

ENVIRONMENT DIRECTORATE
ENVIRONMENT POLICY COMMITTEE

**Task Force for the Implementation of the Environmental Action Programme for Central and Eastern Europe, Caucasus and Central Asia
Regulatory Environmental Programme Implementation Network**

**SURVEY QUESTIONNAIRE
ON MEDIUM-TERM EXPENDITURE FRAMEWORKS
AND THE ENVIRONMENT IN EECCA**

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10 June 2009 (Chisinau, Moldova)

This survey questionnaire, prepared by the EAP Task Force Secretariat, seeks to elicit information on the extent to which the environmental sector is integrated into medium-term budgetary processes in the countries of Eastern Europe, Caucasus and Central Asia (EECCA). It looks at general and MTEF-specific budgetary practices, actual distribution of budgets across various sectors, planning and programming approaches of environmental administrations, as well as at donor funding processes and flows in EECCA countries.

The questionnaire will support the discussion during the final session of a regional expert workshop on 10 June 2009 (Chisinau, Moldova).

Please send your comments to Nelly Petkova by 3 July 2009.

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SURVEY QUESTIONNAIRE ON MEDIUM-TERM EXPENDITURE FRAMEWORKS AND THE ENVIRONMENT

Background

The current paper introduces a questionnaire that will support a survey on budgetary and medium-term budgetary planning and the integration of the environment sector into these processes in the countries of Eastern Europe, Caucasus and Central Asia (EECCA).

In EECCA countries, environmental policy making and planning are still largely disconnected from budgeting, with budgets mostly relying on historical data, often adjusted for inflation only. A major challenge for environment ministries in EECCA is the alignment of their programmes with budgetary decision-making and the government's strategic orientation.

Many OECD and non-OECD countries are working towards achieving this goal by introducing medium-term expenditure frameworks (MTEFs)¹. MTEF is a rolling 3-5 year process, revisited every year. MTEF aims at reducing the imbalance between what is affordable and what is demanded, with adjustments taking place through policy changes.

Lately, MTEFs have received increased attention in the EECCA region. For example, in Armenia, Azerbaijan, Georgia, Kazakhstan, Moldova and Russia, ministries of finance are already using MTEFs to translate national policy objectives into public expenditure programmes. In many cases, MTEFs were introduced incrementally, starting with selected sectors and then expanding coverage to all of government. In general, environmental authorities have not been at the forefront of these processes and their capacity to use MTEF is only emerging.

Apart from strengthening environmental management in EECCA, the need to develop such capacity is becoming increasingly important as donors (including Russia as well) are shifting from project-specific mechanisms for delivering aid to general budget support. At the same time, there is some evidence that external aid to the environmental sector has declined. Thus, it becomes all the more important for environment ministries to find ways to integrate environment not only into national economic development strategies but also in the associated budgets.

Objectives of the survey

To better understand the challenges of this process, the EAP Task Force is launching a survey of budgetary planning practices in the EECCA region. The overall objective of this work is to assist countries of Eastern Europe, Caucasus and Central Asia (EECCA) to enhance their capacity to link environmental policy

¹ For definitional clarity, we refer throughout to the MTEF as a specific term for the more general concept of a medium-term budget planning and preparation process that links expenditure allocations to government policy priorities.

formulation with economically sound, well-justified and realistic public expenditure programmes. In particular, the main objectives of this survey are to:

- Better understand the general budget practices in the EECCA countries and the way the MTEF is linked to the annual budget formulation;
- Better understand the challenges faced by EECCA environmental administrations in preparing their programmes to be included in the MTEF/annual budget process;
- Identify good practices and opportunities for financing environmental management through general budget support;
- Provide policy relevant recommendations on designing environmental programmes for inclusion in the MTEF process also in light of OECD practices;
- Enable ministries of environment and their peers from ministries of finance to exchange experience on the introduction and use of medium-term budgetary planning.

Coverage of the questionnaire

The questionnaire consists of five major parts:

1. Part A contains tables where specific data on environmental expenditure are requested.
2. Part B addresses questions related to general budget practices and procedures.
3. Part C focuses on questions related to the design and implementation of MTEF in the country.
4. Part D seeks to obtain information on ministries of environment practices for developing multi-year expenditure programmes.
5. Part E consists of questions related to donor financing and the way donor resources are incorporated in the budgetary process.

It is important to emphasise that parts of this questionnaire draw from work carried out by the OECD Public Governance Directorate. We are thankful for their constructive support and contribution.

Methods of work

This survey will support the preparation of a report on the experience of the EECCA countries with medium-term budgeting and more specifically with the integration of the environment sector into the medium-term expenditure frameworks, where these exist. The report will be prepared within the framework of the OECD EAP Task Force in close cooperation with EECCA ministries of environment and ministries of finance/economy.

The Survey Questionnaire covers the key components of a well-developed MTEF. However, where countries do not meet the criteria for a full MTEF, the questionnaire still attempts to capture where and how a more-medium term perspective has been useful in budgeting and how the environment sector is engaged with multi-year budgetary planning.

It is also important to mention that while this questionnaire focuses on the integration of the environment sector into MTEF, we will appreciate it if all countries filled up the questionnaire, even if they do not have an operational medium framework. The questionnaire is constructed in such a way that it allows answering all questions regardless of the budget practices in the individual country.

In addition, we need to mention that responding to the questionnaire requires the close cooperation between representatives of ministries of environment and ministries of finance or the specific institution that is responsible for budget formulation/MTEF. We would appreciate it if both ministries support this work as it will not be possible to obtain the full picture without both contributions.

Please send your responses in an electronic version. If you have specific comments on any of the questions, please insert them directly after the question concerned. The questions are mostly multiple-choice questions and to answer any of them you just need to click on the respective check box. If this is not possible (if you don't have the special programme installed on your computer to do this), please highlight your responses in yellow. If you would prefer to send your responses by fax or post, please use the fax number and postal address indicated below. If you need any clarifications, please do not hesitate to contact the project manager.

Please, feel free to attach any other documents to the survey questionnaire that you think may be useful for us to understand better the budget/MTEF process in your country.

Implementation arrangements and schedule

The schedule for the implementation of this work is envisaged to be as follows:

- Experts are requested to provide their comments on the draft questionnaire by **26 June 2009**;
- The EAP Task Force Secretariat will incorporate the comments by **3 July 2009**;
- Experts from both ministries of environment and finance will be identified to fill in the questionnaire by **10 July 2009**;
- The final version of the questionnaire will be sent out to experts in the two ministries by **15 July 2009**;
- Draft responses will be received by **15 September 2009**;
- Clarification on the responses will be sought (through phone interviews) by **30 September 2009**;
- The first draft of the report will be prepared by the **end of December 2009/early 2010**;
- The draft report will be sent out to countries for comments in **February 2010**;
- Comments from countries on the draft report will be sought by **March 2010**;
- The report will be finalised in **April 2010**;
- The report will be presented at the next REPIN meeting – **spring 2010**.

Responses

Please, send your responses to:

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Data on respondents

Upon completing the responses, please provide us with your contact information.

Ministry of environment	Ministry of finance/or other relevant ministry
Country: Respondent's name: Position: Address: Telephone: Fax: E-mail address:	Country: Respondent's name: Position: Address: Telephone: Fax: E-mail address:

We thank you for your contribution.

**Survey questionnaire on medium-term expenditure
frameworks and the environment**

PART A: EXPENDITURE DATA

This first part of the questionnaire seeks to elicit information on environmental expenditure data related to budget and donor funding in each of the counties. Please, fill in the data to the extent possible.

1. Given the complex nature of the sector, the first table seeks to clarify the distribution of responsibilities for public environmental management across various government ministries.
2. Table 2 looks at the current government spending on the environment (with Ministries of Environment and/or Ministries of Natural Resources acting as a proxy for the national environmental spending).
3. Table 3 aims to identify how significant is international development assistance in support of public environment actions in the country.
4. Table 4 seeks to compare the estimated and actual allocations from the budget for the environment sector within the MTEF process.
5. Table 5 looks at the execution of the budget in the environmental sector in terms of spending capacity.
6. Table 6 aims to assess the real financial gap in the environmental sector between the level of resources assessed as needed by the environmental administration, the requested resources (the expenditure limit) and the actual budgetary allocations.

Note: If there is only a ministry of environment in your country that is responsible for both pollution control and natural resource management, please clearly state this.

Table 1: Overview of primary ministries/agencies with formal responsibilities for environmental matters

Organisation	Mandate and mission	Environment functions (not exhaustive)
Ministry of Environment		
Ministry of Natural Resources		
Ministry of Agriculture		
Ministry of Fisheries		
Ministry of Tourism		
Ministry of Energy		
Forestry Commission		
Other (please specify)		

Table 2: Comparison of Government allocation of the national budget to Ministry of Environment and Ministry of Natural Resources, as compared to the other sectors

Year	% allocated to MoE & MoNR	% allocated to health sector	% allocated to education sector	% allocated to defence sector
2005				
2006				
2007				
2008				
Average				

Table 3: Government and donor contribution to Ministries of Environment and Natural Resources

Year	Total allocation (all data in local currency, current prices)		% contribution donors	
	MoE	MoNR	MoE	MoNR
2005				
2006				
2007				
2008				
Average				

Table 4: Government MTEF allocations in outer year to environmental ministries and other sectors*

Amount (all data in local currency, current prices)		2005	2006	2007	2008
Total	MTEF (n + 1)				
	Budget allocation (n)				
MoE	MTEF (n + 1)				
	Budget allocation (n)				
MoNR	MTEF (n + 1)				
	Budget allocation (n)				
Mo Health	MTEF (n + 1)				
	Budget allocation (n)				
Mo Education	MTEF (n + 1)				
	Budget allocation (n)				
Mo Defence	MTEF (n + 1)				
	Budget allocation (n)				

Note: *"outer year" refers to the allocation proposed for year n+1 in MTEF projections (where year n is the first year and corresponds to the annual budget).

Table 5: Government budgetary execution by environmental ministries

Amount (all data in local currency, current prices)		2005	2006	2007	2008
Total budget	Amount allocated				
	Amount spent				
	Percentage spent				
MoE budget	Amount allocated				
	Amount spent				
	Percentage spent				
MoNR budget	Amount allocated				
	Amount spent				
	Percentage spent				

Table 6: Assessing the financial gap in the environment sector

Amount (all data in local currency, current prices)		2005	2006	2007	2008
Total budget	Amount assessed				
	Amount requested / submitted				
	Amount allocated				
MoE budget	Amount assessed				
	Amount requested / submitted				
	Amount allocated				
MoNR budget	Amount assessed				
	Amount requested / submitted				
	Amount allocated				

PART B: BUDGET PRACTICES AND PROCEDURES

Part I: General information

1. What was the total government expenditure as a percentage of GDP in the past two fiscal years?

Total budget expenditure for the current fiscal year	Range: 1- 100%
Total budget expenditure for the previous fiscal year	Range: 1- 100%

2. How are expenditure classified in the central government budget? Please, *check all that apply*:

- Function / sector (e.g. environment, health, defence)
 Economic classification (e.g. employee compensation, interest grants)
 Line-item (or object) classification for procurement of goods and services (e.g. salaries, travel, printing)
 Separation of current / capital expenditure (as part of line-item classification)
 Administrative or organisational classification (e.g. hierarchical levels and administrative units in line ministries)
 Programme classification (reflecting the government's policy objectives and/or individual programme budgets)
 Other, please, specify

3. Where is the function of the central budget authority located?

- Ministry of Finance
 Office of the Chief Executive
 President's office
 Prime Minister's office
 Independent agency
 The central budget authority is split between two or more agencies (please specify)
 Other, please, specify

Part II: Budget formulation and approval

Macroeconomic forecasting and expenditure projections

4. Which of the following have primary responsibility for the formulation of economic assumptions used in the budget?

- Central budget authority
 Ministry of finance
 President/prime-minister office
 Other ministry, please, specify
 Legislature or other legislative body
 Independent government body

- Private sector, please, specify
- Other, please, specify

5. Is there any independent review of the economic assumptions used in the budget?

- Yes, by an independent panel or similar, it is a legal requirement
- Yes, by an independent panel or similar, it is not a legal requirement
- Yes, by an audit office, it is a legal requirement
- Yes, by an audit office, it is not a legal requirement
- Yes, by Legislature body, it is a legal requirement
- Yes, by Legislature body, it is not a legal requirement
- Yes, other, please, specify
- No

6. Which of the following organisations carry out independent reviews of the economic assumptions used in the budget?

- There are no economic reviews of the economic assumptions
- Independent panel or similar
- Supreme audit institution
- Legislature or other legislative body
- Other, please, specify

7. How often are official economic assumptions revised in the course of a fiscal year?

- Not revised
- Monthly / quarterly
- Biannually
- Annually
- On another regular interval
- On an *ad-hoc* basis

8. How accurate key economic and revenue forecasts have been against actual performance over the last 2 fiscal years?

For the last fiscal year:

	Forecast	Actual
GDP growth		
Unemployment		
Inflation		
Total central government revenue		
Total central government expenditure		

For the previous to last fiscal year:

	Forecast	Actual
GDP growth		
Unemployment		
Inflation		
Total central government revenue		
Total central government expenditure		

9. In the annual budget documentation, are existing commitments under current policies distinguished from new policies?

- Yes, comprehensively
 Yes, but not in all cases
 No
 Other, please, specify

Fiscal rules

A fiscal rule is a binding constraint on a fiscal aggregate (e.g. the deficit, debt, aggregate expenditure)

**10. In developing the budget, are there any fiscal rules that place limits on fiscal policy?
Please, check all that apply.**

- No
 Yes, expenditure rule
 Yes, revenue rule
 Yes, budget balance (surplus/deficit) rule
 Yes, debt rule
 Other, please, specify

11. What is the time horizon covered by the fiscal rule?

- 1 year
 2 years
 3 years
 More than 3 years
 Over the economic cycle
 Other, please, specify

12. Who is in charge of monitoring compliance with the fiscal rule?

- There is no monitoring of compliance with the fiscal rule
 Central budget authority
 Supreme audit institution
 Legislature or other legislative body
 Independent body, please specify
 Other, please, specify

13. What is the target of the expenditure rule?

- The rule targets a nominal expenditure ceiling
 The rule targets a real expenditure ceiling
 The rule targets a nominal expenditure growth rate
 The rule targets a real expenditure growth rate
 The rule targets a specific expenditure to growth ratio
 Other, please, specify

14. What is the target of the revenue rule?

- The rule imposes constraints on the allocation of higher-than-expected revenues in good times. Please, specify
- The rule imposes constraints on the developments in the tax-to-GDP ratio. Please, specify
- Other, please, specify

15. What is the target of the debt rule?

- The rule targets a specific amount of debt in nominal terms
- The rule targets a specific debt-to-GDP ratio
- The rule targets a given reduction in the debt-to-GDP ratio
- The rule establishes a ceiling for the Government (or a specific sub-sector) debt in level or as a % of GDP
- Other, please, specify

16. Is your country subject to any fiscal targets set by international or supranational organisations (e.g. IMF, World Bank, etc.)?

- Yes, please, specify
- No

Executive budget negotiations

17. Are there fixed limits set for initial ministry's spending plans?

- Yes, they are based on the medium-term expenditure framework or forward budget
- Yes, they are set by the Ministry of Finance or central budget authority
- No, there are only suggested spending targets
- No, there are no restrictions on initial spending plans from ministries
- Other, please, specify

18. If there are annual budget regulations issued by the central budget authority to guide the preparation of budget proposals / budget estimates, what information is contained therein? Please, check all that apply.

- A set of rules for the budget process and the main forms to be used in the estimates submission
- The macroeconomic assumptions to be used in the process
- Information on government priorities
- Spending ceilings or targets
- There is no such regulation
- Other, please, specify

19. Is your central Government budget split into a separate capital and operating budget?

- No, capital and operating budgets are integrated
- Yes, there are separate capital and operating budgets
- Other, please, specify

20. Are there formal rules or procedures to guide central budget authority negotiations with line ministries?

- Yes
 No, but there are established practices
 No

Role of legislature

21. At what level of detail does the legislature approve budget appropriations?

- Aggregate amounts for outcomes
 Aggregate amounts for outputs
 Aggregate amounts for the ministry level
 Appropriations at the programme level
 Split between operating/administrative and programme expenditure at the programme level
 Split between operating/administrative and programme spending at the ministry level
 Other, please, specify

22. How does the legislature fund capital projects that require funding over a number of years?

- Appropriates funding for the entire cost of a multi-year project up-front
 Provides funding incrementally each year until the project is completed
 Extra-budgetary funds are used
 There is no general rule, funding is determined on a case-by-case basis
 Other, please, specify

23. What best describes the committee structure that deals with the budget at the legislature?

- A single budget committee deals with all budget-related matter. Sectoral committees may make recommendations but the budget committee does not have to follow them
 A single budget committee attends meetings of the budget committee when expenditures in their specific areas are being addressed
 A single budget committee deals with budget aggregates (total level of revenue and spending and their allocations to each sector) and sectoral committees deal with spending for individual appropriations
 Sectoral committees deal with appropriations for each respective sector. No budget committee is in place or it provides technical assistance only
 Other, please, specify

24. Is there a specified budget research organisation attached to the legislature that conducts analysis of the budget?

- Yes (if yes, please, specify the number of professional staff that work on this)
 No

25. If there are any restrictions on the right of the legislature to modify the detailed budget proposed by the executive, what form do these restrictions take? Please, *check all that apply*.

- Legislature may not make any changes, it can only approve or reject the budget as a whole
 Legislature may not increase or propose new expenditure, i.e. the legislature can only decrease funding levels

- Legislature may reallocate or increase funding levels but only if it reduces others or approves new revenue sources, i.e. no net change in total deficit/surplus
- Legislature may create new spending items but only if it reduces others or approves new revenue sources, i.e. no net change in total deficit/surplus
- Legislature may reallocate and increase funding levels only for certain programmes
- Number of amendments is capped
- Percentage of expenditure that may be modified by the legislature is capped
- Legislature is not restricted in its ability to modify the executive budget proposal
- Other, please, specify

26. Does the legislature formally debate/discuss overall budget policy? Please, check all that apply.

- No, there is no formal overall budget policy debate in the legislature
- Yes, there is a formal pre-budget policy debate in the legislature, i.e. prior to the introduction of the Executive's budget proposal
- Yes, there is a formal debate on overall budget policy following the introduction of the Executive's budget proposal
- There is no formal debate on overall budget policy, but legislators discuss it in committee sessions prior to the introduction of the Executive's budget proposal
- There is no formal debate on overall budget policy, but legislators discuss it in committee sessions following the introduction of the Executive's budget proposal
- Other, please, specify

27. How many line item appropriations are contained in the budget?

Line items are the lowest, i.e. most detailed, level where sanction of spending is given in law.
Please, estimate and write in the number here:

Off-budgetary expenditure

Off-budget expenditure are government transactions/activities that are not part of the annual budget, including, for example, extra-budgetary funds, special extra-budgetary funds and loan guarantees.

28. What type of off-budget expenditure exist. Please, check all that apply.

- Tax expenditures
- Social security funds
- Public-private partnerships
- Off-budget loans
- Loan guarantees
- Health care funds
- Public sector pensions
- Higher education funds
- Emergency/contingency funds
- Donor funds
- Stabilisation funds
- External loans
- Military expenditure
- Special accounts
- Other

29. Approximately how large is off-budget expenditure in relation to total expenditure in the central Government budget?

Please estimate and write in the size as a percentage of the central Government budget

30. Is there a legal framework covering the way off-budget expenditures are managed and reported?

- Yes, comprehensive
 Yes, for certain-extra-budgetary expenditure
 No
 Other, please, specify

31. Are off-budget expenditures subject to different systems of control and reporting than the budget itself?

- Yes, for certain extra-budgetary funds
 Yes, for all extra-budgetary funds
 No
 Other, please, specify

32. If there are off-budget loans, are the long-term estimates on the implications of direct loans part of the budget documents (e.g. recurrent costs, interest payments, counterpart funding)?

- Yes
 Yes, for loans that surpass a certain threshold
 No
 Other, please, specify

33. Are government agencies authorised to borrow? Please, check all that apply.

	Applicable	If yes (source)	If yes (government guarantee)
Central government (non commercial) agencies	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> From treasury/government <input type="checkbox"/> From central bank <input type="checkbox"/> From the market	<input type="checkbox"/> Yes, explicitly <input type="checkbox"/> Yes, implicitly <input type="checkbox"/> No
Public enterprises	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> From treasury/government <input type="checkbox"/> From central bank <input type="checkbox"/> From the market	<input type="checkbox"/> Yes, explicitly <input type="checkbox"/> Yes, implicitly <input type="checkbox"/> No

Part III: Budget execution

34. Do your agencies/executive organisations receive lumpsum appropriations?

- No, each agency / executive organisation receives an appropriation that specifies expenditures below the agency level
- Yes, each agency / executive organisation receives a lumpsum appropriation for operating expenditures only, without sub-limits
- Yes, each agency / executive organisation receives a lumpsum appropriation for operating expenditures only, with a sub-limit on wages
- Yes, each agency / executive organisation receives a lumpsum appropriation covering both operating and capital expenditures, without sub-limits
- Yes, each agency / executive organisation receives a lumpsum appropriation covering both operating and capital expenditures, with a sub-limit on wages
- Other, please, specify below

In-year changes

35. Does the government have the authority to increase spending once the budget has been approved by the legislature?

- No
- Yes, without restrictions
- Yes, with restrictions. Please, specify

36. Does it require approval? Please, check all that apply.

- Approval is not required
- It requires central budget authority approval prior to the fact
- It requires legislative approval prior to the fact
- It requires central budget authority approval after the fact
- It requires legislative approval after the fact
- Other, please, specify below

37. Does the government have the authority to cut/cancel spending once the budget has been approved by the legislature?

- No
- Yes, without restrictions
- Yes, with restrictions. Please, specify

38. Does it require approval? Please, check all that apply.

- Approval is not required
- It requires central budget authority approval prior to the fact
- It requires legislative approval prior to the fact
- It requires central budget authority approval after the fact
- It requires legislative approval after the fact
- Other, please, specify

**39. Are ministers allowed to reallocate funds between line items within their responsibility?
Please, check all that apply.**

- No
- Yes, without restrictions
- Yes, with restrictions. Please specify
- With the approval of the legislature
- With the approval of the Finance Minister
- Please specify any restrictions / limits that apply

40. Can ministries carry over unused funds or appropriations from one year to another?

a. Operating expenditure

- No
- Yes, without restrictions
- Yes, with restrictions. Please, specify
- With the approval of the legislature
- With the approval of the Finance Minister

b. Investments

- No
- Yes, without restrictions
- Yes, with restrictions. Please, specify
- With the approval of the legislature
- With the approval of the Finance Minister

c. Transfers / subsidies

- No
- Yes, without restrictions
- Yes, with restrictions. Please specify below
- With the approval of the legislature
- With the approval of the Finance Minister

Supplementary budgets

41. How often do you publish information on actual revenues and expenditures during the fiscal year?

- Weekly
- Monthly
- Quarterly
- Every six months
- Annually
- On an *ad hoc* basis
- Not at all
- Other please specify

42. Can overspending occur before a supplementary appropriation law/budget is approved by the legislature?

- No
- Yes, there are no limits on overspending without legislative approval
- Yes, but only up to a certain limit, please specify below
- Yes, but only for mandatory spending
- Other, please specify below

43. How many supplementary budgets or appropriation laws have been submitted annually in the past two years?

Last fiscal year:

- None
- One
- Two
- More. Please, specify how many

Previous to last fiscal year:

- None
- One
- Two
- More. Please, specify how many

44. What are the major factors requiring supplementary budgets? Please, check the three most important ones.

- Legal requirement for supplementary budget
- End of year account clean up
- Prior year account clean up
- Changing economic forecasts resulting in lower revenue/higher expenditure
- Natural disaster
- Ad hoc* emergency needs
- New policy initiatives
- Transfer of funds from one appropriation to another (no net increase)
- Formal approval of appropriations carried forward from one fiscal year to the next
- Cancellation of planned spending
- Other, please specify

45. In the last fiscal year, what was the total size of supplementary budgets as a percentage of total planned expenditure in the original budget? Please, write in the percentage here:

Part IV: Accounting and auditing**46. On what reporting basis is the budget presented to the legislature?**

- Cash-based (*revenue and costs are recognized when transactions take place*)
 Accrual-based (*revenue and costs are recognised when they are earned or incurred*)
 Other, please, specify

47. On what reporting basis are the financial statements presented to the legislature?

- Cash-based (*revenue and costs are recognized when transactions take place*)
 Accrual-based (*revenue and costs are recognised when they are earned or incurred*)
 Other, please, specify

48. Do any line ministries have internal audit units?

- No
 Yes

49. Does the ministry of environment have internal audit units?

- No
 Yes

50. Approximately what percentage of central Government spending is annually subject to performance or value-for-money audits by the supreme audit institution?

- Please write in the approximate number of performance audit reports published every year
 Please give us an example of a performance audit, in the environment sector, and if possible, provide an internet link where it can be obtained

51. According to the relevant legal provisions, to whom does the supreme audit institution principally report? Please, check all that apply.

- The president
 The Prime Minister
 The Cabinet
 The judiciary
 The legislature
 The finance or budget committee in the legislature
 A legislative committee that specialises in audit scrutiny, e.g. Public Accounts Committee
 Sectoral legislative committees (e.g. environment, health, etc.) as relevant or appropriate
 Other, please, specify

52. Are the findings of the supreme audit institution available to the public?

- Yes, always
 Yes, in most cases, but with some exceptions (e.g. audits of the military). Please specify
 Rarely
 Never
 Other, please, specify

Part V: Performance information

53. What types of performance information are produced to assess the Government’s non-financial performance? Please, check all that apply.

- None
- Performance targets
- Performance measures
- Evaluation reports (e.g. programme, sectoral, efficiency, or cost-effectiveness reviews)
- Benchmarking
- Other, please, specify

54. What types of evaluations are commissioned and/or conducted by the following institutions? Please check all that apply.

	Central budget authority	Ministry of Finance	Line ministries	Supreme audit institution	Legislature	Other
Review of ongoing programmes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Ex post</i> review of programmes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review of new initiatives or programmes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sectoral reviews	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Efficiency and/or cost-effectiveness reviews	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

55. What types of non-financial performance measures have been developed for central Government?

a. Output measures

- No
- Yes

Please, give us two examples of output measures in the environment sector, if such exist

b. Outcome measures

- No
- Yes

Please, give us two examples of outcome measures in the environment sector, if such exist

c. Other non-financial performance measures

- No
- Yes

Please, give us two examples of such measures the environment sector, if such exist

56. In which year was the first Government-wide initiative to introduce performance measures (outputs and/or outcomes)? Please, write in the year.

57. Are expenditures linked to performance goals or objectives?

- No
- Yes, 0-20% of expenditures
- Yes, 21-40% of expenditures
- Yes, 41-60% of expenditures
- Yes, 61-80% of expenditures
- Yes, 81-100% of expenditures

58. Who is responsible for achieving performance targets? Please, check one.

- No one
- The President
- The Prime Minister
- The central budget authority
- The relevant minister
- The highest civil servant in the relevant ministry
- Other, please, specify

59. If performance targets cut across organisational boundaries, who is responsible for achieving them?

- No one
- One of the relevant ministers
- All of the relevant ministers
- The highest ranking civil servant in one of the relevant organisations
- The highest ranking civil servant in each of the relevant organisations
- Other, please, specify below

60. If ministries/Government organisations are required to report on performance against targets, to which bodies are they required to report? Please, check all that apply.

- Not applicable, there are no targets
- Not required to report
- Internally within the relevant ministry/Government organisation
- Parent ministry
- Central budget authority
- President's Office
- Prime Minister's Office
- Cabinet
- Legislature
- Supreme audit institution
- Other, please, specify

61. Is performance against targets routinely presented to the legislature?

- No, it is not presented at all
- No, it is only presented on *an ad hoc* basis
- Yes, it is presented in a Government-wide report not accompanying the budget
- Yes, it is presented in a Government-wide report accompanying the budget
- Yes, it is integrated into the annual financial documents
- Yes, it is integrated into the main budget documents
- Yes, each ministry prepares performance reports accompanying the budget
- Other, please, specify below

62. Is performance against targets made available to the public? Please, check all that apply.

- No, it is not made available to the public
- Yes, a Government-wide report on performance is published
- Yes, individual ministries publish reports on their performance
- Yes, as part of other Government-wide documents
- Yes, as part of other ministry-specific documents
- Yes, there is an internet site for this information
- Other, please, specify

63. Is performance information used as part of the budget discussions/negotiations between the central budget authority and line/spending ministries?

- No
- Yes

64. How is performance information generally used by the following two actors? Please, check the three most important.

	Central Budget Authority	Line Ministries
No impact on decision-making	<input type="checkbox"/>	<input type="checkbox"/>
Allocating resources between ministries / agencies	<input type="checkbox"/>	<input type="checkbox"/>
Allocating resources between programmes	<input type="checkbox"/>	<input type="checkbox"/>
Allocating resources within programmes	<input type="checkbox"/>	<input type="checkbox"/>
Justifying existing allocations to specific activities / programmes	<input type="checkbox"/>	<input type="checkbox"/>
Cutting expenditures	<input type="checkbox"/>	<input type="checkbox"/>
Compelling or pushing change in programmes	<input type="checkbox"/>	<input type="checkbox"/>
Setting targets for next year	<input type="checkbox"/>	<input type="checkbox"/>
Managing programmes / agencies	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify	<input type="checkbox"/>	<input type="checkbox"/>

65. If performance targets are not met, how likely is it that any of the following consequences are triggered? Please, check all that apply, specifying how often those consequences occur.

	Almost never 0-20%	Rarely 21-40%	Sometimes 41-60%	Often 61-80%	Almost always 81-10%
The programme is eliminated	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There is more intense monitoring of the programme / activities in future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There are negative consequences for the size of the budget of the ministry responsible for delivering the target (i.e. the budget decreases)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There are negative consequences for the pay of the head of the ministry / entity responsible for delivering the target	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There are negative consequences for future career opportunities of the heads of ministries / entities responsible for delivering the target	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, please, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

66. When performance against targets is used by the central budget authority in the budget formulation process, how is it used and how often? Please, check all that apply and score the frequency.

	Almost never 0-20%	Rarely 21-40%	Sometimes 41-60%	Often 61-80%	Almost always 81-10%
Performance against targets is used to determine budget allocations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance against targets is actively used along with information on fiscal policy and policy priorities to inform but not determine budget allocations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance against targets is not used in budgetary decision-making	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, please, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART C: MEDIUM-TERM EXPENDITURE FRAMEWORKS

Part I. General information

67. Is there a formal medium-term expenditure framework for presenting the annual budget in your country?

- Yes
 No

68. If yes, when was the first MTEF introduced? Please, write in the year.

Year:

69. How many budget years does the medium-term expenditure framework cover?

- 2 years
 3 years
 4 years
 5 years
 More than 5 years

70. What is the current MTEF coverage?

- The whole of the government (including national, regional and local level)
 The whole of the government but only at a national level
 Only selected sectors at a national level

71. How was initially the MTEF introduced?

- As a whole-of-government process
 Only in a few selected sectors

72. What was the major purpose for introducing the MTEF?

- Reducing fiscal deficit
 Enhancing medium-term planning in the sectors
 Facilitating the conclusion of multi-annual procurement contracts
 Other, please, specify

73. Where is the main MTEF process organisationally located?

- Ministry of Finance
 Ministry of Economy
 Cabinet of Ministers

- Parliament
 Other, please, specify

74. Is the Ministry of Environment involved in the MTEF process?

- Yes
 No

75. How often is the medium-term expenditure term revised?

- Every six months
 Annually
 Every two years
 Every three years
 Every 4 years
 Every 5 years

76. Does the government make available to the public its medium-term fiscal policy objectives?

- Yes, this is a legal requirement
 Yes, but it is not a legal requirement
 No
 If applicable, please provide the web-site address where these can be accessed:

77. Has the development of the MTEF been supported directly by external assistance?

- Yes
 No
 Partially

Part II. Expenditure ceilings and estimates

78. Are there multi-year targets or ceilings?

- No
 Yes, at the aggregate level
 Yes, at the ministry level
 Yes, at the line item level

79. Does the annual budget documentation submitted to the legislature contain multi-year expenditure estimates?

- Yes, at the aggregate level
 Yes, at the ministry level
 Yes, at the line item level

80. If the annual central government budget documentation contains medium-term expenditure estimates, do these estimates require authorisation by the legislature?

- Not applicable, medium-term expenditure levels are not presented
 Yes, they are part of the appropriation bills
 Yes, but apart from the appropriation bills for this budget year

- No, they are for informative purposes only
- Other, please, specify

**81. Multi-year expenditures are estimated taking into account, which of the following?
Please, check all that apply.**

- Price and wage changes
- Demographic changes
- Policy changes decided
- Policy changes anticipated
- All central government expenditure
- Only expenditure related to public services
- Only for old expenditures
- Only for new expenditures
- For both old and new expenditure
- Not applicable

82. Is the structure of expenditure used in the annual budget appropriations and in the MTEF identical?

- Yes
- No

83. Are there separate limits for the recurrent and investment expenditure?

- Yes
- No

84. What is the nature of the out-year expenditure estimates of the MTEF?

- Loose cost of existing policies / programmes identified for the MTEF period
- Indicative allocations of funds to a sector / agency / programmes for the MTEF period
- Binding forward budget, including new proposals

85. Is the first year of the MTEF rolled over automatically to be the starting point of the next year's annual budget?

- Yes
- No

86. Does the MTEF central agency provide guidance to sector ministries with regard to their internal allocation of resources?

- Yes, there is a comprehensive policy document on this issue
- Yes, there is such a document but it is not comprehensive
- No, there are no any special policy documents

87. Are there transparent rules for any deviations from the MTEF estimates?

- Yes
- No

88. What are the principal causes of deviations between budget allocations and budget receipts?

- In-year revisions due to new policies / projects
- Reallocation between existing programmes / projects/activities
- Failure to release funds under cash budget
- Low implementation by ministry / agency
- Shortfalls in donor funds
- Other, please specify

Part III. Policy / MTEF / budget link

89. To what extent is policy change driven by:

- Cabinet
- President / Prime Minister
- Planning Ministry
- Ministry of Finance
- Sector ministries
- IFIs / donors
- Other, please, specify

90. Where is policy made:

- During the process of setting strategic policy objectives
- During the planning process
- During the MTEF / budget process
- Some other process (such as PRSP or the preparation of a sector plan)
- Other, please, specify

91. Are annual budget allocations to ministries made on the basis of programmes as well?

- Yes, the annual ministry's budget is prepared on the basis of programmes
- Yes, the ministry is considered as one single sectoral programme
- Yes, the annual ministry's budget is constructed on a function/economic/administrative basis but includes programmes as well
- No, the annual ministry's budget is not prepared on a programme basis

92. Are there legal requirements for ministries to create fiscal space in their budgetary funding in order to finance new programmes / initiatives?

- Yes, there is such legal requirement
- No, there is no such legal requirement but it is recommended
- No, there is no such legal requirement

93. How are MTEF proposals prepared?

- Centrally within sector ministries
- Bottom up by agencies with sectors and submitted to sector ministry
- Bottom up by agencies with sectors and submitted to the MTEF central agency

94. Are the MTEF proposals subject to detailed estimates?

- Yes, they are estimated in detail for the full MTEF period
- Yes, but they are only roughly estimated for the full MTEF period
- Yes, they are estimated in detail for the full MTEF period plus rough costing of one or two additional years after the current MTEF period
- Yes, they are estimated in detail for the first outyear only
- Yes, but they are estimated only roughly for the first outyear only
- No, there is no detailed costing after the current budget year

95. If yes, what is the basis of the costing?

- Activity-based costing
- Unit costing
- Other, please specify

96. Are specific studies legally required to establish the cost basis of sector proposals / programmes?

- Yes, they are legally required
- No, they are not legally required but are recommended
- No, they are not required

97. Does the Ministry of Finance provide any formal guidance to sector ministries for the preparation of the costing of their activities?

- Yes
- No

98. Are internal ministry's allocations linked to performance indicators?

- Yes
- No

99. How does the current financial crisis affect the MTEF process in your country?

- The MTEF continues to be prepared, as usual
- The MTEF is maintained only in certain sectors
- The MTEF is abandoned

100. Are there legal requirements for ministries to create fiscal space in their budgetary funding in order to finance new programmes / initiatives?

- Yes, there is such legal requirement
- No, there is no such legal requirement but it is recommended
- No, there is no such legal requirement

PART D: ENVIRONMENTAL PROGRAMMING AND PLANNING

Part I. Setting of environmental objectives/priorities

101. Are there published public environmental priorities?

- Yes
 No

102. If yes, where do they appear? Please, check all that apply.

- Annual budget statement
 Ministry planning documents
 Annual reports
 Other, please, specify

103. Please, list the three top priorities for the Ministry of Environment over the current MTEF period or for the last three years?

- First priority:
 Second priority:
 Third priority:

104. How do you prioritise issues for inclusion in the budget/MTEF process?

- There are established feedback mechanisms
 Through more dialogue and research
 Through mediation
 Senior (head of department, deputy minister, minister) decision making
 Financial versus environmental cost implications
 Other, please, specify

105. Please, list the number of strategic and planning documents prepared by the Ministry of Environment over the past 5 years? Please, write in the number below.

- Number of documents:

106. Are there other stakeholders involved in the environmental planning process within the MTEF context?

- Yes
 No

107. If yes, what forms does stakeholder involvement take? Please, check all that apply.

- Public consultation

- Stakeholder workshops
- Stakeholder working groups/committees
- Publishing programmes and inviting feedback
- Publishing reports and inviting feedback
- Other, please, specify

108. Are there any regulations that define the cooperation among various government agencies with regard to the implementation of cross-agency environmental programmes?

- Yes, there are general regulations valid across all programmes in the government, including in the environment sector
- Yes, but for specific environmental programmes only (please, specify)
- No, there are no such regulations
- Other, please, specify

109. If the MTEF, is organized around programmes, how many environmental programmes are included in the current MTEF? Please, write in the number below.

- Number of programmes:

Part II. Design and costing of environmental programmes

110. Is there a special unit in the Ministry of Environment that is responsible for organising the MTEF process?

- No, there is no such unit
- Yes, there is such a unit (please, write in its name and the number of staff working in it)

111. If there is no specialised unit in the ministry, who is responsible for the preparation of MTEF estimates?

- Project managers in each department
- The financial department staff
- Senior officials (head of department, deputy minister, minister)
- External consultants
- Specialised environmental institutes
- Other, please, specify

112. How many people are involved in preparing programmes in the Ministry of Environment. Please, write in the number below.

- Number of people:

113. If the staff of the Ministry of Environment use analytical tools to prepare environmental programmes/projects, please, specify which of the following are regularly used:

- Cost-benefit analysis
- Cost-effectiveness analysis
- Multi-criteria analysis
- Other, please, specify

114. In what terms are environmental expenditure programmes, managed by the Ministry of Environment, defined? Please, check all that apply.

- Programmes are defined in terms of objectives
 Programmes are defined in terms of eligible beneficiaries that they will support
 Programmes are defined in term of financial envelopes
 Programmes are defined in terms of eligible project types they will support
 Other, please, specify

115. Do the expenditure programmes managed by the Ministry of Environment have clear and publicly published rules and procedures for appraisal, ranking and selection of projects?

- Yes, there are rules and procedures officially published by the Ministry for all programmes
 Yes, there are rules and procedures officially published by the Ministry but only for specific programmes (e.g. investment programmes)
 No, there are no officially published rules and procedures

116. Are all environmental programmes costed before they are submitted for inclusion in the MTEF/budget process?

- Yes, all programmes are costed
 No, only certain (large) programmes are costed
 No, programmes are not costed

117. Are programme recurrent costs annually adjusted for inflation, import prices, interest rates?

- Yes
 No

118. How would you assess the capacity of the Ministry of Environment to prepare programmes?

- Very good
 Good
 Adequate
 Poor

Investment programmes

119. Does the Ministry of Environment manage any environmental investment programmes?

- Yes
 No

120. If yes, how many investment programmes does the Ministry currently manage? Please, write in the number below.

- Number:

121. Are there technical manuals for managers for the preparation of investment programmes / projects?

- Yes
 No

122. Within investment programmes, can end-of-year leftovers be carried over to the next budget year by the Ministry?

- Yes
 No

123. Is there a special institutional arrangement in the Ministry of Environment to manage investment programmes?

- No, all programmes are managed by regular ministry staff
 Yes, some programmes are managed by regular ministry staff, others – are managed outside of the ministry (public institution, NGO, bank)
 Yes, all investment programmes are managed through a specialised management unit in the ministry (e.g. environmental fund, if different, please, specify)
 Other, please, specify

Project preparation

124. Under what conditions can a project be launched?

- After the project is appraised and a pre-feasibility study prepared
 After the project is appraised and a pre-feasibility study prepared and after all required approvals are obtained
 After the project is appraised and a pre-feasibility study prepared, all required approvals obtained and full financing assured
 After the project is appraised and a pre-feasibility study prepared, all required approvals obtained, full financing assured and implementation arrangements put in place
 A project can be launched without any of the above upon the decision of a senior manager in the ministry
 Other, please, specify

125. Is the cost-effectiveness criterion the major criterion for selecting projects for financing from a given expenditure programme?

- Yes
 No

126. Over what period of time are recurrent costs estimated after project completion?

- 1 – 3 years
 4 – 5 years
 5 – 10 years
 10 – 15 years
 More than 15 years

127. How accessible are environmental / technical / economic data?

- Easily and quickly accessible
- Accessible but not easy to obtain
- Not easy to obtain
- Not accessible
- Data are accessible but often out of date

128. Please, list the major challenges in the preparation of environmental programmes to be included in the MTEF process.

129. Please, list the main challenges of working with the Ministry of Finance on the MTEF. In your opinion, how can these be overcome?

PART E: DONOR FUNDING AND THE BUDGET

130. Are donor funds for the environment that your country receives on-budget?

- Yes
- No

131. If some are off-budget, what percentage of all donor support does it represent? *Please, specify.*

132. Are there central rules assigning who within the government may engage donors?

- Yes, any governmental entity
- Yes, only certain entities
- Ministry of Finance
- Prime Minister/President's office
- Special ministry government entity for donor funds
- No
- Other, please, specify

133. Can programmes/projects supported by donors be launched before they are fully appraised by the competent ministry?

- Yes, they can be launched without being fully appraised
- Yes, but only certain programmes/projects
- No, they can't be launched without being fully appraised

134. Is information on donor conditionalities published?

- Yes
- Yes, but not consistently
- No

135. Are there long range estimates on the implications of loans published (e.g. recurrent costs, interest payments, counterpart funding)?

- Yes
- Yes, the loans that surpass a certain threshold
- No

136. Are the audit and control procedures for the regular budget and for donor funds identical?

- Yes
 No, they are different according to lending / donor organisation
 No, they are different according to loan or grant

137. Are the audit and reporting procedures for foreign aid the same as expenditures from local revenue?

- Yes
 Yes, but only for donor funds that surpass a certain threshold
 No

138. Is there a PRSP in your country?

- Yes
 No
 No, but it is under development

139. If yes, is the PRSP used to guide the MTEF process?

- Yes
 No

140. What is the main form of donor support provided to your country through the central government. Please, specify it in percentage shares (approximately):

- Project support
 Programme support
 Sector wide support
 Direct budget support

141. If your country has received direct budget support, when was the first year when such support has been provided? Please, specify the year.

- Year:

142. Is direct budget support, if provided, predictable (i.e. known at the time of the annual budget / MTEF preparation)?

- Yes
 No

143. Please estimate what percentage of the total financial value of donor flows is included in the budget documents, listed below. Please, indicate the shares per category.

- Pre-budget statement
 Multi-year estimates
 Ministry submission
 Budget proposal
 In-year reports
 End-year report