasets on budget spending, procurement procedures, and other health and demographic data points such as Covid-19 cases by region, mortality rates etc. The spending dataset includes relevant core metadata such as update frequency, the institution responsible for maintaining the data, and license information. The dataset has identifiers and labels for administrative, economic, functional, and programmatic classifications for budget allocations and is available in CSV and XLSX formats (three-star linked data⁶⁵). The dataset has original budget allocations and adjusted budget columns incorporating Covid-19 measures and uses the same variables as in its regular budget dataset,⁶⁶ allowing linkages to be easily made.

Trust Funds, Extra-budgetary Funds & Emergency Specific Funds

Public resources used by the respective jurisdictions to respond to the pandemic were predominantly managed through the budget.⁶⁷ This is a notable achievement as budget comprehensiveness and consistency are key PFM objectives. The few exceptions were:

- Serbia's Health Insurance Fund (HIF), which was bolstered by RSD 85 billion (approximately US\$ 85 million) primarily for the prevention and mitigation of Covid-19. The HIF had a large funding gap owing to the decline in social contributions because of the pandemic. The gap was mainly covered by budget transfers from the Ministry of Finance and the Ministry of Health.
- Serbia established a Development Fund that provided off-budget support to SMEs by providing loans that businesses could use for liquidity and working capital. The *Decree on Determining the Program of Financial Support to Economic Entities for Maintaining Liquidity and Working Capital in Difficult Economic Conditions due to the COVID-19 Pandemic Caused by the SARS-COV-2 Virus* provided the legal basis for the fund and laid out the institutional arrangements, policy rationale, reporting/auditing requirements, and estimated and actual total expenditure.

⁶⁴ See Plataforma Nacional de Datos Abiertos. (n.d.) Peruvian Government.

<https://www.datosabiertos.gob.pe/dataset/ejecuci%C3%B3n-presupuestal-consulta-amigable-ministerio-de-econom%C3%ADa-y-finanzas-mef/resource-7> (accessed 23 January 2022).

⁶⁵ See Berners-Lee, T. (2009), "Up to Design Issues" for more information about the Linked Data star system, <https://www.w3.org/DesignIssues/LinkedData.html> (accessed 23 January 2022).

⁶⁶ See the budget execution reports for the years 2014 to 2021 on Plataforma Nacional de Datos Abiertos. (n.d.) Peruvian Government. <https://www.datosabiertos.gob.pe/dataset/ejecuci%C3%B3n-presupuestal-consulta-amigable-ministerio-de-econom%C3%ADa-y-finanzas-mef/resource-7> (accessed 23 January 2022).

⁶⁷ North Macedonia has a Health Insurance Fund (HIF); however, based on a published information, it is unclear if the HIF was used it for the COVID-19 emergency response.

- Only Republika Srpska (BiH) has an emergency fund that was managed off-budget. Published documentation includes its legal mandate, policy rationale, institutional arrangements, and estimates of income.
- Donor-funds in Serbia, BiH-Institutions, and Sarajevo Canton (BiH) were managed off-budget. There were no donor-funds reported in budgeting documents in North Macedonia and Federation of BiH (BiH) and no significant donor grants were recorded in Republika Srpska (BiH), despite media and donor reports to the contrary.

It was generally observed that the transparency of HIFs and spending from reserve allocations was lower than for main budget expenditures. This suggests greater consideration should be paid to fiscal transparency elements of off-budget emergency response measures.

Public Investments

Information on public investment is scarce across the region. Researchers compared budget documents, budget execution reports, results from internet searches, and information on official government websites. Contrary to global trends, there are no dedicated portals on public investment.

Most countries did not disclose information about new, accelerated, or decelerated public investment projects as part of the response to the economic crisis or the medium to long-term spending implications of changes in public investments. For Serbia and North Macedonia, no systematic sources of information related to public investment and Covid-19 spending was identified. In Serbia, capital project allocations in the budget were reduced or postponed during the early phase of the pandemic, but this was not explicitly announced.

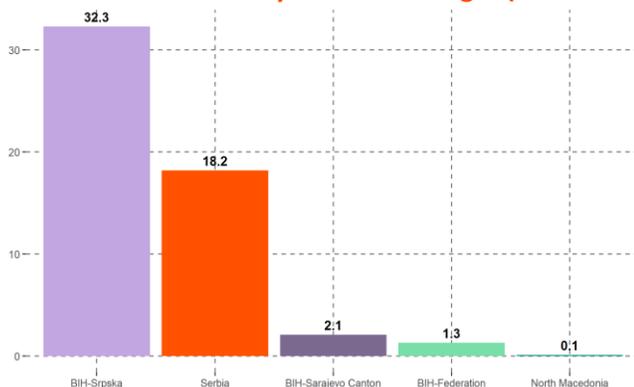
Only general information about public investments could be garnered from comparing the original and rebalanced budgets and/or through internet searches. It appears that there were budget cuts to public investment in Republika Srpska (BiH) across the period analyzed. No new public investments spending was disclosed in BiH-Institutions. Accessible information suggests public investments were generally downsized in Federation of BiH (BiH), but specific information could only be found for one of the major investment projects.

Sarajevo Canton (BiH) was the exception to the regional trend regarding publication of public investment information. Through budget documents, it was possible to identify Covid-19 related changes in public investment in the health, education, and civil protection areas.

Health Sector Spending

All jurisdictions increased the Ministry of Health's budget,⁶⁸ except for BiH-Institutions as it does not have a health spending mandate. The overall increase documented in the budget documents is outlined in Graph 5.

Graph 5: Increase in the Ministry of Health budget (amounts in million euros) *



*North Macedonia's increase refers to the health function (functional classification).

Source: Authors based on materials collected

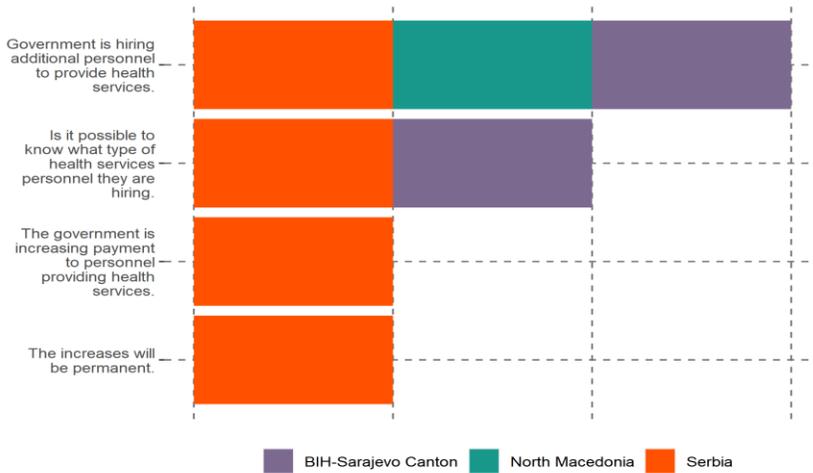
Information in the budget documents is sufficiently detailed to determine additional resources were devoted to hiring health workers in all jurisdictions responsible for financing health services, aside from Republika Srpska (BiH).⁶⁹ However, the budget documents do not provide information about the number of staff, type of services provided, payment levels, and the permanency of the posts created. The type of information about additional workforce expenditure published by the jurisdictions is outlined in Graph 6.

Serbia provided the most information about the workforce expenditure, followed by Sarajevo Canton (BiH). Research in North Macedonia only showed the government hired new staff. Republika Srpska (BiH) published limited data aside from information verifying there were no salary increases.

⁶⁸ In BiH and Serbia the researchers used the Health Ministry for this assessment (administrative classification), while in North Macedonia, the increase refers to the health function (functional classification).

⁶⁹ BiH-Institutions and Federation of BiH (BiH) are not included. BiH-Institutions does not provide health services. In Federation of BiH (BiH), health services are provided directly by cantons. Only certain public and tertiary-level health services are financed by the Federation of BiH (BiH) level.

Graph 6: Transparency of Spending on Health Workforce



Source: Authors based on materials collected

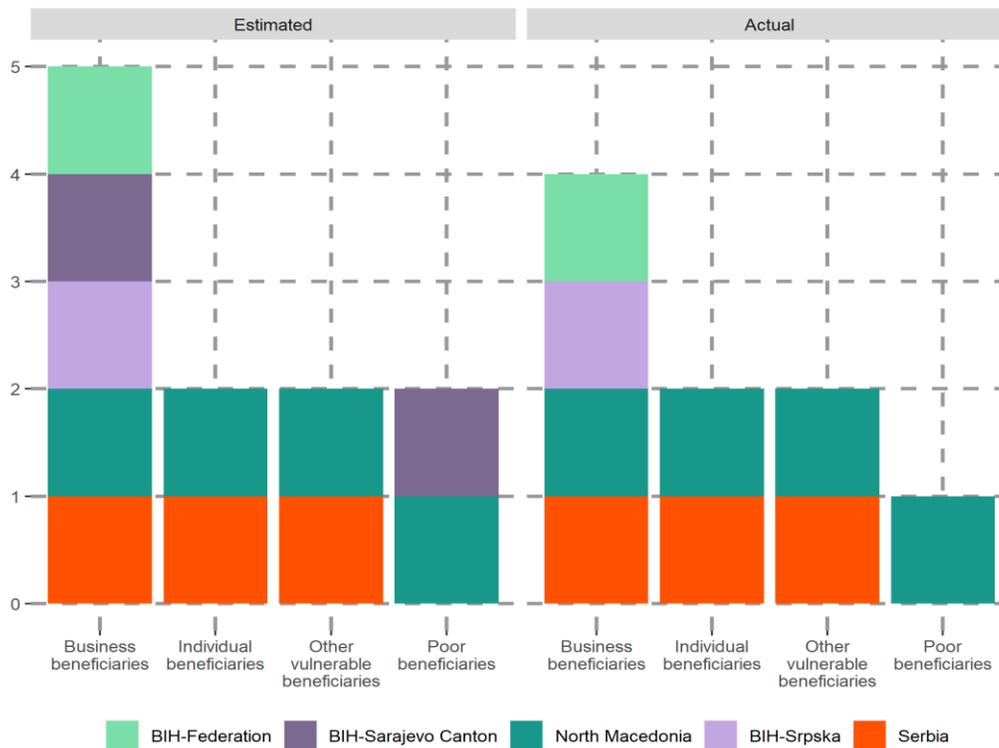
III. Transparency of Special Assistance

Special assistance has been a critical pillar of governments’ responses to the crisis across the globe. All jurisdictions examined in this report have state aid laws that stipulate rules for support to different beneficiaries. All three countries instituted special arrangements for the allocation of assistance during the emergency relying on a myriad of instruments including decrees and temporary frameworks.

All governments⁷⁰ published some information on the support given to different types of beneficiaries as part of the Covid-19 response. The primary beneficiaries of special assistance measures have been SMEs that received state aid and individuals belonging to vulnerable groups who received social support. Graph 7 provides a breakdown of the broad clustering of beneficiaries the respective jurisdictions supported through special assistance.

⁷⁰ Except for BiH-Institutions due to its limited mandate related to this responsibility.

Graph 7: Availability of Information on Special Assistance by Beneficiary



*The “Other vulnerable beneficiaries” category includes beneficiaries that the researchers considered vulnerable in their respective countries, such as the unemployed, women, single parents, and pensioners.

Source: Authors based on materials collected

There is a variance in transparency practices adopted by each jurisdiction regarding the beneficiaries of these emergency measures. No pre-existing laws or emergency measures in any jurisdiction requires disclosure of information or analysis related to the different types of beneficiaries for state aid. For instance, in North Macedonia the state aid law only prescribes the submission of annual reports by agencies on overall expenditure and in BiH-Institutions there have only been calls for issuing bylaws establishing conditions for awarding aid.

North Macedonia and Serbia include an explanatory narrative and state aid eligibility criteria in their budgeting documents. It is notable that North Macedonia is the only jurisdiction that published the estimated and actual Covid-19 support given to all categories of beneficiaries. Serbia provides information on expected and actual expenditure but does not have disaggregated information on social support, not even socio-economic data. As such, it is difficult to determine the extent of support being provided to the poor or other target groups.

BiH jurisdictions published limited information on individual beneficiaries. Sarajevo Canton (BiH) was the only jurisdiction that released information on the estimated support provided to unemployed workers. None of the governments released information allowing a discrete disaggregation of information by gender. Serbia was the only country that mentioned support to women within the scope of its response, mainly through the provision of hygiene packages and essential food supplies.

Transparency of State Aid for SMEs

All governments published information on the support provided to business beneficiaries.⁷¹ For example, from information disclosed, Serbia provided direct financial support to businesses that did not reduce their number of employees by more than 10 percent and/ or focused on the agriculture, tourism, and health sectors. They also provided loans to SMEs that could establish they were financially stable before the pandemic. Information about individual businesses that benefited from government aid during the emergency is available in most jurisdictions.

North Macedonia had a pillar of its Covid-19 response titled “private sector to keep economic activity and jobs alive”. The measure included eligibility for support under the pillar. North Macedonia subsequently disclosed Covid-related payments to business beneficiaries, including providing an individual budget classification for each transfer.

Regional Example: North Macedonia - Disclosure of Individual Covid-19 Emergency Payments to Businesses in Public Expenditure Records

DATE	GOVERNMENT OF REPUBLIC OF MACEDONIA	PROJECT NAME	AMOUNT (MKD)	ACCOUNT NO.	CLASSIFICATION	REMARKS
13.05.2020	GOVERNMENT OF REPUBLIC OF MACEDONIA	TINO-EDV DOEL IMPORT EXPORT KUMANOVO	14,500.00	464990	P1	Covid - 19
13.05.2020	GOVERNMENT OF REPUBLIC OF MACEDONIA	GARDENA-PROEKT DOEL VEVCANI STRUGA	14,500.00	464990	P1	Covid - 19
13.05.2020	GOVERNMENT OF REPUBLIC OF MACEDONIA	EL-ROI-SARI DOEL SKOPJE	21,750.00	464990	P1	Covid - 19
13.05.2020	GOVERNMENT OF REPUBLIC OF MACEDONIA	CRNOPET DOEL STRUGA	21,750.00	464990	P1	Covid - 19

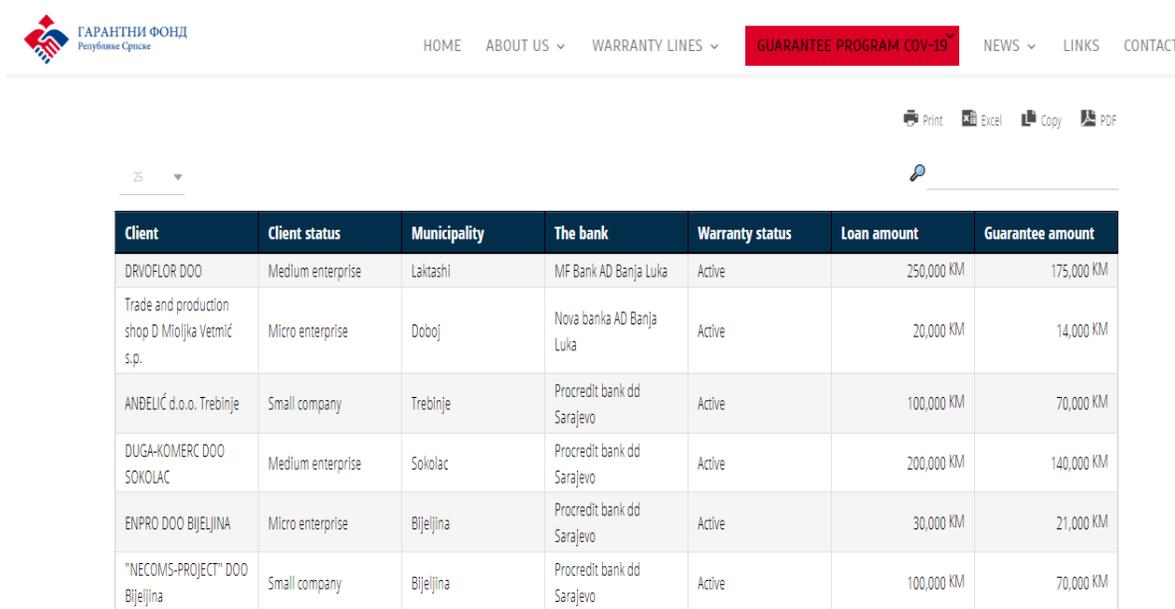
Source: koronavirus.gov.mk

⁷¹ Except for BiH-Institutions due to its limited mandate related to this responsibility.

In the BiH jurisdictions, Republika Srpska (BiH) and Federation of BiH (BiH) published a list of businesses benefitting from grants and/ or the Guarantee Fund established in response to the emergency. Sarajevo Canton (BiH) published information as to those businesses its response measure was targeting.

Regional Example: Republika Srpska (BiH) & Federation of BiH (BiH) - Disclosure of the Name of Businesses and the Value of Guarantees Granted

Example of Republika Srpska (BiH) Disclosure of Business Beneficiaries

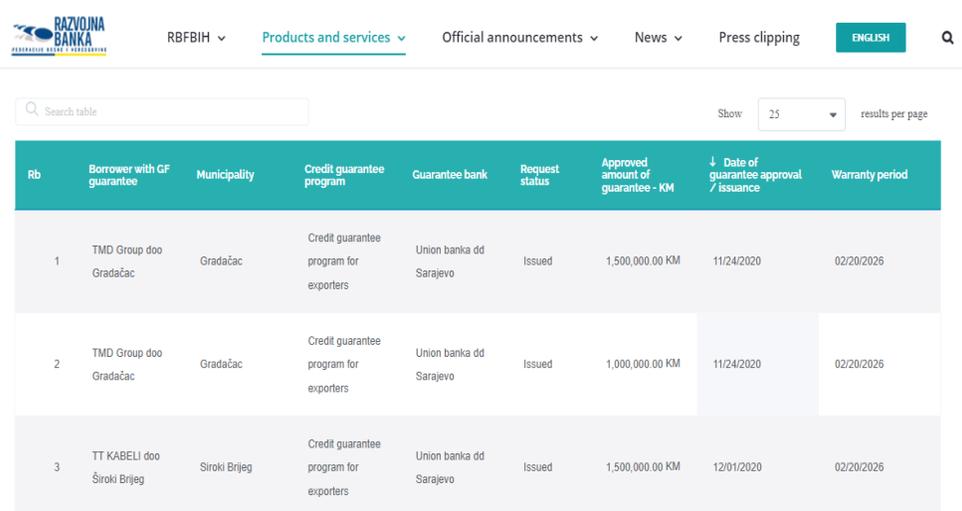


The screenshot shows the website of the Guarantee Fund (GARANTNI FOND) in Republika Srpska. The navigation menu includes HOME, ABOUT US, WARRANTY LINES, GUARANTEE PROGRAM COV-19 (highlighted), NEWS, LINKS, and CONTACT. There are utility icons for Print, Excel, Copy, and PDF. A search bar and a dropdown menu showing '25' are visible above the table.

Client	Client status	Municipality	The bank	Warranty status	Loan amount	Guarantee amount
DRVOFLOR DOO Trade and production shop D Mliljka Vetmić s.p.	Medium enterprise	Laktashi	MF Bank AD Banja Luka	Active	250,000 KM	175,000 KM
ANDELIĆ d.o.o. Trebinje	Micro enterprise	Doboј	Nova banka AD Banja Luka	Active	20,000 KM	14,000 KM
DUGA-KOMERC DOO SOKOLAC	Small company	Trebinje	Procredit bank dd Sarajevo	Active	100,000 KM	70,000 KM
ENPRO DOO BIJEIJINA	Medium enterprise	Sokolac	Procredit bank dd Sarajevo	Active	200,000 KM	140,000 KM
"NECOMS-PROJECT" DOO Bijeljina	Micro enterprise	Bijeljina	Procredit bank dd Sarajevo	Active	30,000 KM	21,000 KM
	Small company	Bijeljina	Procredit bank dd Sarajevo	Active	100,000 KM	70,000 KM

Source: Authors based on materials collected

Example of Federation of BiH (BiH) Disclosure of Business Beneficiaries



The screenshot shows the website of the Development Bank (RAZVOJNA BANKA) in the Federation of BiH. The navigation menu includes RBFBIH, Products and services, Official announcements, News, Press clipping, and ENGLISH. There is a search bar and a dropdown menu showing '25' results per page.

Rb	Borrower with GF guarantee	Municipality	Credit guarantee program	Guarantee bank	Request status	Approved amount of guarantee - KM	Date of guarantee approval / issuance	Warranty period
1	TMD Group doo Gradačac	Gradačac	Credit guarantee program for exporters	Union banka dd Sarajevo	Issued	1,500,000.00 KM	11/24/2020	02/20/2026
2	TMD Group doo Gradačac	Gradačac	Credit guarantee program for exporters	Union banka dd Sarajevo	Issued	1,000,000.00 KM	11/24/2020	02/20/2026
3	TT KABELI doo Široki Brijeg	Široki Brijeg	Credit guarantee program for exporters	Union banka dd Sarajevo	Issued	1,500,000.00 KM	12/01/2020	02/20/2026

Source: Authors based on materials collected

Transparency of Social Support for Vulnerable Groups

Information about social assistance provided to vulnerable groups is the least clear. Jurisdictions did not use budget classifications for special assistance measures for vulnerable groups either related to budget allocations or payments.⁷² The lack of disaggregated demographic, socio-economic or regional data make it difficult to assess if social assistance was properly targeted and which groups received the greatest support. This limits any independent assessment of the impact or effectiveness of relief measures. Monitoring the effectiveness of social protection measures during the Covid-19 emergency response requires disaggregated expenditure data classified according to vulnerable beneficiaries.

All the jurisdictions broadly articulated the vulnerable groups emergency measures were targeting, whether they were the poor, minority populations, women and children, and/ or other vulnerable beneficiaries. However, there were not any differentiated estimates of support for each vulnerable group or actual expenditure for those specific groups. Only Serbia and Republika Srpska (BiH) provided some follow-up information on expenditure. The former published aggregate data by type of incentive in their second adjusted budget, while the latter presented specific amounts per beneficiary on the Tax Administration website.

Identifying Vulnerable Groups in the Design and Delivery of Emergency Responses

Canada provides an international example as to how to include delineated data in an economic response plan. The Annex⁷³ to the Canadian Government's Economic Response Plan specifies each measure's targeted population group, disaggregated by gender, income distribution, and generation. It also details the findings from a gender-based analysis conducted during the first policy stage of the emergency response. This example illustrates that the impact of policies on specific beneficiaries can be included during the design stage, even during the preparation of a response to a crisis.

⁷² The only jurisdiction to use budget classifications for special assistance was North Macedonia, which only classified individual Covid-19 emergency business support payments provided as part of its state aid to SMEs as "Other".

⁷³ See Government of Canada (2020), "Economic and Fiscal Snapshot 2020", <https://www.canada.ca/en/department-finance/services/publications/economic-fiscal-snapshot/gba-summary-economic-response-plan.html> (accessed January 23, 2022).

Global Example: Canada – Publication of Economic Response Plan with Targeted Population Groups

Annex 1

GBA+ Summary for Canada's COVID-19 Economic Response Plan

(Please see end of table for description of definitions used.)	GBA+ Timing	Target Population	Expected Direct Benefits			Additional Identity Characteristics
			Gender	Income Distribution	Inter-generational	
	<i>Early-Later or Existing</i>		<i>Men - Women</i>	<i>Strongly benefits Low - High</i>	<i>Benefits Youth - Senior</i>	
Protecting Health and Safety						
Immediate Public Health Response and COVID-19 Response Fund	□□	All Canadians	○—○—○	○—●—○	○—●	Seniors, People with Underlying Health Conditions
<ul style="list-style-type: none"> • \$50 million to support Canada's immediate health response to COVID-19; \$1 billion COVID-19 Response Fund, including funding for the provinces and territories, for health research, and for the World Health Organization and other international partners. 						

Funding for the immediate public health response to the COVID-19 outbreak is intended to benefit all Canadians; however, the actual impacts of COVID-19 have tended to differ across different sub-groups of the Canadian population. While hospitalizations are evenly

Source: Government of Canada - <https://www.canada.ca/en/department-finance/services/publications/economic-fiscal-snapshot/gba-summary-economic-response-plan.html>

Engaging Citizens in the Design and Delivery of Policies helps Identify Vulnerable Groups and Monitor Implementation of Emergency Responses

Even during a crisis, citizens and organized groups can participate in the design of the emergency policy response. Norway's experience illustrates public participation can help target the government's emergency response to the community's needs. Public participation also presents an opportunity for citizens to shape how to measure the impact of the government's emergency policies and engage citizens in tracking implementation.

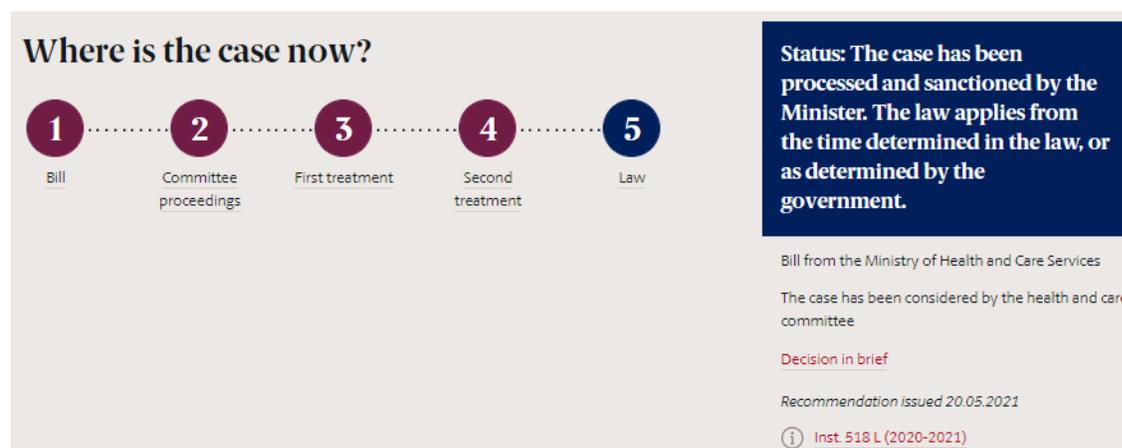
Norway was the only country in the IBP's 2021 *Managing Covid Funds: The Accountability Gap* study⁷⁴ where both the executive and legislative branches of government consulted broadly before designing and implementing emergency response packages. Both institutions:

- Used a variety of participation processes that could be leveraged during a pandemic
- Made efforts to include vulnerable groups in those process; and
- Provided comprehensive background information to inform public participation and disclosure of agreed measures that provide the basis for subsequent feedback.

Global Example: Norway – Inclusion of Vulnerable Groups in Designing and Implementing the Emergency Response

Norway's legislative branch publishes a list of consultations on proposed reforms at <https://stortinget.no/no/Hva-skjer-pa-Stortinget/Horing/>. The public were invited to provide written comments on temporary amendments to the *Communicable Diseases Act* proposed in response to the Covid-19 pandemic.⁷⁵

The website shows the written comments provided and the status of the amendments.



⁷⁴ See Footnote 13.

⁷⁵ See Parliament of Norway. (2020). *Consultations on Temporary Amendments to the Infection Control Act (Regulations relating to isolation and restrictions on freedom of movement to prevent the transfer of SARS-CoV-2) Prop. 131 L (2020-2021)*. <https://stortinget.no/no/Hva-skjer-pa-Stortinget/Horing/horing/?h=10004329> (accessed January 23, 2022).

The government has a complementary website that discloses public consultations⁷⁶ including deadlines, contact data, and other relevant information.

The Ministry of Local Government and Modernization is hereby sending to the public for consultation a draft temporary regulation on exemptions from the Real Estate Registration Act on the basis of a temporary law to remedy the consequences of outbreaks of Covid-19 etc. (Corona Act) § 2. The deadline for submitting consultation responses is Tuesday 31 March 2020 at 16.00 The hearing is open to everyone. Consultation responses are requested to be sent to postmottak@kmd.dep.no

Status: Under treatment

Consultation deadline: 31.03.2020

CONTACT

[Planning department](#)

E-mail: postmottak@kmd.dep.no

Telephone: 22 24 59 01/02

Address: Postboks 8112 Dep., 0032 Oslo

Visiting address: Akersgt. 59, Oslo

Consultation letter



Consultation note



Consultation bodies



Consultation response



Measuring the Effectiveness of Special Assistance During Emergencies

Jurisdictions did not include non-financial indicators to measure the performance or impact of state aid provided to different beneficiaries as part of the emergency response. North Macedonia did provide a high-level explanatory narrative of the expected performance and impact of its response measures.⁷⁷ However, five out of the six jurisdictions did not publish any information on estimated non-financial inputs, targets, or results. In addition, none of the emergency measures identified the short or medium-term trade-offs needed to implement the response. This is particularly important for vulnerable beneficiaries, such as the poor, women, and children, who are more exposed during a crisis and continue to be disproportionately burdened once the emergency subsides.

⁷⁶ See Government of Norway (2020), "Historical Archive on Corona Act Hearings", <https://www.regjeringen.no/no/tema/Koronasituasjonen/forskrifter-med-hjemmel-i-koronaloven/koronaloven-og-forskriftsendringer/id2695161/> (accessed 23 January 2022).

⁷⁷ Countries initiated budget management reforms aimed at introducing program budgeting over a decade ago; however, the reforms are still in the implementation stage. As such, budgets are planned and adopted with limited performance information.

Mexico regularly reports on non-financial indicators related to its budget programs. The Ministry of Finance publishes this information in their Budget Transparency Portal⁷⁸ as open data and using infographics.

Global Example: Mexico – Publishing Non-Financial Indicators in Transparency Portal

Indicators are linked to program expenditure and published through the government’s budget portal. When an indicator shows a goal has not been reached or if the goal is adjusted, the responsible institution is required to input the rationale for the change in Mexico's non-financial indicators monitoring information system. Although there is not a unique variable identifying Covid-19 related changes, public sector institutions have used general reporting fields in the non-financial indicators monitoring information system to explain changes in budget program goal performance influenced by the response to the Covid-19 pandemic.

Global Example: UK – Citizen Feedback on the Effectiveness of the Covid-19 Emergency Response

The United Kingdom’s Parliamentary Public Accounts Committee (UKPAC) is an example as to how PFM institutions can engage the public after the implementation of an emergency measure to provide non-financial feedback on the effectiveness of the response. The UKPAC is undertaking work to hold the government accountable for its implementation of Covid-19 response measures. Its website provides explanations of governmental program intentions and invites citizens to submit evidence of their experience by specified deadlines. Government responses, oral evidence transcripts, and written evidence information is also available for download. The UKPAC then published its report, including recommendations for addressing performance deficiencies.



⁷⁸ See Government of Mexico (n.d.), “Transparencia Presupuestaria Observatorio del gasto,” <https://www.transparenciapresupuestaria.gob.mx/es/PTP/programas> (accessed January 23, 2022).

The UKPAC's assessment of program implementation and recommendations is subsequently published.

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Quick response to the pandemic	9
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Source: UKPAC - <https://committees.parliament.uk/committee/127/public-accounts-committee>

IV. Transparency of COVID-19 related Public Procurement

All the jurisdictions have procurement laws that include provisions specifying key procurement stakeholders and their roles, the types of procurement processes to be followed, electronic systems for tender processes, and the disclosure of procurement plans and contracts. BiH enacted its procurement law (which applies to all BiH jurisdictions) in 2014; North Macedonia in 2019; and Serbia enacted a new law in July 2020. The new Serbian legislation increased the thresholds above which contracting authorities must conduct public procurement, introduced new criteria for awarding contracts, and established mandatory electronic communication and data exchange through the Public Procurement Portal.

Importantly, legislation in each of the jurisdictions contains provisions governing changes to procurement processes during an emergency. For example:

- In BiH and North Macedonia, procurements are permitted without public notice in urgent cases unrelated to the operations of the contracting authority. During the pandemic the procurement authority in BiH exempted some urgent procurements from normal provisions in the procurement law; however, the rest of government contracts needed to be processed using the direct contracting or negotiated procedure without prior publication procurement method; and
- In Serbia, procurements are permitted without publishing notices in cases of extreme urgency (owing to events not flowing from government actions) that make it impossible to act within requisite open, restricted, or competitive procurement process timelines.

Information Published on e-Procurement Platforms

Irrespective whether it is an emergency, procurement processes require that information on tenders, awards, and contracts be published online. Each jurisdiction manages e-procurement platforms for sharing related information. Graph 8 outlines the scope of procurement information demarcated by the procurement stage that is published in each jurisdiction. The scope of information published on the e-procurement platforms is similar across jurisdictions. Jurisdictions publish at least some procurement information up until the issuance of a contract. Notably, North Macedonia is the only jurisdiction that publishes some information pertaining to contract implementation. However, researchers were unable to verify if all procurement information was published for those stages up until a contract is awarded, the quality of the information published, and/or whether the information disclosed covers all Covid related emergency procurements.

Graph 8: Publication of Information by Jurisdiction based on Procurement Stage



Source: Authors based on materials collected

Serbia and North Macedonia have centralized e-procurement portals that all government institutions use to electronically manage procurements. Processing of contracts up to a prescribed threshold can be manual; however, any procurements above the thresholds need to be processed electronically.

Although procurement in BiH is governed by a national-level procurement law, implementation is decentralized and relies on the actions of individual contracting authorities (i.e., public institutions) in the respective BiH jurisdictions. The national-level public procurement agency monitors the implementation of the law and administers a unique online system. The use of the central online system is only partially standardized for the bidding phase of the procurement cycle. The procurement law requires the contracting authorities publish their procurement plans, which include high value procurements, procurement notices, contract award notices, and elements from the formal agreements, such as the value of the contract, on the central public procurement portal. However, this makes it difficult to assess the level of transparency of the procurement process administered by individual contracting authorities.

Despite challenges in the centralized disclosure of procurement information in BiH, there are interesting examples of efforts to increase transparency of procurement related data through designated online platforms within the same jurisdiction. For instance, Sarajevo Canton (BiH) publishes certain procurement data on parallel fiscal transparency and accountability platforms as part of the Government’s broader effort to combat corruption. This facilitates enhanced monitoring for impact and proper use of funds.

Regional Example: Sarajevo Canton (BiH) – Publication of Entities that Contracting Authorities are procuring from on Anti-Corruption Agency Website

Sarajevo Canton (BiH) Government established a central database on public procurements conducted by contracting authorities in the canton. The database, administered by the Government’s Anti-Corruption and Quality Control Office, retrieves selected procurement data from contracting authorities’, compiles them based on pre-defined parameters, and makes them publicly available on the Government website.

Register of Public Procurement Data of Sarajevo Canton

APPLY FILTERS

Subject	Name of the Institution	Stage of the procedure	Type of procedure	Type of contract	Contracted firm	Bid amount (BAM)	Contract amount (BAM)	Date of publication	Date of contract	
Legal representation services 2020	Faculty of Forestry UNSA	Procurement contract signed	Direct agreement	Services	lawyer HAMID DŽANDŽANOVIĆ Sarajevo	3,000.00	3,000.00	27. jan 2020.	15. March 2020.	i
Software maintenance and repair services 2020	Faculty of Forestry UNSA	Procurement contract signed	Direct agreement	Services	AB SOFT d.o.o. Sarajevo	3,000.00	3,000.00	5. jun 2020.	May 15, 2020.	i
Motor vehicle insurance services 2020	Faculty of Forestry UNSA	Procurement contract signed	Direct agreement	Services		0.00	3,740.71	23. Sep 2020.	11. dec 2020.	i
Rental services of own real estate 2020	Faculty of Forestry UNSA	Procurement contract signed	Direct agreement	Services	KONICA MINOLTA BUSINESS SOLUTIONS BH doo Sarajevo	5,970.00	0.00	May 21, 2020.	2. nov 2021.	i
Fuels 2020	Faculty of Forestry UNSA	Procurement contract signed	Direct agreement	Dress	HIFA doo Tešanj	4,615.01	4,615.01	1. apr 2020.		i

Source: Authors based on materials collected

Delineation of Covid-19 Emergency Response Contracts

The research team had to conduct extensive searches to locate publicly available COVID-19 specific information despite the regular publication of procurement information across all jurisdictions. North Macedonia was the only government that delineated pandemic-related contracts through a dedicated Covid-19 website. In Serbia, pandemic related contracts can only be found indirectly, using keywords and search filters. Meanwhile in Republika Srpska (BiH) and Federation of BiH (BiH), the individual contracting authorities’ websites had to be scoured to identify pandemic related contracts.

Emergency procurements during the Covid-19 pandemic included vaccine supply agreements, and contracts for ventilators and Personal Protective Equipment (PPE), such as medical masks. There were universal challenges around the transparency of vaccine contracts due to strict commercial in confidence clauses in the supply contracts.⁷⁹ During the early stages of the crisis, countries were outbidding each other to get scarce supplies of ventilators and PPE. There were at least some instances of politically connected companies and individuals receiving lucrative contracts to source and supply some of these scarce goods.⁸⁰

A requirement to publish information about emergency related procurements even when normal processes are bypassed would enhance transparency around with whom governments are contracting, the value of the contract, and the substance of the contract. Also, greater fiscal transparency around budget allocations would have, at least, allowed for an assessment of the proportion of emergency spending devoted to procurement. Serbia's new *Law on Public Procurement*, which came into force on July 1, 2020, requires the publication of all contracts, aside from those related to the security sector. Therefore, any pandemic procurements made after this date (but not before) are meant to be disclosed. The increasingly wide use of e-procurement portals helps with the publication of contract details and facilitates public access. However, an ongoing challenge for stakeholders is assessing the comprehensiveness of the information posted. Requirements, such as those in the new Serbian *Law on Public Procurement*, requiring publication helps ensure the comprehensiveness of information disclosed.

⁷⁹ See Apuzzo, M., & Gebrekidan, S. (2021). "Governments Sign Secret Vaccine Deals" (2021), *New York Times*, <https://www.nytimes.com/2021/01/28/world/europe/vaccine-secret-contracts-prices.html> (accessed 23 January 2022); and Kuloglija, N. (2021). "Bosnia Entity's Secrecy Over Vaccine Procurement Draws Criticism," *BalkanInsight*, Sarajevo, <https://balkaninsight.com/2021/07/08/bosnia-entitys-secrecy-over-vaccine-procurement-draws-criticism/> (accessed January 23, 2022).

⁸⁰ See Associate Press. (2020). "Bosnia: imported ventilators from China useless for COVID-19." May 11, 2020. *AP News*, Web: <https://apnews.com/article/china-technology-medical-equipment-europe-global-trade-5363cf8ab0c788c0a6d7e25eb3577f09> (accessed March 26, 2022).

Regional Example: North Macedonia – Publication of Covid-19 Specific Procurements

North Macedonia was the only jurisdiction that published a Covid-19 specific website containing key variables for the more than six thousand pandemic-related contracts. The website allows Excel files to be downloaded and links contracts with the e-procurement portal.

The screenshot shows the 'COVID-19 FINANCIAL TRANSPARENCY' website. The 'PROCUREMENTS' section is highlighted. Below the navigation bar, there is a search bar with 'Export' and 'Open format download' buttons. A table of procurement records is displayed with the following data:

Contract date	Contract subject	Contracting Authority	Contract holder	Assigned value with VAT	Measure	
16.06.2021	ЛЕКУВИ (кончатени делови од Ортас бр.05086/2021)	ЈЗУ Општа болница - Куманово	Друштво за производство, трговица и услуги МЕДИКОН ДООЕЛ увоз-извоз Скопје	989.100,00	CoVid 19	Contract link Link to contract in e-procurement portal.

The e-procurement portal has additional information on the tender and award stages, such as the tendered lots, number of bidders, highest and lowest bids, and the award criteria.

The screenshot shows the 'ЈАВНИ НАБАВКИ' (Public Procurement) portal. The 'Tendered lots' section is highlighted. The table below shows the details of the tendered lots:

Lot number	Description of the lot	Auction
12	J01DH03 Ertapenem powder for concentrate for solution for infusion 1 g (1.000 mg)	
14	J01XA01 Vancomycin powder for solution for infusion 1g	

Below the table, the 'SECTION III PROCEDURE' and 'SECTION IV AWARD CONTRACT OR FRAMEWORK AGREEMENT' are visible. The 'SECTION IV AWARD CONTRACT OR FRAMEWORK AGREEMENT' section contains the following information:

IV.1.1) Number of contracts / invoice 05-806 / 1
 IV.1.2) Number of tenders received: 2
 Tender with highest price: 840.000,00
 Lowest price offered: 582.000,00

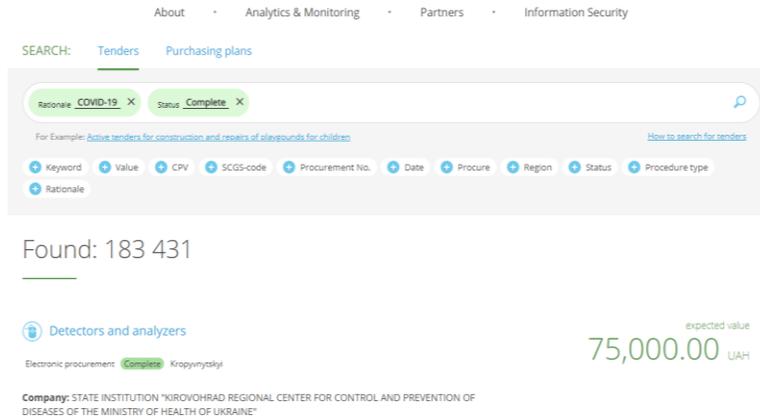
Number of bidders, and lowest and highest bids.

Source: Authors based on materials collected

The following global example highlights how other governments were able to disclose Covid-19 related emergency procurement information.

Global Example: Ukraine – Filtering Covid-19 Procurements on e-Procurement Platforms

Ukraine's national procurement system "ProZorro" ⁸¹ allows for the filtering of Covid-19 related procurements by completion status.



Each entry is accompanied with relevant procurement information such as the procuring entity's details, expected value of the contract, supplier's name, and price of items per unit.

Disclosure protocol

Print the tender opening protocol [PDF](#) • [HTML](#)

What to do after winning the auction

Participant	Resolution	Proposition	Published
PE VKF "Skyinvest" # 30765625	Winner	1 237 117.00 UAH	31 August 2021 • 15:49

Prices per unit:

Specific name of the subject of procurement	Number	Units of measurement	Price per unit
Adrenaline rn d / in. 1.8 mg / ml amp. 1 ml №10	300	pack.	67.65 UAH
Atropine rn d / in. 0.1% amp. 1 ml №10	300	pack.	45.32 UAH
Glucose district inf. 5% boot. 200 ml p / e	800	flak.	18.70 UAH

⁸¹ See Electronic Open-Source Government e-Procurement System. (n.d.). Proz rro. <https://prozorro.gov.ua/en> (accessed January 23, 2022).

The platform and related procedures allow for the easy reporting of violations of the procurement legislation.

Diagnostic imaging services (Computed tomography services)

expected value
5 400.00
UAH

UA-2021-07-02-002840-a • a2c5da502b1d4f4bb2d2346ed2fc7207

Procurement without using an electronic system COVID-19 Complete

Electronic signature superimposed. Verify

All purchases of the customer

What to look for in a potential supplier

Contacts

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STATE AUDIT OFFICE OF UKRAINE
Found violations of procurement legislation?
Inform about violations

In which cases to inform the State Audit Office

Announcement of the event

Date of publication: 02 July 2021

Source: Authors based on materials collected

ProZorro also has a business intelligence application⁸² that shows different dashboards with relevant procurement statistics that can be filtered by Covid-19 procurement procedures. Dashboards show information for key procurement processes and include information on tender/lots, procuring entities, and bidders. The former dashboard shows the bidder's name and relevant data such as the number and value of bids received, the number and value of winning bids, and the current value of contracts. The data in each dashboard can be exported in xlsx format. Ukraine's coding of procurement processes demonstrates emergency contracts can be delineated using tags and that web applications and visualizations can draw on this data to share procurement information in a consolidated and accessible format.

⁸² See Electronic Open-Source Government e-Procurement System Qlink Hub. (n.d.). ProZorro. <https://bi.prozorro.org> (accessed January 23, 2022).

V. Audit of Covid-19 Emergency Spending

External audit is a key component of an effective emergency response.⁸³ SAIs have a role in ensuring that public resources deployed as part of the emergency response are used with probity and achieve the intended objectives of the policy measures. The findings of audits conducted by the SAI also provide a basis for distilling lessons for strengthening the PFM response to future crises. The publication of the information that the audits are based on and the analysis supporting the recommendations bolsters fiscal transparency and accountability.

The timely issuance of audit findings ensures the ongoing effectiveness of the government’s response, incentivizes proper management of funds throughout the crisis, and allows tangible lessons to be contemporaneously drawn from the experience. SAIs can support the emergency response by exploring unique ways to conduct audits. This can include targeted audits of specific measures or conducting audits of discrete elements of broader government programs to provide real-time assurance and compliance with emergency regulations.

Given the timeframe of this analysis, SAI audit reporting was not included in the IAF used to guide the initial harvesting of evidence about each jurisdictions’ PFM response. Most audit reports about 2020 expenditures have only been published in late 2021. Hence, a brief supplementary ex-post evaluation was conducted to determine what relevant audit reports were published by late 2021, and any key findings related to fiscal transparency.

The Federation of BiH (BiH) was one of the first jurisdictions to publish audit findings on the emergency response with the release of a performance audit on *Efficiency of Planning and Implementation of COVID Response Measures* in June 2021. The audit focused on activities implemented by the FBiH Government, FBiH Ministry of Finance, FBiH Tax Administration, and FBiH Development Bank across the period March–December 2020. It identified limitations in the emergency response, including a lack of clearly defined objectives and performance indicators for most of the measures as well as the absence of detailed and transparent expenditure planning.

Inadequate monitoring and reporting on the implementation of the Covid-19 response measures inhibited the SAI’s ability to monitor progress and there was no public access to data on the implementation of measures, spending and impact. Despite the legal provisions authorizing the emergency measures sunseting in July 2020 and implementation closing by the end of 2020, the Government still has not published comprehensive data on implementation of all measures by the time this report was published.

⁸³ INTOSAI Development Initiative. (2020). *Accountability in a Time of Crisis: How Supreme Audit Institutions and Development Partners can Learn from Previous Crises and Ensure Effective Responses to Covid-19 in Development Countries*. INTOSAI Development Initiative Paper: p.5 - <https://www.idi.no/elibrary/covid-19/986-accountability-in-a-time-of-crisis/file> (accessed January 23, 2022).

The Federation of BiH (BiH) SAI considered conducting an additional performance audit on the effectiveness of specific elements of the Covid-19 response, focusing on the Government’s management of special assistance to SMEs and vulnerable groups. In summer 2021, the SAI determined there was prima facie evidence to warrant a supplementary audit, but the lack of available data made an effective audit problematic. As such, the SAI opted not to proceed with the additional performance audit.

A parallel Federation of BiH (BiH) SAI financial and compliance audit of the Federal Civil Protection Administration, included qualified findings related to compliance with existing laws and regulations. One reason for the adverse findings was questionable Covid-19 emergency procurements, which are being reviewed by the Prosecutors’ Office to determine what additional action should be taken against senior public officials.

Regional Example: North Macedonia – Proactive Audit of Covid-19 Emergency Measures

The North Macedonian State Audit Office (SAO) provides a regional template for the swift recalibration of audit activities to respond to an emerging crisis. In reaction to the emerging global pandemic, the SAO proactively amended its 2020 Annual Work Program in February 2020 - before the first emergency declaration in North Macedonia was even called - to include two compliance audits focusing on the Government’s Covid-19 response. These emergency audit activities included an examination of the awarding of contracts during the pandemic and the public sector’s management and control of non-financial assistance, such as donations of equipment and goods like PPE, used for protection against Covid 19. The procurement compliance audit targeted the period March to October 2020 and the audit of non-financial assistance focused on the period March to November 2020.

The SAO completed both audits in a timely manner, despite circumstances making auditing more challenging. The same conditions that hampered the operation of public institutions and delivery of services also inhibited the normal functioning of the Audit Office. The Covid-19 pandemic restrictions meant audit staff needed to work remotely, auditors faced difficulties reaching the responsible persons in the institutions being audited, and there were delays in the SAO receiving key information and documents that were necessary to finalize the audit. Despite these challenges, auditors still had sufficient access to key information, documentation, and public sector personnel to successfully complete the compliance audits in a timely fashion.

The Compliance Audit Report on the Awarding of Public Procurement Contracts during the Covid-19 Pandemic and the Compliance Audit Report on Non-Financial Assistance were published on the SAO website in July 2021. The reports were accompanied by media releases in three languages (Macedonian, Albanian, and English) that were distributed to more than 190 stakeholders.

Media Release for the Publication of the Compliance Audit on Public Procurement for the Prevention and Protection against Covid-19



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STATE AUDIT OFFICE
- Press release -

Skopje, 13 July 2021

88% of public procurement during the pandemic were negotiated procedures without announcement

The authorized state auditor found insufficiently regulated legislation on the type of procurement in time of emergency/crisis, lack of clear definition of protective equipment characteristics and precise criteria for determining "urgency" of particular procurement, as well as not implemented group procurements and no limitation of maximum individual procurement price. Such conditions have contributed to significant difference in prices for the same or similar goods. It is necessary to improve transparency, accountability and legality of planning and implementation of public procurement procedures for prevention and protection against Covid-19.

The State Audit Office conducted compliance audit on the topic *"Awarding public procurement contracts by public sector institutions for prevention and protection against covid-19 pandemic"* for the period 01 March – 30 November 2020, as well as some issues and events until the date of reporting on the audit.

The audit covered **19 institutions** from different activities and regions in RNM, which awarded materially significant public procurement contracts for prevention and protection against Covid-19, and some of these institutions were directly involved in dealing with the pandemic. Data on the amount of awarded public procurement contracts are taken from the EPPS and the website www.koronavirus.gov.mk, which is financial transparency tool of the Government of RNM.

In the period 01 March – 30 November 2020, the awarded public procurement amounted to **416.6 million denars**. The audit covered public procurement contracts amounting to **335.4 million**, i.e. 80.5% of the total awarded public procurement contracts in the audited period.

The authorized state auditor found that **88% of public procurements were conducted with negotiated procedure without publishing announcement**. In the absence of a precise definition of criteria for the "urgency" of procurement and the type of goods, services and works that can be procured in a time of emergency/crisis, the full justification of the urgency of some of the procedures cannot be fully confirmed.

The established manner of conducting negotiated procedures without announcement does not provide equal treatment and competition between economic operators. Namely, for some public procurement procedures, negotiations were conducted with one economic operator.

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The audit report points out that no activities have been taken to prepare instructions and forms of standard tender documentation and technical specification that will unify the rules for conducting urgent procurements and the characteristics of goods subject to procurement.

Therefore, despite the fact that public procurement decisions provide explanations that procurements are conducted for prevention and protection against Covid-19, part of procured goods are for the regular operation of institutions, whereby contracts / framework agreements awarded for a duration of one year are not fully realized.

In addition, contracting authorities conducted public procurement of extreme urgency in a period when regular public procurement procedure could have been conducted. With the analysis of implemented procedures for the period 01.10.2020 - 28.02.2021, it was determined that based on urgent procurements were awarded public procurement contracts amounting to **88 million denars**.

Concerning **public procurement planning**, as one of the most important phases in public procurement procedures, due to the urgent nature of procurement contracting authorities did not perform the planning phase in a timely manner and as needed, which in turn resulted in fewer invitations to economic operators, without detailed analysis of the type and quantities of protective supplies and equipment available on the market.

In the absence of a clear **definition of characteristics of the protective equipment** to be used by medical staff in PHIs, different types of equipment appeared on the market and were procured creating a risk of inadequate characteristics and quality for protection and prevention in the work processes during pandemic.

The authorized state auditor ascertained:

- Different prices for the same or similar goods in different institutions, and the price variation for certain goods is significant; and
- Discrepancies between awarded public procurement contracts and the tender documentation and technical specifications, which makes monitoring of implementation difficult and whether invoiced prices correspond to the agreed ones.

Lack of decision by competent authorities to set up an institution for centralized/group implementation of public procurement for the needs of public sector institutions, a possibility provided in Article 61 paragraph 7 of the Law on Public Procurement. Despite the fact that Decrees for intervention procurement of masks and gloves were adopted during declared state of emergency, which provide maximum prices and quantities of these goods, as well as for institution that should conduct the procurement, no action has been taken thereof.

To prepare the public procurement system and the competent institutions for future challenges and dealing with similar crises and pandemics, the competent institutions need to take measures for protection of the health and life of the citizens, and it is necessary to further regulate the public procurement process.

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Consolidated Annual Audit Reports facilitate a better understanding of already available information by synthesizing audit findings from multiple audits throughout the year and identifying emerging challenges across all spending units. In June 2021, the North Macedonian SAO released a consolidated Annual Audit Report for 2020 that drew on the full breadth of audit activity for fiscal year 2020 including the two emergency compliance audits. The consolidated Annual Audit Report included sections on Covid-19 related procurements, the HIF and public healthcare institutions, the pension and disability insurance program, and the management and control of non-financial Covid-19 support.

The targeted audits and the consolidated Annual Audit Report highlight public procurement as a major challenge during the emergency response. The audit identified several shortcomings, including a heavy reliance on non-advertised procurements (88 percent), a lack of clarity around the scope of procurements, whether items procured were fit for purpose, discrepancies between tender documents and contracts, and a reluctance by some spending agencies to voluntarily publish data in the electronic public procurement system. These findings have broad implications for performance across all government departments.

From a fiscal transparency perspective, a consolidated Annual Audit Report that draws together the key findings of previously published individual audits improves information accessibility. Consolidated Annual Audit Reports synthesize audit findings and identify emerging challenges across all spending units. In this way, consolidated reports also facilitate a better understanding of already available information.

The Republika Srpska (BiH) published a consolidated Annual Audit Report for 2020, which touched on the transparency of emergency procurements and included audits of the HIF.

The 2020 audit reports for Serbia and Republika Srpska (BiH) were only published at the end of 2021; therefore, are not able to be comprehensively reviewed as part of this study.⁸⁴ Although the Republika Srpska (BiH) published a consolidated report, Serbia published separate audit reports on individual entities without consolidated analysis or distillation of lessons that help improve citizens' understanding of the audit findings.

It is a positive sign that, despite the discrepancy in the length of time it took different agencies to publish their audit findings, a majority of SAIs are focusing on their respective jurisdiction's response to the crisis and providing recommendations for improving the PFM system. As outlined above, the North Macedonian SAO included four performance audits in its 2021 Annual Work Program that explicitly examine the effectiveness of the economic measures the Government used to tackle the Covid-19 crisis. The ongoing publication of audit findings on governments' fiscal policy response to the Covid-19 emergency by SAIs in all jurisdictions are key inputs when reflecting on how to strengthen the PFM response and fiscal transparency during future crises.

IV. Information Accessibility

The cornerstone of fiscal transparency is the publication of comprehensive fiscal information and policy details to facilitate independent analysis and promote public accountability.⁸⁵ An underlying principle of fiscal transparency is that information is provided in a timely and uniform fashion that can be readily accessed free of charge on the internet.⁸⁶ Information accessibility is achieved when key budgeting information and government policy is readily available, can be easily found by citizens when searching for the information online, and is published in open formats to promote analysis.

⁸⁴ See North Macedonia State Audit Office. (2021). *Annual Report on Performed Audits and Operation of the State Audit Office for 2020*. https://dzt.mk/sites/default/files/2021-06/Godisen_izvestaj_DZR_2020_ANG.pdf (accessed 23 January 2022); Republic of Serbia State Audit Institution. (2021). Annual spending agencies' audit reports for 2020 published 31 December 2021, <https://www.dri.rs/revizije/poslednji-izvestaj.136.html> (accessed January 23, 2022); and consolidated 2020 Republika Srpska Supreme Audit Institution. (2021). *Consolidated Financial and Compliance Audit for 2020*. https://www.gsr.rs.org/static/uploads/report_attachments/2021/08/20/RV029-21_Cyr.pdf (accessed January 23, 2022).

⁸⁵ IMF. (2007). *Manual on Fiscal Transparency*. IMF Fiscal Affairs Handbook, Washington DC: p.66.

⁸⁶ See Footnote 84.

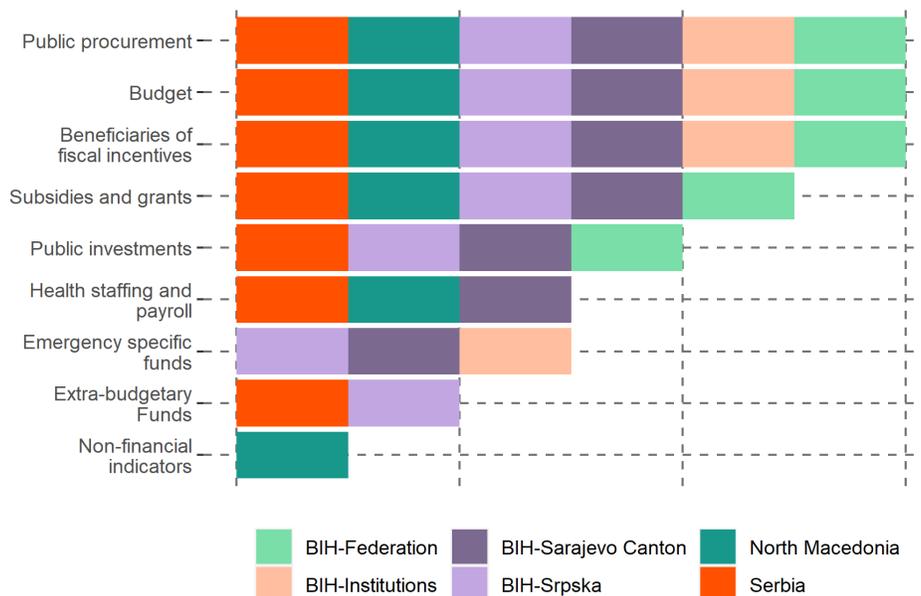
Information Availability

Publicly available information on budget adjustments was used as a proxy for measuring overall information availability during the emergency response. Graph 9 maps information that is available across state-level and sub-national jurisdictions by topic at the end of the period of analysis. This graph illustrates whether information is publicly available, rather than being a measure of the quality of data published.

Jurisdictions published information on almost every topic covered by this analysis. Non-financial indicators, subsidies, health staffing and payroll were the hardest topics to find information about across all jurisdictions. Data on health staffing and payroll information were primarily derived from government statements and press releases, while information on goals, performance, and the impact of emergency response measures was lacking across all jurisdictions.

Budgets and state aid (i.e., beneficiaries of fiscal incentives and subsidies/ grants) were the topics about which information was most commonly available. Information on public procurement was also easily accessible due to the proliferation of e-procurement portals across all jurisdictions. However, it is uncertain whether the availability of procurement information per se indicates that the disclosure of procurement information was comprehensive.

Graph 9: Information Availability by Topic



Source: Authors based on materials collected

Information “Findability”

There is a distinction between information that is published and the ease to which citizens can access the information. “Findability” or “searchability” are common measures to assess access to information on digital platforms. These measures focus less on the information published and more on the extent the target audience can find the information they are looking for without assistance.⁸⁷

Methods for assessing “findability” rely on a qualitative approach to assessing the ease with which it was possible to access information on different topics relative to each other within jurisdictions. Country-level experts ranked nine topics⁸⁸ relative to each other from the easiest (1) to hardest (9) topic to research. Factors that influenced respondents’ ranking included the availability of information, how information could be accessed (i.e., whether it was in open format), whether raw data was available, the level of analysis/ summaries provided, the ability to easily link policies and expenditure etc.

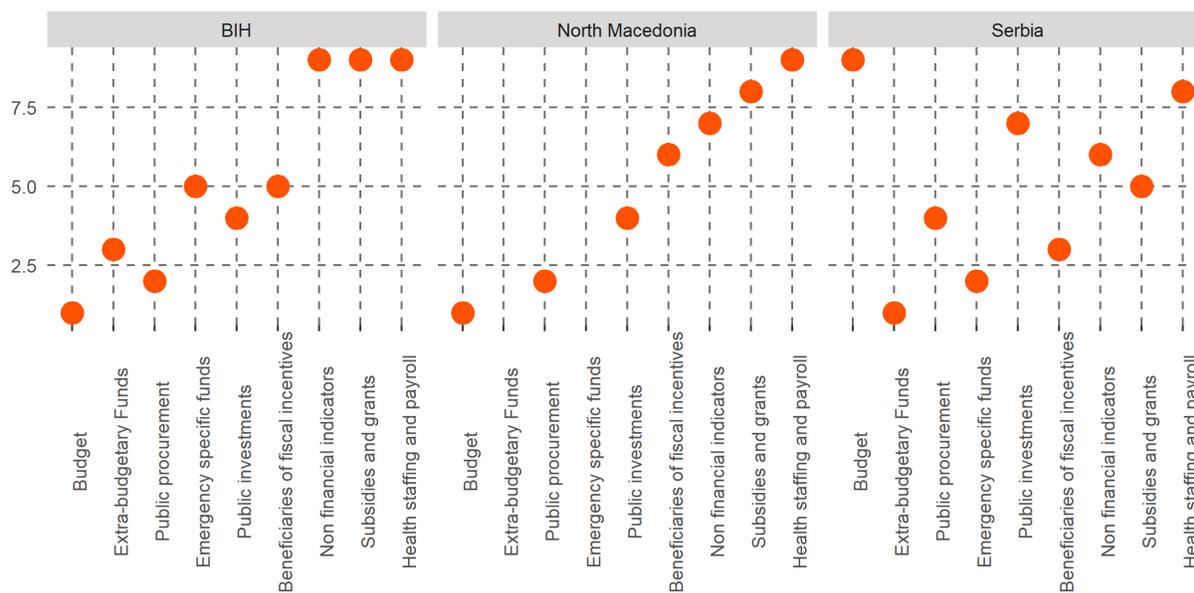
It is assumed country-level PFM researchers – as subject matter experts – are more experienced mining published sources for fiscal information than citizens generally; therefore, a qualitative assessment would skew towards greater “findability”. A ranking methodology, where the respondent must rank each topic in relation to the other, was applied to minimize experimenter bias. The results do not provide the empirical basis for direct comparison; however, the results are informative and shed light on perceptions of the comparative “findability” of key fiscal information during the emergency response.

Graph 10 captures these perceptions on the ease of finding publicly available information. The higher the rating, the more difficult it was for researchers to find that type of information through open sources. Overall, budget information in BiH and North Macedonia was perceived to be the most easily accessible; whereas the same information was difficult to find in Serbia.

⁸⁷ This approach has been used by: (i) private sector actors to inform outreach strategies; (ii) governments to design user-centered information platforms (e.g., open budgeting portals); and civil society organizations to perform open data assessments (e.g., assessments conducted by the Open Data Barometer).

⁸⁸ The topics are Budget; Extra-budgetary Funds; Public Procurement; Emergency Specific Funds; Public Investments; Beneficiaries of Fiscal Incentives; Non-financial Indicators; Subsidies and Grant; and Health Staffing and Payroll.

Graph 10: Researchers' Perception Measure of Information "Findability" by State-Level Jurisdiction



Source: Authors based on materials collected

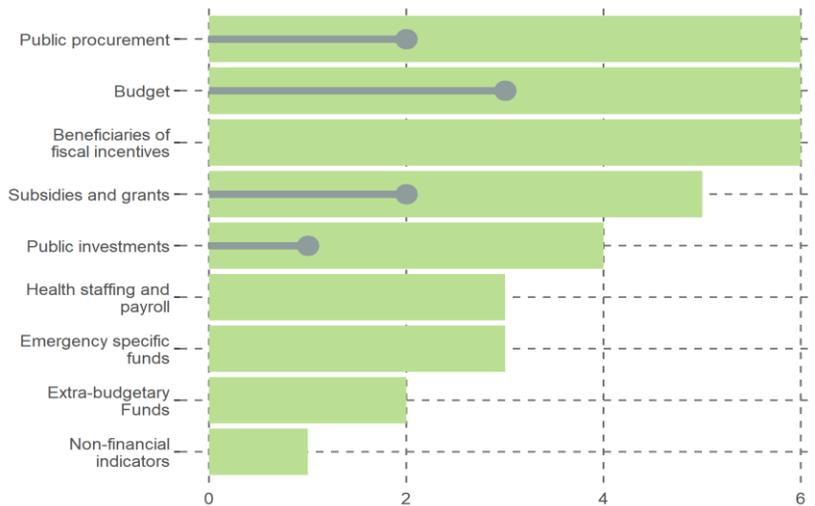
Serbia was assessed overall as the jurisdiction with the least information "findability" as budget information was not published in an open format. Raw budget data was accessible; however, extracting the information and understanding the expenditure that was being modified was difficult and time-consuming. Re-allocations could only be identified by manually comparing the original and rebalanced budget item by item.

Serbia and North Macedonia have centralized e-procurement portals where, commendably, data can be found in open formats on Covid-19 procurements. However, Serbia does not directly identify Covid-19 contracts, inhibiting information findability. Emergency procurement information could only be manually identified using keywords and filters.

Information Openness

A key element of information accessibility is the publication of information in a machine-readable format. Less than a third of the information disclosed by jurisdictions was in machine-readable formats. Most of the information was published in PDF documents, websites, press releases, and/or in government statements. Graph 11 compares the amount of information published by jurisdictions on key topics relative to each other. The lines in the bars on the graph track the extent the information disclosed on each topic was published in machine-readable formats.

Graph 11: Availability of Public Information in Machine-Readable Formats



Source: Authors based on materials collected

Graph 12 uses the same data; however, it maps the type of information four jurisdictions publish in a machine-readable format.

Graph 12: Availability of Information in Machine-Readable Formats Published by Jurisdictions



Source: Authors based on materials collected

Generally, sources of information were scarce, fragmented, and not linkable. North Macedonia was the only jurisdiction to set up a Covid-19 dedicated portal with data in machine-readable formats. It has an open finance webpage where budget and transaction data are downloadable in CSV format. However, the data from this website is not connected to the emergency response measures published by the government. The same holds true for the rest of the jurisdictions analyzed. In Serbia, most data on the emergency fiscal measures came from documents presented on a one-off basis and only core budget data has identifiers that allowed for changes to be tracked over time. Unfortunately, this information is not correlated with public procurement information. In BiH, it was not possible to connect data from different budget documents and emergency measures, and information was only published as PDF documents or other non-machine-readable formats.

E. Proposed Country and Regional Actions for Strengthening Fiscal Transparency for More Effective Emergency Responses

The proposed country and regional actions outline fiscal transparency reforms based on PFM practices in BiH, North Macedonia, and Serbia during the response to the Covid-19 emergency, drawing upon regional and global practice. They seek to bolster jurisdictions' readiness to leverage fiscal transparency to effectively respond to future crises. General actions equally applicable for all jurisdictions are outlined as well as targeted actions for specific jurisdictions.

Actions are organized around the main challenges that arose during the thematic coding process, which formed the basis for the regional comparative analysis. They are - Transparency of Covid-19 Spending; Transparency of Special Assistance; Transparency of Covid-19 Emergency Procurement; Audit of Covid-19 Emergency Spending; and Information Accessibility.

Suggested timelines (i.e., **Short-term; Medium-term**) for the implementation of actions are cross referenced against what it would take to implement those actions (i.e., **Modest process or organizational action; Broader ministry-wide institutional, process or regulatory change; Legal, sectoral, policy-making, or whole-of-government reform**). A modest process or organizational action refers to a change of behavior or act that can be implemented by an organizational unit without approval by the Minister. A broader ministry-wide institutional, process, or regulatory change is a transformation that requires minister-level approval and/ or allocation of ministry-wide budget to implement. Whereas a legal, sectoral, policy-making, or whole-of-government reform requires a more comprehensive change in the authorizing or strategic environment to implement.

I. Transparency of Covid-19 Spending

1.1 Enhance Transparency of Within-Year Budget Adjustments: Budget rebalances and emergency fiscal policy measures, such as supplemental budgets, were essential tools used to respond to the health, social, and economic crises associated with the pandemic. It is important that published documents clarify how resource allocations in the approved budget are being adjusted as part of any emergency response or supplemental budgeting process. This allows citizens to better understand how resources are being allocated compared to the planned budget.

Actions to support this reform:

- **North Macedonia and the Federation of BiH (BiH)** already have an original and adjusted variable in their published budget adjustments information. As an improvement, these governments should consider adding -
 - The previous year's approved budget and actual outcome
 - Information for each rebalance done throughout the year, including its date
 - The absolute amount of changes in the rebalanced budget compared to the original budget

- The percentage variation in the rebalanced budget compared to the original budget; and
- A draft/estimated budget execution calendar.

(Short-term/ modest process or organizational action)

- **Serbia, Republika Srpska (BiH), and Sarajevo Canton (BiH)** should consider adding at least an original budget column in their rebalanced budgets. Including the variables - as is already done - in North Macedonia and Federation of BiH (BiH) would be a considerable improvement.

(Short-term/ modest process or organizational action)

- **BiH-Institutions** did not have a rebalanced budget owing to their original budgets being released mid-year. Consistent with international standards, BiH-Institutions should consider publishing the draft budget at least three months⁸⁹ before the end of the fiscal year.

(Short-term/ modest process or organizational action)

1.2 Consistent Application of Budget Classifications for Emergency Related Expenditure: Disclosed documentation should include relevant budget classifications to provide a complete and coherent picture of emergency spending. Classifications should be applied consistently across budget documents so citizens can understand the relationship between original budget expenditure, emergency policy measures, and budget rebalances. This should be applied irrespective whether a jurisdiction uses line item or program-based budgeting methods.

Actions to support this reform:

- **Serbia** should consider adding budget classifiers in its emergency fiscal policy packages. Functional or program budget classifications were not included in the "Program of Economic Measures to Reduce the Negative Effects Caused by the COVID-19 Virus Pandemic and Support the Serbian Economy" making it difficult to understand how resources were allocated to achieve the objectives of the Program.

(Short-term/ modest process or organizational action)

- **North Macedonia** made efforts to disclose Covid-19 related spending in a dedicated portal, and it also added the program identificatory P1 to categorize Covid-19 spending. However, the information is not comparable to published pandemic emergency response measures. North Macedonia should consider including the same budget identifiers in all its publications, thereby, connecting information sources.

(Short-term/ modest process or organizational action)

⁸⁹ See OECD. (2017). *OECD Budget Transparency Toolkit: Practical Steps for Supporting Openness, Integrity and Accountability in Public Financial Management*. OECD Publishing, Paris, <https://www.oecd.org/corruption-integrity/reports/oecd-budget-transparency-toolkit-9789264282070-en.html> (accessed January 23, 2022) which states that the tabling of the executive's budget proposal should allow enough time for the parliament to undertake in-depth scrutiny and that three months is a useful benchmark, although the quality and depth of review are important.

- For **BiH** there was no observable way to link information from different documents or sections within them. All levels of government should consider using budget identifiers more consistently, including basic functional classifications, thereby enabling data from multiple sources to be connected.

(Medium-term/ broader ministry-wide institutional, process or regulatory change)

- **All jurisdictions** should consider using budget identifiers to flag existing Covid-19 expenditure and use the same protocol for related expenditure. This identifier should be used consistently in all disclosed documents enabling the correlation of data from multiple sources.

1.3 Enhance Sector and/ or Functional Budget Classifications Related to Emergency Measures:

Disclosing spending on areas relevant to the emergency response such as investment projects, health programs, and public sector wages, assists in identifying how public resources are being reapportioned to respond to the crisis. None of the jurisdictions had accessible sector/ functional information. For example:

- Manually comparing budget documents was the principal source of public investment adjustments information. Sarajevo Canton (BiH) was the only government that identified projects prioritized due to the pandemic. Ideally capital and recurrent expenditure is presented in a single budget document.

(Short-term/ broader ministry-wide institutional, process or regulatory change)

- Health personnel information was only able to be found using press releases or by comparing budgets. Data was not disclosed systematically. This should not include individual human resource information. However, information about public sector hiring (i.e., number of public sector staff, departments they are mapped, and roles/ responsibilities) and wages is a critical pillar of public budgeting and should be included in fiscal policy documents.

(Short-term/ broader ministry-wide institutional, process or regulatory change)

1.4 Include Non-financial Indicators in Budget Documents to Measure Impact: It is important to track impact as well as expenditure by using non-financial indicators that measure the efficiency and effectiveness of adjusted expenditure. Jurisdictions did not disclose performance indicators related to emergency spending.

Actions to support this reform:

- **All jurisdictions** should consider disclosing non-financial indicators.

(Short-term/ modest process or organizational action)

- **All jurisdictions** should consider developing or using existing non-financial indicators linked to specific emergency programs to assist in tracking performance and impact.

(Medium-term/ legal, sectoral, policy-making, or whole-of-government reform)

- **North Macedonia** was the only country that prepared a specific Covid-19 budget program. It should consider linking non-financial indicators to its emergency response to enhance transparency and assist in monitoring outcomes.

(Short-term/ modest process or organizational action)

- 1.5 Publish Mid-year Reviews and In-year Outturn Reporting:** Mid-year reviews provide a comprehensive update on the implementation of the original budget, including revised forecasts underpinning the budget and updates of likely budget outcomes for the current fiscal year. Publication of mid-year reviews during an emergency enhance transparency around the implications of the emergency for the government’s existing program. In addition, in-year outturn reporting is necessary when emergency spending occurs after the mid-year mark to enhance transparency around actual aggregate expenditure compared to originally approved expenditure. Budget adjustments made in response to a crisis should correspond with any policy changes instituted as part of the emergency response.

Actions to support this reform:

- **All jurisdictions** should publish mid-year reviews during emergency periods that include the following –
 - Revisions to the economic assumptions
 - An assessment of the impact of the crisis on the original budget estimates; and
 - Justifications for any deviations from approved spending and revenues.

(Short-term/ modest process or organizational action)

II. Transparency of Special Assistance

- 2.1 Disclose Information Related to State Aid for SMEs:** SMEs are critical stakeholders for the economic recovery and the main generator of employment. The scale and speed of the health, social, and economic emergency negatively impacted SMEs as well as individuals. For this reason, countries established emergency measures focused on providing state aid to SMEs. Jurisdictions should disclose measures designed to support SMEs during the emergency. Budgeting classifications should be attached to the expenditure to allow for monitoring of state aid and to assess if public resources are being properly targeted.

Actions to support this reform:

- **All jurisdictions** should disclose the following information regarding state aid to SMEs during an emergency –
 - The criteria for assistance
 - Details of the SMEs that receive support under the emergency measure
 - The date state aid was provided; and
 - The type of aid provided (i.e., grant or transfer/ loan/ guarantee)

(Short-term/ modest process or organizational action)

2.2 Disclose Information Related to Social Support for Vulnerable Groups: The pandemic has impacted groups differently. Some groups are more vulnerable to the effects of a crisis, including the poor; women and children, especially those prone to domestic violence; young people; the elderly; the Romani community; disabled people; homeless people; LGBTI people; migrants; and other underrepresented group. Jurisdictions should disclose information about measures designed to support vulnerable groups disproportionately impacted by the emergency. Disclosed information should include non-financial indicators used to measure the disaggregated impact of emergency spending on each identified vulnerable group.

Actions to support this reform:

- **All jurisdictions** should disclose the following information regarding state aid to vulnerable groups during an emergency –
 - Specific data on the support provided to poor beneficiaries. Only **North Macedonia and Sarajevo Canton (BiH)** published limited information on policies and expenditure targeted to poor citizens.
 - Amounts of aid provided per beneficiary and vulnerable groups disaggregated by gender; and
 - Non-financial indicators regarding coverage to monitor the extent of vulnerable groups are supported and specific groups are not excluded.

(Short-term/ broader ministry-wide institutional, process or regulatory change)

III. Transparency of Covid-19 Emergency Procurement

3.1 All Jurisdictions Should Publish Procurement Information Related to Emergency Spending: All countries publish some information regarding public procurement. However, during emergencies procurement rules can be suspended. Procurement laws in all jurisdictions facilitate by-passing of procedures in emergency situations. Although this provides agility in crisis situations, these abridged processes undermine the standard procurement data that would otherwise be captured and published such as the amount of the contract, the name of the contractor, and the procedure used to identify the vendor. For this reason, information related to emergency public procurement is not easily accessible, and the completeness of information is uncertain. The information available did not directly link procurements to emergency measures. Also, in all but one jurisdiction, procurement information is only gathered up until the awarding of the contract.

Actions to support this reform:

- **All jurisdictions** should –
 - Publish sufficient procurement information in a format that allows citizens to follow public expenditure from the original budgetary allocation/ authorization that the funds for the contract are committed against, selecting a vendor, committing to a contract, and monitoring execution of the contract; and

(Medium-term/ legal, sectoral, policy-making, or whole-of-government reform)

- Link procurement data to emergency response spending. Currently only **North Macedonia** connects emergency spending to specific contracts.

(Short-term/ modest process or organizational action)

IV. Audit of Covid-19 Emergency Spending

4.1 Empower SAIs to Conduct Targeted and Timely Audits of Measures During the Emergency Response: The timely issuance of audit findings ensures the ongoing effectiveness of the government’s emergency response, incentivizes proper management of funds throughout the crisis, and allows tangible lessons to be contemporaneously drawn from the experience.

Actions to support this reform:

- **All jurisdictions** should –
 - Broaden SAIs’ legal mandate to allow them to use unique approaches to conduct audits during the emergency response consistent with IDI/ INTOSAI guidance. This can include short, targeted audits of specific emergency measures or conducting audits during the implementation of government programs to provide real-time assurance and compliance with emergency regulations/ decrees; and

(Medium-term/ legal, sectoral, policy-making, or whole-of-government reform)

- Authorize SAIs to contemporaneously publish audit findings from unique audits of emergency measures to maximize fiscal transparency during emergency responses.

(Short-term/ broader ministry-wide institutional, process or regulatory change)

4.2 Implement Recommendations in 2020 Annual Audit Reports to Bolster the PFM Response to Future Emergencies: Recent consolidated financial and compliance audit reports highlight weaknesses in managing expenditure during an emergency. Emergency procurement processes and requirements for publication of procurements have been identified by several SAIs as a vulnerability during the emergency response.

Actions to support this reform:

- **All jurisdictions** should –
 - Accept and provide an implementation plan for recommendations included in consolidated 2020 Annual Audit Reports, especially related to strengthening laws and regulations around the use of emergency procurements and timely publication of contract information during an emergency on e-procurement portals.

(Short-term/ modest process or organizational action)

V. Information Accessibility

- 5.1 Publish Spending Information on a Devoted Emergency Information Portal or Dedicated Sections on Existing Public Budgeting Portals:** Emergency spending information across all jurisdictions was scarce, fragmented, and not linkable. Utilizing expenditure identifiers and/or dedicated portals consolidates relevant data, making it more accessible and understandable.

Actions to support this reform:

- **Serbia** already has an Open Data Portal that can incorporate a window on COVID-19 or future emergency related spending.

(Short-term/ modest process or organizational action)

- **North Macedonia** has a dedicated public budgeting website. The website could be strengthened by connecting the information contained on the portal to the emergency response measures.

(Short-term/ modest process or organizational action)

- **BiH** has different government institutions and levels, with fragmented data. A unified portal in each jurisdiction with information organized according to function would improve accessibility to emergency spending information.

(Medium-term/ legal, sectoral, policy-making, or whole-of-government reform)

- 5.2 Available Data Should be Published in an Open Format:** Jurisdictions should provide information in open formats that are searchable/ malleable. Most information related to emergency responses was published in PDF formats. Using open formats allows citizens to better dissect and use the data to understand the emergency response.

Actions to support this reform:

- **All jurisdictions** should use international data standardization mechanisms.

(Short-term/ modest process or organizational action)

- 5.3 Legal Frameworks Should Require Fiscal Data Related to the Emergency Response be Published:** Current legal transparency provisions are either non-binding (i.e., suggested practice) or difficult to enforce (i.e., unclear processes and points of contact for remedying information discrepancies and non-publication). This is compounded by broad exemptions that undermine fiscal transparency.

Actions to support this reform:

- **All jurisdictions** should ensure the legal framework is in place to support fiscal transparency during emergency responses. This includes –
 - Conferring a positive obligation on public institutions to disclose prescribed fiscal information – including during emergencies. Prescribed disclosure obligations should include content standardization, publication in an open format, and the frequency the information is published.
 - Narrowing exemptions public officials can rely on to withhold data and information from publication; and
 - Establishing clear avenues for citizens to question the absence of critical fiscal information.

(Short-term/ legal, sectoral, policy-making, or whole-of-government reform)

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Annex 1: Methodology for Assessing Fiscal Transparency in the Jurisdictions

The study was designed to evaluate the comprehensiveness, clarity, reliability, timeliness, and relevance of public reporting on the past, present, and future state of public finances during the Covid-19 emergency across three state-level jurisdictions.⁹⁰ All research for this assessment is desk-based and drawn from information publicly available on official institutional websites, digital document repositories, and platforms supported by the government, independent institutions, or civil society platforms that draw on publicly available government data.

This study aims to build-on and supplement the existing public budgeting assessments by examining fiscal transparency as an element of PFM performance during a crisis. Lessons learned from the most recent response to the Covid-19 pandemic can guide fiscal transparency reforms across the Western Balkans aimed at enhancing future responses. Existing assessment frameworks focus on key budgeting documents produced in the normal course of the budgeting process and evaluate the comprehensiveness of information provided in the documents, timeliness of production, and extent of publication of the information. However, less emphasis is placed on public expenditure processes heavily relied on during emergencies, such as contingency appropriations, emergency spending and contracting provisions, reallocations and virements, supplementary budgets, and external grants.⁹¹ Hence the need for a supplemental assessment focusing on fiscal transparency during emergency conditions.

This report compares how fiscal transparency was used during the Covid-19 emergency response in three Western Balkan jurisdictions – Bosnia and Herzegovina (BiH), North Macedonia, and Serbia.⁹² As the analysis examines PFM performance during the crisis, it focuses on fiscal transparency practices from March 2020 through until June 2021.

Gathering and organizing of information, data, and practices was conducted in three stages.

1. Scanning for recent good practice guidance focusing on PFM in emergencies (i.e., *primary knowledge products*) and examples of fiscal transparency included in emergency measures implemented in other regions (i.e., *global case examples*)
2. Collection of evidence and data from jurisdictions that are the focus of this study, including information on the legal framework and the availability of key fiscal information; and
3. Thematic coding of the evidence to allow for a comparative analysis

Each stage is detailed in greater depth below.

⁹⁰ See Footnote 4.

⁹¹ See Footnote 10.

⁹² These three countries were eligible for support under the GGICR Trust Fund at the inception of the project. Given the country's decentralized governance, the analyses of practices in BiH covers several sub-national jurisdictions.

1. Scanning Global Practices

There is no internationally recognized PFM assessment framework focusing specifically on the role of fiscal transparency in PFM systems during a country's emergency response. As such, the research team scanned recent examples of international organizations and independent fiscal transparency actors capturing and framing global good practice related to this issue. A literature review identified recently published international good practice guidance focusing on PFM in emergencies and the application of fiscal transparency principles.

Examples of good practice guidance that the study drew on to set the parameters for data collection included:

- Government Financial Management and Reporting in Times of Crisis⁹³
- Managing Covid Funds: The Accountability Gap;⁹⁴ and
- Fiscal Data for Emergency Response Guide for COVID-19.⁹⁵

These 'primary knowledge products' guided the framing of further evidence gathering efforts. In addition, the scanning process surfaced examples of measures undertaken globally by countries that leveraged fiscal transparency to improve the PFM response to the Covid-19 pandemic. The information captured by the research team was used to contrast and compare experiences from other regions with those in BiH, North Macedonia, and Serbia and identify aspirational reforms and practices that could be introduced to Western Balkan jurisdictions to improve performance.

2. Collection of Primary Evidence

The collection of evidence, data, and practices from jurisdictions that are the focus of this study was guided by an IAF⁹⁶ collaboratively designed by regional and global technical experts and practitioner networks, with input from country counterparts. The international good practice guidance and global case examples were used as inputs for the design of the IAF. This research tool anchored a structured, semi-standardized approach for country level experts to collect and distill evidence and practice information from the jurisdictions, thereby allowing for a detailed comparative analysis.

The IAF was divided into two parts focusing on the: (a) Regulatory and Legal Framework; and (b) Information Availability. The scope of evidence collection was broad and included data on the legal provisions that governed fiscal transparency, public finance, and/ or emergency measures; the level of public access to information especially related to emergency measures; and evidence of systemization of information disclosure.

⁹³ See Footnote 12.

⁹⁴ See Footnote 13.

⁹⁵ See Footnote 14.

⁹⁶ Inputs on the scope and framing of the IAF were collected during the Project's Virtual Launch Workshop with partners and counterparts on January 21, 2021.

(a) Legal Framework

The survey instrument focused on legal or regulatory provisions that establish mechanisms or prescribe different forms of fiscal transparency, detail the type and extent of documentation, detail the types of reports to be produced and published, and any disclosure mandates (proactive transparency). In addition, provisions governing emergency allocation processes and their disclosure were also examined. The main legal and regulatory instruments that were reviewed include:

- Fiscal responsibility law/legislation
- Budget law/legislation
- Procurement law/legislation
- State aid legislation
- Access to information law/legislation
- Open data law/legislation
- State of emergency regulations (usually at the constitutional level); and
- Specific decrees and guidelines related to the financial response to COVID-19

Filters were applied to this data. They included:

- Regulatory storyline/ context
- Clarity and comprehensiveness of the regulatory framework regarding fiscal transparency for the COVID-19 crisis
- Transparency in the implementation of the regulatory framework; and
- Any highlights and challenges surfaced during the research

(b) Information Availability

The survey instrument adopted the taxonomy outlined in the *Fiscal Data for Emergency Response Guide for COVID-19*⁹⁷ as to the data and data formats that should be available. Questions in the IAF included the following topics:

- Budget adjustments and spending
- Emergency specific funds
- Efficiency and effectiveness of the measures included in emergency response packages (indicators)
- Subsidies, grants, and other support provided to vulnerable groups
- Public investment

⁹⁷ See Footnote 14.

- Staffing and payroll for medical and emergency response related staff
- Public procurement
- Beneficiaries of tax incentives and/or tax relief measures; and
- Trust funds or extra-budgetary funds

Country focused researchers used the IAF to guide the harvesting of evidence for each jurisdiction. The results were shared with the GIFT/ IBP/ WBG technical teams to review and propose follow-up questions to guide additional data collection required to extrapolate and compare fiscal transparency practices.

3. Thematic Coding

A thematic coding approach was used to organize the evidence gathered by country level experts, identify emergent themes, and more discretely organize the evidence according to those themes/ topics. The thematic coding organized the data inputs around legal and regulatory provisions related to fiscal transparency mechanisms; types of information/ data published and the extent it was published; the variety of formal reports prepared and published and variances in practices from non-emergency periods; and the transparency implications of any proactive disclosure mandates. The thematic coding process also drew on the taxonomy of data formats outlined in the Fiscal Data for Emergency Response Guide for COVID-19⁹⁸ to organize evidence on information availability.

A common set of issues or challenges emerged during the thematic coding process:

- **Transparency of COVID-19 spending**
- **Transparency of the effectiveness and inclusivity of the COVID-19 response**
- **Transparency of COVID-19 related public procurement; and**
- **Information accessibility.**

Supplemental desk research was conducted at the end of the study period to explore the application of the audit function to emergency measures. This data point was not included in the IAF as audit findings on emergency measures had not been published at the time data was collected. However, toward the end of the study period it became apparent that external audit was an important facilitator of information disclosure related to emergency measures and the audit findings included valuable lessons concerning fiscal transparency during the crisis.

The report was peer-reviewed and benefited from inputs from government representatives and fiscal transparency stakeholders in jurisdictions that are the subject of the analysis. These consultations allowed for the verification of data and capture of additional practices highlighted as examples throughout the report.

⁹⁸ See Footnote 14.

Annex 2: Summary Table

	Transparency of COVID-19 responses	Transparency of COVID-19 related Public Procurement	Monitoring, audit & control on COVID-19 expenses	Addressing efficiency and inclusivity (of minorities and vulnerable groups)	Possible explanations (based on the normative comparative analysis)
Findings across the board	<p>Budget adjustments and spending</p> <p>1- Five out of six governments enacted and published at least one rebalanced budget following a regular or urgent adoption procedure in 2020.</p> <p>2- For most governments, comparisons of the changes in appropriations between the original budget and rebalanced budget(s) is technically difficult, due to the poor format of budget data presentation.</p> <p>3- However, North Macedonia and Federation of BiH (BiH) published rebalanced budgets where re-allocations were easily distinguishable. These documents included original and adjusted amounts in separate columns.</p> <p>4- Only in North Macedonia, Federation of BiH (BiH), and Sarajevo Canton (BiH), the information about one program includes regular budget identifiers.</p> <p>5- There is a wide margin of opportunity for data publication in accessible ways and open formats. It can be done by building a user-friendly dedicated portal or using existing institutional websites where information is available in formats such as XLSX or CSV.</p> <p>6- However, compared with good international practices, the accessibility of information is limited and in no country is possible to identify neither the rationale for the specific measures or the trade-offs brought about by</p>	<p>Public procurement</p> <p>1- Overall, information on emergency public procurement is not made easily accessible. All countries procurement laws include provisions that allow starting procedures without previous announcement when an unforeseeable emergency occurs (that is not related to the government's decisions).</p> <p>2- All governments disclosed at least some tender, awards and contract information.</p> <p>3- North Macedonia was the only government that directly specified pandemic-related contracts at a COVID-19 specific website.</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>1- All countries present information about the set of measures with explanatory narratives and general estimates in financial outputs, but none of them provide detailed information on expected performance and impact.</p> <p>2- However, none of these governments presented information on the actual performance measured in non-financial indicators, and only North Macedonia published data on the planned performance of non-financial indicators, although it only included a broad explanatory narrative.</p> <p>3- None of the countries produced and published a document with the rationale, analysis and justification of the targets and specific policy initiatives within the set of measures to address the COVID-19 crisis.</p> <p>4- Lack of public reporting on the implementation of policy initiatives hampers efforts to establish success and learn valuable and shareable lessons for other countries.</p>	<p>Budget adjustments and spending</p> <p>1- No priority analysis is available as of identifying the trade-offs (i.e., human rights vs. emergency measures).</p> <p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>2- The information about inputs and outputs of the actions undertaken to mitigate the effects of the pandemic are scarce and fragmented, especially at the level of the beneficiaries of emergency measures, which impedes assessing the efficiency and effectiveness of the implemented measures.</p> <p>3- None of the governments presented data on non-financial indicators that measure the policies' performance and impact on poor beneficiaries, women, and girls, or other vulnerable groups.</p> <p>Subsidies, grants, and other support to vulnerable groups</p> <p>4- All governments published information on planned subsidies, grants, and other support (except for BiH-Institutions), at least of a broad number of intended business beneficiaries.</p> <p>5- Serbia disclosed aggregate information on the actual support given to individual businesses, while Republika Srpska (BiH) and Federation of BiH (BiH) detailed amounts of grants or guarantees per recipient.</p> <p>6- The Sarajevo Canton (BiH) publishes information on planned subsidies for specific groups like</p>	<p>Fiscal responsibility and budget laws</p> <p>1- Overall, the performance of these countries in fiscal transparency was low and it was consistent with the overall global levels of fiscal transparency. According to the IBP assess of fiscal transparency during COVID19, these countries are in the "Limited" accountability level.</p> <p>2- However, they have also shown some significant efforts to disclose COVID19 related information, particularly in procurement and beneficiaries.</p> <p>3- None of the analyzed countries publishes a Mid-year review, which in the context of COVID-19 is a relevant document for the assessment of changing circumstances. The key elements for this document include extensive revisions of the macroeconomic circumstances, revenue, and expenditure trends.</p> <p>4- There is an area of opportunity in strengthening rules to ensure fiscal discipline and the role of oversight institutions. Also, monitoring of fiscal risks can improve.</p> <p>Access to information law</p> <p>5 - There is no guidance for reporting the implementation of the budget for the COVID-19 crisis and no guidance on how to implement the access to information law in case of emergency. While these countries made important information available to the public in the areas mentioned before, their levels of transparency are null in areas such as non-financial indicators on efficiency and effectiveness, vulnerable group targeting, presenting actual spending data in any of the relevant classifications, presenting information in a way where trade-offs</p>

	Transparency of COVID-19 responses	Transparency of COVID-19 related Public Procurement	Monitoring, audit & control on COVID-19 expenses	Addressing efficiency and inclusivity (of minorities and vulnerable groups)	Possible explanations (based on the normative comparative analysis)
	<p>COVID-19 response. International practices include the streaming of COVID-19 response and relief packages in the IFMIS through specific programs, or budget tagging, tagging of procurement data, inclusion of georeferenced information, publication of documents with cross sector analysis, new interactive platforms or adaptation of existing ones, whistle blower platforms, etc.</p>			<p>agricultural sectors and the unemployed.</p>	<p>can be identified, nor extra-budgetary funds.</p> <p>Open Data Law 6- There are no standards for publishing available information, so most data is only accessible in PDF format. 7- Legal framework lacks provisions that ensure quality and enforce publishing of the fiscal data and information. The latter results in non-existing or non-binding terms to publish data collected or documents produced by the public institutions and the lack of requirements on the standardization of the content and frequency of the reports. 8- To make sustainable advances in fiscal transparency, strong political commitment at the high level is necessary to change the administrative culture of public institutions.</p>

	Transparency of COVID-19 responses	Transparency of COVID-19 related Public Procurement	Monitoring, audit & control on COVID-19 expenses	Addressing efficiency and inclusivity (of minorities and vulnerable groups)	Possible explanations (based on the normative comparative analysis)
Serbia	<p>Budget adjustments and spending</p> <p>1- Information on emergency fiscal policy packages is part of the budget reports, and other disclosures that public institutions produce and publish regularly.</p> <p>2- The Government did not display specific efforts or initiatives to inform the public on COVID-19 related spending.</p> <p>3- The information about the original and rebalanced budget was published using the same format and classification, which allows for comparison. However, given the format used for publication, it can only be done manually, which is time-consuming and prone to error.</p> <p>4- The limited availability of fiscal information about the implementation of measures, especially in disaggregated levels, impedes full assessment of the efficiency and effectiveness of measures.</p> <p>5- Except for the Public Procurement Office, no other institution participating in the PFM process at the central government level uses the Open Data Portal for regularly publishing information. Searching fiscal data and information comes down to checking individual internet presentations, which are, often, heterogenous and untimely updated. Even in the individual presentations, data is fragmented and in non-machine-readable formats.</p>	<p>Public procurement</p> <p>1- The current Law on Public Procurements (LPP) (in force since July 1, 2020) has improved transparency in case of "state of emergency", but vague provisions that regulate monitoring of procurement implementation and law exemptions in case of capital projects of building line infrastructural facilities.</p> <p>2- The most relevant fiscal transparency improvement has been to remove provisions from the previous law that allowed exceptions from the public procurement procedures in case of a state of emergency. However, there is a step back in terms of vague mechanisms for monitoring the implementation of public procurement procedures. It also represents a backward step in higher thresholds for exempting procurements from the LPP.</p> <p>3- The Government has discrete power to suspend the LPP for capital projects related to building line infrastructural facilities. The latter resulted from adopting the <i>Law on Special Procedures for the Realization of Projects for the Construction and Reconstruction of Line Infrastructure Facilities</i>, at the beginning of 2020.</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>1- There was no information on goals, performance, and impact of the measures, using non-financial indicators.</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>1- Serbia lacks information about the effect or impact of measures on vulnerable groups.</p> <p>Subsidies, grants, and other support to vulnerable groups</p> <p>2- Serbia published information on the support given to vulnerable groups such as pensioners, temporary benefit beneficiaries, and women.</p> <p>3- it also disclosed financial support for specific economic sectors such as Agriculture, Tourism and Hospitality, and Health. Serbia used eligibility criteria to support companies and diminish employee layoffs.</p> <p>4- However, this information is not yet published in a structured, open, nor consolidated format. It is expected to be published when/as part of what?</p>	<p>Fiscal responsibility and budget law</p> <p>1- Provisions of current legislation on emergency and pandemic, when jointly applied, allow the executive to declare the state of emergency in case of pandemic without consent of the parliament and temporarily derogate human rights.</p> <p>2- The Budget System Law does not contain provisions that regulate the budgeting process during the state of emergency; consequently, no provisions on fiscal transparency in emergencies exist.</p> <p>3- The organic PFM regulation is set by the Budget System Law, which also encompasses provisions on fiscal responsibility. While the LBS covers in detail the budget cycle in "normal" times, it does not contain provisions on the budgeting process during the state of emergency.</p> <p>4- The LBS recognizes "extraordinary circumstances" and allows temporary deviations from fiscal rules. In such situation, the Government is obliged to prepare a plan for restoring fiscal precepts and submit it to the National Assembly. Nevertheless, the LBS does not contains provisions to ensure that rules are binding.</p> <p>5- The LBS lacks provisions that make fiscal responsibility binding, encouraging violation of the Law. Most notable examples of the latter in recent years are a constant violation of the fiscal rule on the level of public debt (since 2012), deviations from the budget calendar during the budget preparation, and deviations from the legal obligations of the Government to submit Mid-Year and Year-End reports to the National Assembly.</p>

	Transparency of COVID-19 responses	Transparency of COVID-19 related Public Procurement	Monitoring, audit & control on COVID-19 expenses	Addressing efficiency and inclusivity (of minorities and vulnerable groups)	Possible explanations (based on the normative comparative analysis)
Managing Covid Funds: the accountability gap (Serbia)	<p>Availability of information:</p> <ul style="list-style-type: none"> - Macroeconomic and aggregate budget info: Adequate. - Policy measures: Limited. - Sources of financing: Limited. - Reporting on execution: Some. - Extrabudgetary funds: Not applicable. 	<p>Availability of information:</p> <p>Procurement: Minimal.</p>	<p>Availability of information:</p> <ul style="list-style-type: none"> - Performance: Minimal. - Role of legislatures: Limited. - Role of national audit offices: Minimal. - Public participation: Minimal. 	<p>Availability of information:</p> <p>Recipients: Minimal.</p>	<ul style="list-style-type: none"> - Serbia has a limited level of accountability, according to the IBP report. - 54.5% of the 22 countries in the eastern Europe and central Asia region have the same level of accountability. - Six countries (27.3%) from the region reached a higher level ("Some Accountability"- Bulgaria, Croatia, Kyrgyz Republic, Poland, Slovakia, and Slovenia). - Four countries (18.2%) scored the lowest level ("Minimal Accountability"- Albania, Hungary, Tajikistan, and Turkey). - No country from this region reached the highest level of accountability ("Adequate Accountability").
North Macedonia	<p>Budget adjustments and spending</p> <p>1- Government was proactive in increasing fiscal transparency and providing data to the public through the Open Finance Portal and the COVID-19 expenditure portal.</p> <p>2- Expenditures from the budget program P1 (COVID-19 related) are available at a 6-digit level (Account type) as well as the recipient of the transfer. Unfortunately, this data doesn't link to specific policy initiatives/measures of the packages, so it is impossible to verify the implementation of the promised/planned measures in the emergency fiscal package.</p> <p>3- In North Macedonia, there is no Fiscal responsibility law, but the Strategy for public debt management 2021-2023 (with prospects till 2025) discusses the COVID-19 context.</p> <p>4- Government was proactive in increasing fiscal transparency and providing data to the public through the portals:</p> <ul style="list-style-type: none"> • Open finance portal: 	<p>Public Procurement</p> <p>1- The government does not publish information on actual results of the procurement related to the implementation of emergency fiscal policy packages.</p> <p>2- The Bureau for Public Procurement publishes regular procurement processes for all contracting authorities in a unique centralized system called ESSP. The website contains information on procurement plans, tenders, awards, contracts, and implementation, but not clear identification for COVID-19 related purchases is presented.</p> <p>3- The contracts are COVID-19 tagged and easily to access by ticking the COVID-19 tag.</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>There was no information on goals, performance, and impact of the measures, using non-financial indicators. Currently, North Macedonia only presented a broad explanatory narrative on estimated financial inputs.</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (Indicators)</p> <p>1- North Macedon lacks information about the effect or impact of such measures on vulnerable groups</p> <p>Subsidies, grants, and other support to vulnerable groups</p> <p>2- North Macedonia disclosed information on estimated support given to the individual, business, poor, and other vulnerable beneficiaries such as single parents and laid-off workers, using eligibility criteria.</p> <p>3- There is also information on the actual support given to the individual, business, poor, and other vulnerable beneficiaries, although it is not clear if eligibility criteria were implemented accordingly.</p> <p>4- The data is available in open formats. However, the website has issues exporting data according to the filters selected by the user.</p>	<p>Fiscal responsibility and budget law</p> <ul style="list-style-type: none"> - Even though the government declared a State of Emergency during the COVID-19 pandemic, public finance management operated according to constitutional procedures. Also, the legislative and executive powers respected the procedures and responsibilities between them. <p>Recap: no FRL – were there any other rules on deficits or debts that applied or had to be suspended?</p>

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	<p>https://open.finance.gov.mk/mk/home,</p> <ul style="list-style-type: none"> • COVID-19 expenditure portal: https://finansiskatransparentnost.koronavirus.gov.mk/#/payments-details 				
Managing Covid Funds: the accountability gap (North Macedonia)	<p>Availability of information:</p> <ul style="list-style-type: none"> - Macroeconomic and aggregate budget info: Adequate. - Policy measures: Some. - Sources of financing: Minimal. - Reporting on execution: Minimal. - Extra-budgetary funds: Not applicable. 	<p>Availability of information:</p> <p>Procurement: Some.</p>	<p>Availability of information:</p> <ul style="list-style-type: none"> - Performance: Limited. - Role of legislatures: Limited. - Role of national audit offices: Adequate. - Public participation: Minimal. 	<p>Availability of information:</p> <p>Recipients: Limited.</p>	<ul style="list-style-type: none"> - North Macedonia has a limited level of accountability, according to the IBP report. - 54.5% of the 22 countries in the eastern Europe and central Asia region have the same level of accountability. - Six countries (27.3%) from the region reached a higher level ("Some Accountability"- Bulgaria, Croatia, Kyrgyz Republic, Poland, Slovakia, and Slovenia). - Four countries (18.2%) scored the lowest level ("Minimal Accountability"- Albania, Hungary, Tajikistan, and Turkey). - No country from this region reached the highest level of accountability ("Adequate Accountability").

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Bosnia and Herzegovina	<p>Budget adjustments and spending</p> <p>1- For the BiH -Institutions, the information on public spending only became publicly available several months after preparing the reports.</p> <p>2- Federation of BiH (BiH) published information for the <i>Fund for economy stabilization</i> by administrative classification in the 2020 budget rebalance. This is a consolidation of various types of expenditures that are disbursed using said vehicle, i.e., guarantees provided to the Federation of BiH (BiH) Development Bank, direct funding provided to companies, etc. Most of the resources in this fund were transferred to cantons.</p> <p>3- Republika Srpska (BiH) published both original and rebalanced budget with only one column for the budget amount, which requires any comparison between the two budgets to be done manually.</p> <p>4- The information published by Sarajevo Canton (BiH) shows evidence of the potential identification of budget trade-offs due to the emergency. However, all the published documents are in PDF format.</p> <p>5- Sarajevo Canton (BiH) is more advanced than other levels of government in BiH in terms of level of details provided in monthly budget execution reports.</p> <p>6- Sarajevo Canton (BiH) is the only analyzed government where major COVID-related investments were identifiable. Such increase was noted in three areas: health care facilities, education, and civil protection.</p>	<p>Public Procurement</p> <p>1- The Legislative framework in BiH around fiscal transparency is fragmented in all areas except Public Procurement where one Law applies to the whole country. This creates the same legal requirements for all institutions in BiH. Nonetheless, procurement procedures are decentralized and there is no unique e-procurement platform. There is a procurement portal that publishes notices and some information about the procurement procedure.</p> <p>2- Procurement Law applies to all levels of government and requires publishing information on procurement procedures up to the contract stage. However, it's not easy to verify if that happens since procurement is decentralized. Information should be centralized on the public procurement portal as per the Procurement Law.</p> <p>3- Sarajevo Canton (BiH) COVID economic measures didn't have public procurement component. However, there is a register of public procurements on its Anti-corruption Agency web site that allows for searches on procurements by institution. This register is voluntary and additional to the legal requirements from the BiH procurement law [which also applies to Sarajevo Canton (BiH)].</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>1- There was no information on goals, performance, and impact of the measures, using non-financial indicators.</p> <p>2 - The level of detail required to do monitoring, audit and control on COVID-19 related expenditure is not publicly available.</p> <p>3- There is no parliamentary oversight or review of the existence, duration nor the scope of an emergency situation.</p>	<p>Efficiency and effectiveness of the measures included in emergency response packages (indicators)</p> <p>1- BiH lacks information about the effect or impact of such measures on vulnerable groups</p> <p>Subsidies, grants, and other support to vulnerable groups</p> <p>2- There are no requirements in any legislation reviewed for publishing detailed data sets on given grants, transfers, and subsidies.</p> <p>3 - However, Republika Srpska (BiH), Federation of BiH (BiH), and Sarajevo Canton (BiH) published planned amounts for businesses.</p> <p>4- Republika Srpska (BiH) and Federation of BiH (BiH) disclosed information on total actual amounts given to businesses. The former published information about direct grants given to businesses, while the latter disclosed guarantees, under a guarantee program, per recipient.</p> <p>5 - The information is available on different websites and formats. Republika Srpska (BiH) uses PDF format on the Tax Administration website and Excel on the Guarantee Fund portal, while Federation of BiH (BiH) only discloses the data as a list on the Guarantee Fund website.</p>	<p>Fiscal responsibility and budget law</p> <p>1- The fragmented governance structure leads to fragmentation in public finances, emergency reaction rules, health care, and other key segments of public administration and services. Centrally set public procurement rules are a rare exception.</p> <p>2 - The complexity also partly comes from overlapping regulations, leaving uncertainty in attributions and responsibilities.</p> <p>3- The fiscal rules deviations are planned for only in RS legislation, but there is no obligation to provide regular reports after invoking an exception. There is no legislation at any level that foresees specific reporting and transparency requirements for emergency situations.</p> <p>Access to information law</p> <p>4- While the legal framework for public access to information is in place, there is a rise in the number of citizen complaints recorded by Ombudsmen.</p> <p>5- The law does not allow for access to information to be blocked in emergency situations.</p> <p>6- The law does not contain the concept of proactive disclosure of information.</p>

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Managing Covid Funds: the accountability gap (Bosnia and Herzegovina)	<p>Availability of information:</p> <ul style="list-style-type: none"> - Macroeconomic and aggregate budget info: Some. - Policy measures: Minimal. - Sources of financing: Minimal. - Reporting on execution: Limited. - Extrabudgetary funds: Not applicable. 	<p>Availability of information:</p> <p>Procurement: Some.</p>	<p>Availability of information:</p> <ul style="list-style-type: none"> - Performance: Minimal. - Role of legislatures: Some. - Role of national audit offices: Minimal. - Public participation: Minimal. 	<p>Availability of information:</p> <p>Recipients: Minimal.</p>	<ul style="list-style-type: none"> - Bosnia and Herzegovina has a limited level of accountability, according to the IBP report. - 54.5% of the 22 countries in the Eastern Europe and Central Asia region have the same level of accountability. - Six countries (27.3%) from the region reached a higher level ("Some Accountability"- Bulgaria, Croatia, Kyrgyz Republic, Poland, Slovakia, and Slovenia). - Four countries (18.2%) scored the lowest level ("Minimal Accountability"- Albania, Hungary, Tajikistan, and Turkey). - No country from this region reached the highest level of accountability ("Adequate Accountability").
Relevant experience in Europe and Central Asia	<ul style="list-style-type: none"> - France used its programmatic budget framework to introduce specific COVID-19 programs that cut across ministries and agencies as well as published spending information on dedicated transparency portals, providing a comprehensive picture of support expenditure that is updated promptly. - Norway is one of 4 countries that provided adequate information for accountability in early COVID-19 fiscal policy responses. 	<ul style="list-style-type: none"> - Ukraine leveraged their current work streams with the open contracting approach to regulate and monitor emergency COVID-19 procurement through their renowned tool ProZorro. As emergency procurement is excluded from the procurement law; a structured list of goods was adopted. This structured reporting for all signed contracts is mandatory and framed within the current technological framework, generating data that complies with Open Contracting Data Standard. The abovementioned allowed for a separate reporting dashboard and a business intelligence tool. 	<ul style="list-style-type: none"> - The European Court of Auditors published a first review of the European Union's emergency response until mid-2020 and announced that one-quarter of its audits in 2021 would focus on the European response to fighting the pandemic. - Georgia's Budget Monitor is a unique citizen participation web platform from the Georgia State Audit Office that provides comprehensive analytical information on public finances, thereby enabling Members of Parliament, civil society associations, and the general public to monitor government budget processes. In a dynamic way, with the use of diagrams, infographics and tables, users have access to information on the income and expenses of state institutions, from which they can request audits and send proposals for next year's audit plan. - United Kingdom, the Parliament's Public Accounts Committee set up a program of work to hold the government to account for its use of taxpayers' money in response to the COVID-19 pandemic, including an inquiry into emergency government procurement. 	<ul style="list-style-type: none"> - Croatia published their list of beneficiaries from support to entrepreneurs in activities affected by the COVID-19 pandemic in a tabular fashion, as well as downloadable datasets in jsons format and through an API for developers, to directly query the databases. - Norway is the only of 120 countries analyzed in IBP's rapid assessment where both the executive and the legislature carried out consultations with key stakeholders—including various disadvantaged groups— both during the formulation and the implementation of the government's response packages. 	<p>Recommendations and trends</p> <ol style="list-style-type: none"> 1- Access to information regulatory frameworks that mandate proactive publication of fiscal information in states of emergency. 2- Provisions within the Budget laws with specific transparency mandates and specific provisions for emergency spending. 3- Provisions within the regulations that create emergency funds with specific transparency mandates. 4- Open Data regulatory frameworks (the more specific their secondary legislation is, the better). 5- Use of existing (or creation of) standardization and open data tools. 6- Take into consideration the specific demand from national and international civil society organizations and media, mostly regarding procurement processes and economic relief benefits recipients.
Relevant experience at the global level	<ul style="list-style-type: none"> - Brazil presented detailed information on relevant categories of spending, for example, by 	<ul style="list-style-type: none"> - Colombia and Honduras, have added a module in their e-procurement platforms that presents 	<ul style="list-style-type: none"> - In Honduras, Peru, Sierra Leone, and South Africa, the respective supreme audit institutions have undertaken interim audits to uncover irregularities and tackle 	<ul style="list-style-type: none"> - Australia and Bangladesh published extensive reports detailing the implementation of specific policy 	<ol style="list-style-type: none"> 7- Pre-existing dedicated teams within Ministries of Finance, with the experience and mandate to implement fiscal transparency in an

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	<p>administrative, economic, and functional groups; by beneficiary; and by region.</p> <p>- Colombia, Honduras, and Peru—have published spending information on dedicated transparency portals, providing a comprehensive picture of support expenditure that is updated promptly.</p> <p>- Honduras and Rwanda, have tagged COVID-19 spending in their information systems.</p> <p>- Paraguay and the United States, presented open access to microdata.</p> <p>- The Philippines provided an overview of the COVID-19 response (including off-budget measures).</p> <p>- South Africa has published prompt information on its dedicated trust fund, the Solidarity Fund, a mostly private COVID-19 relief specific trust fund, that has been recognized (IMF, 2020) for its robust and transparent financial reporting as well as for regularly disclosing information on resources and disbursements regularly both through impact reports, and through a dedicated website.</p>	<p>detailed information on all emergency procurement related to COVID-19.</p> <p>- Ecuador, through the procurement agency's emergency procurement platform provides open data access to all COVID-related procurement contracts, allowing for civil society action and better accountability.</p> <p>- Jordan and Papua New Guinea publish information on procurement contracts, including their beneficial ownership, in line with their commitment when accessing IMF emergency funding.</p> <p>- In Paraguay, civil society organizations use the publicly available public procurement information, including that of COVID-19 specific contracts, and contextualize it in a publicly available website that allows for cross-comparisons with payroll information and historical data on procurement (adjusted by inflation). This tool also enables an artificial intelligence algorithm that publishes inconsistencies through a twitter account.</p>	<p>governance vulnerabilities as they happen.</p> <p>- In Jamaica, the Auditor General published three concurrent audit reviews of the government's cash transfer program, the COVID-19 Allocation of Resources for Employees (CARE) Programme. The Ministry of Finance held up payments until after the audit had happened, and worked closely with the SAI to follow up on audit recommendations</p> <p>- Mexico, through their regular reporting and publication platforms for open data on performance indicators for budgetary programs, presented information on non-financial indicators target goals being affected by the emergency and the fund reallocation; allowing for the identification of trade-offs.</p> <p>- Paraguay included efficiency indicators targets and goals for the measures in the response package and published updates in their fulfillment through their public website. - In Sierra Leone, the Audit Service used real-time auditing approaches honed during the Ebola crisis to publish a report on COVID-19 spending that led to the Anti-Corruption Commission taking up several investigations and detaining top government officials.</p> <p>- In South Africa, more than one-third of the auditees have taken actions to address identified irregularities; the Unemployment Insurance Fund has recovered R3.4 billion (US\$220 million) of incorrect payments, and the president has set up a high-level task force to address allegations of corruption.</p>	<p>measures, and their impact on various disadvantaged groups, including women, the elderly, children and those living in poverty.</p> <p>- Canada's Gender Based Analysis Plus (GBA+) approach was applied to the government's COVID-19 Economic Response Plan to assess the potential impact of various policy initiatives on gender, income, and inter-generational inequalities.</p> <p>- In Peru, a joint government-civil society working group, Mesa de Concertación para la Lucha contra la Pobreza (MCLCP), published a report looking at the impact of the government's COVID response on various populations. The working group used data about budget execution, poverty, employment, implementation of social and health programs, and COVID-19 statistics to make a series of proposals for response measures.</p>	<p>emergency context as a policy priority.</p> <p>8- High-level political endorsement for fiscal transparency initiatives.</p> <p>9- Integrate innovations and good practices that emerged during the COVID-19 crisis—such as user-centered information, enhanced procurement transparency or innovative monitoring and auditing practices—into regular budget processes and procedures going forward.</p> <p>10- Having strong internal financial management systems allows for better readiness and prompt response.</p> <p>11- Incorporate publication of non-financial and performance publication, both of the estimated inputs and outputs, and on actual results and impacts, paying special attention to the expected and achieved impacts in vulnerable populations.</p> <p>12- Incorporate specific monitoring, audit and control mechanism that allow for “live” oversight processes, both from oversight institutions, and from members of the public, particularly civil society organizations.</p>

Note: the word *information* refers to the contents any kind of document published regardless of its format. The word *data* refers to information that specifies quantitative amounts (expenditures, beneficiaries, etc.). *Open data* refers to data published in machine readable formats.

