2011 OECD Performance Budgeting Survey
Discussion of Draft Questionnaire
Paris, November 9th
Session 3
Meeting of Network on Performance and Results
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Rationale: meeting the demand for data on budget practices

Why is this data collection exercise important?

- Results provide support for OECD analytical work and advice (e.g. Spending Reviews, Country Budget Reviews, Journal on Budgeting, etc.);
- Results feed into OECD International Budget Practices and Procedures Database;
- Results will be featured in upcoming Government at a Glance 2013;
- Regularly cited by IMF, World Bank, CABRI, IDB, academics, etc.
Overview of Plans for 2011 Survey

• OECD Budgeting Surveys conducted approximately every 4 years;
  • Fiscal management
  • Fiscal councils
  • Budget transparency
  • Budget procedures
  • Performance budgeting

• Performance budgeting is first survey of the 2011-2012 series-- timely issue as countries embark on austerity measures and face mounting pressure to justify cuts.
Overview of Plans for 2011 Survey

Broad definition of performance budgeting

**Performance budgeting:** in the strictest sense, performance budgeting is the utilisation of performance information for the purposes of allocating/re-allocating public resources (e.g. such as linking an increment/reduction of funding to an increment/reduction of outputs or other results). Taken more broadly, this terms also refers to the practice of using performance information to:

(i) inform budget decisions, as well as;

(ii) instil greater transparency and accountability throughout the budget process (by providing information to the public on performance objectives and results).
Overview: Main Research Questions

**Incidence of use:**
To what extent are OECD governments utilising different kinds of performance information in the budgeting process?; and How specifically is performance information used? For what purposes?

**Value of performance information:**
What kinds of performance information and/or performance measurement instruments may be best suited for different purposes?

**Challenges:**
What kinds of incentive structures are created when linking performance to budgeting? What can be the advantages and disadvantages of such systems?
2007 vs. 2011 Surveys

• **Underlying Assumptions:** “more performance information” and closer linkages between this information and allocation decisions not necessarily better.
  - 2011 survey acknowledges that using performance information for management and financing purposes creates different sets of incentives.

• **Comprehensiveness:** 2011 survey examines specific kinds of performance information, including Spending Reviews and the use of non-governmental information. Examines accountability dimension.

• **Performance practices at line ministry and agency level:** looks at different sectors across central government and performance budgeting practices in line ministries vs. agencies.

• **Capacity:** what guidance and leadership is needed at the central level. What capacities are needed at the line ministry and agency levels?
Scope of Central Government covered in Questionnaire

- Central Budget Authority
- Line Ministries
- Agencies

Relations between CBAs and line ministries for:
(i) Budget negotiations
(ii) Management discussions

Relations between line ministries and agencies for:
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(ii) Management discussions
Conceptual Framework

Types of performance information:
- Ministries’/Agencies’ financial data
- Ministries’/Agencies’ operational data & performance reports
- Ministries’/Agencies’ performance evaluations
- Spending reviews
- Independent performance information
- Statistical information (government & international orgs.)
Feedback from Piloting Phase

Relevance. Does the questionnaire capture the most important kinds of performance information being used for budgeting in your country? Does it capture the ways in which performance information is used? Does it adequately reflect the actors involved and the challenges being faced? Are there any questions you find unnecessary, or extremely resource-intensive to answer, that you think should be deleted?

Applicability of the answer choices. Do the answer choices reflect the reality of your country’s budgetary system and approach to performance budgeting? Are there additional answer choices that should be added to reflect practices in your government?

Clarity. Can you understand the intent of the questions and the wording of the answer choices? Are there additional terms you would like defined in the glossary?

Gaps: Are their critical areas of performance budgeting that are not covered by the questionnaire?
1. **Nominate** a respondent(s)—should be located in CBA, specifically, in Unit/Division responsible for performance budgeting function. If function split, all relevant units should all be involved/consulted.

2. **Read carefully**—similar questions refer to different levels of government.

3. Be **honest**—to the extent possible, report on actual practice in your country.

4. If a question is not clear—**ask.** We are happy to help.

5. Please provide any **supplemental information** you may think is useful/relevant.

6. If answer is **unknown**—leave it blank. No data is better than inaccurate data.

7. **Validate** answers before final submission; discuss with respondent(s) if needed.