

# U.S. Department of State Diplomacy in Action

## 2018 Fiscal Transparency Report

September 19, 2018

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**U.S. DEPARTMENT OF STATE 2018 FISCAL TRANSPARENCY REPORT PURSUANT TO SECTION 7031(b)(3) OF THE  
DEPARTMENT OF STATE, FOREIGN OPERATIONS, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2018  
(DIV. K, P.L. 115-141)**

### 2018 Fiscal Transparency Report

AGENCY: Department of State

ACTION: Notice

**SUMMARY:** The Department of State (Department) hereby presents the findings from the 2018 fiscal transparency review process in its Fiscal Transparency Report pursuant to section 7031(b) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2018 (Div. K, P.L. 115-141) (Act). This report describes the minimum requirements of fiscal transparency developed, updated, and strengthened by the Department in consultation with other relevant federal agencies; reviews governments that were originally identified as recipients of assistance in the 2014 Fiscal Transparency Report plus Equatorial Guinea; assesses those that did not meet the minimum fiscal transparency requirements; and indicates whether governments that did not meet the minimum fiscal transparency requirements made significant progress toward meeting the requirements during the review period of January 1 – December 31, 2017. The report also provides a description of the use of the Fiscal Transparency Innovation Fund.

### Fiscal Transparency

For the purpose of this report, the minimum requirements of fiscal transparency include having key budget documents that are publicly available, substantially complete, and generally reliable. The review includes an assessment of the transparency of processes for awarding government contracts and licenses for natural resource extraction. Fiscal transparency is a critical element of effective public financial management, helps in building market confidence, and underpins economic sustainability. Fiscal transparency fosters greater government accountability by providing a window into government budgets for citizens, helping them to hold their leadership accountable, and facilitating better-informed public debate. The Department's fiscal transparency review process assesses whether governments meet minimum requirements of fiscal transparency.

Annual reviews of the fiscal transparency of governments that receive U.S. assistance help ensure U.S. taxpayer money is used appropriately and provide opportunities to dialogue with governments on the importance of fiscal transparency.

Section 7031(b) of the Act requires the Secretary to "update and strengthen" minimum requirements of fiscal transparency for each government receiving assistance appropriated by the Act, as identified in the 2014 Fiscal Transparency Report, and to make or update any determination of "significant progress" or "no significant progress" in meeting the minimum requirements of fiscal transparency for each government that did not meet the minimum requirements. Through authority delegated from the Secretary in delegation of authority 245-2, the Deputy Secretary of State made those determinations for 2018.

The fiscal transparency determinations may change from year to year due to updating and strengthening minimum requirements of fiscal transparency as required by law, changes in governments' performance on public financial management, or new information coming to the Department's attention. As a result, some governments may fall short of these requirements, despite in some cases maintaining or even improving their overall level of fiscal transparency. The report includes a description of how governments fell short of the minimum requirements, outlines any significant progress being made to publicly disclose national budget documentation, contracts, and licenses, and provides specific recommendations of short- and long-term steps governments should take to improve fiscal transparency. The report also outlines the process followed by the Department in completing the assessments and describes how existing resources have been used to support fiscal transparency.

While a lack of fiscal transparency can be an enabling factor for corruption, the report does not assess corruption. A finding that a government "does not meet the minimum requirements of fiscal transparency" does not necessarily mean there is significant corruption in the government; a finding that a government "meets the minimum requirements of fiscal transparency" does not necessarily reflect a low level of corruption.

### **Fiscal Transparency Review Process and Criteria**

The Department has reviewed the minimum requirements of fiscal transparency in consultation with other relevant federal agencies and has updated and strengthened those requirements. The Department assessed the fiscal transparency of the 140 governments identified plus Equatorial Guinea, determined whether the minimum requirements were met, and identified any measures those governments had implemented to make significant progress toward meeting the requirements.

In conducting the 2018 review, the Department assessed the fiscal transparency of governments during the review period of January 1 – December 31, 2017. The Department considered information from U.S. embassies and consulates, other U.S. government agencies, international organizations, and civil society organizations. U.S. diplomatic missions consulted with foreign government officials, international organizations, and civil society organizations to obtain information for these assessments.

In evaluating governments, the Department recognizes specific circumstances and practices of fiscal transparency differ among governments while ensuring minimum fiscal transparency requirements are met in order to enable meaningful public participation in budgeting processes.

### **Minimum Requirements of Fiscal Transparency**

Subsection 7031(b)(2) of the Act provides that the minimum requirements of fiscal transparency are requirements consistent with those in subsection 7031(a)(1) and the public disclosure of:

national budget documentation (to include receipts and expenditures by ministry) and government contracts and licenses for natural resource extraction (to include bidding and concession allocation practices).

The 2018 fiscal transparency review process evaluated whether the identified government publicly disclosed key budget documents, including expenditures broken down by ministry and revenues broken down by source and type. The review process also evaluated whether the government has an independent supreme audit institution or similar institution that audits the government's annual financial statements, and whether such audits are made publicly available. The review further assessed whether the process for awarding licenses and contracts for natural resource extraction is outlined in law or regulation and followed in practice, and whether basic information on such awards is publicly available. The Department applied the following criteria in assessing whether governments met the minimum requirements of fiscal transparency.

### **Budget information should be:**

**Publicly Available:** Budget documents, including the executive budget proposal, enacted budget, and end-of-year report, should be widely and easily accessible to the general public, preferably online, in full from government offices or libraries, widely available government publications, or mass media channels. Budget documents should be disseminated within a reasonable period of time. A “reasonable period of time” generally corresponds to at least one month before the start of the fiscal year and before budget approval by the legislature for the executive budget proposal, within three months of enactment for the enacted budget, and within 18 months of the end of the fiscal year for the end-of-year report.

Information on government debt obligations should be publicly available.

**Substantially Complete:** Publicly available budget documents should provide a substantially full picture of the government's planned expenditures and revenue streams, including natural resource revenues. Budgets should include expenditures broken down by ministry and revenues broken down by source and type. Budget documents should detail allocations to and earnings from state-owned enterprises. If not, such information should be available in other public documents. Significant, large state-owned enterprises should have publicly available audited financial statements. A published budget that does not include significant cash or non-cash resources, including foreign aid, would not be considered substantially complete. Budget documents should incorporate all special accounts or funds; if there are off-budget accounts that have a legitimate purpose, they should be audited, the results made public, and the accounts subject to oversight. Budget documents should also include expenditures to support executive offices or royal families where such expenditures represent a significant budgetary outlay. The review process recognizes military and intelligence budgets are often not publicly available for national security reasons. However, military and intelligence budgets should be approved by the parliament and subject to civilian oversight.

**Reliable:** Budget documents and related data are considered reliable if the information contained therein is credible, meaning that actual government revenues and expenditures correspond to the enacted budget. The government reviews budget execution through the course of the year, such as by producing monthly or quarterly budget execution reports. Significant departures from planned receipts and expenditures should be explained in supplementary budget documents and publicly disclosed in a timely manner. Financial statements should be prepared according to internationally accepted principles that yield consistent and comparable statements. The executed budget should be audited by an independent supreme audit institution, and the results of such audits, to include an executive summary with findings or recommendations by the supreme audit institution, should be made public within a reasonable period of time (generally within 12 months of the dissemination of the end-of-year report).

**Natural resource extraction contracting and licensing procedures should be:**

**Transparent:** The criteria and procedures for the contracting and licensing of natural resource extraction should be publicly available and codified in law or regulation. These laws and regulations should be followed in practice. The basic parameters of concessions and contracts should be made publicly available after the decision. Such information should include the geographic area covered by the contract or license, the resource being developed, the duration of the contract, and the company to which the contract or license is awarded.

**Significant Progress or No Significant Progress**

A determination of “significant progress” indicates that during the review period a government has satisfactorily addressed a key deficiency in meeting the minimum requirements of fiscal transparency. A key deficiency is some material condition or fact that causes a government to not meet the minimum requirements of fiscal transparency.

**Fiscal Transparency Innovation Fund**

Section 7031(b)(4) of the Act requires that funds appropriated under title III of the Act be made available for programs and activities to assist governments identified in the fiscal transparency report to improve budget transparency and to support civil society organizations that promote fiscal transparency. In response to a similar requirement, the Department and USAID created the Fiscal <https://www.state.gov/e/eb/ifa/oma/fiscaltransparency/285996.htm>

Transparency Innovation Fund (FTIF) in FY 2012. FTIF supports programs and activities that assist governments to improve their public financial management and fiscal transparency standards, and civil society organizations that promote budget transparency. The Department's Bureau of Economic and Business Affairs and USAID's Bureau for Economic Growth, Education, and Environment solicit proposals and award funds in accordance with established guidelines. For FY 2018, the Department and USAID requested \$4.5 million for the FTIF to support projects to enhance: (1) governments' capacity to develop and execute comprehensive, reliable, and transparent budgets; (2) citizens' visibility into state expenditure and revenue programs; and/or (3) citizens' ability to advocate for specific issues related to government budgets and budget processes.

The Department and USAID have begun obligating a planned total of \$4.5 million in FY 2017 Economic Support Funds through the FTIF to support 17 projects in the following countries: The Bahamas, Bangladesh, Burma, Cameroon, Djibouti, Hungary, Kazakhstan, Mongolia, Mauritius (two projects), Mozambique, Nepal, Nicaragua, Rwanda, The Gambia, Zambia, and Zimbabwe. The projects further efforts by government and civil society to enhance fiscal transparency and public financial management practices and to improve public awareness and involvement in the expenditure of public resources. (The projects involving The Bahamas and Hungary required and received additional internal review and approval because they are high-income countries, and, as a general matter, the United States does not use foreign assistance resources to fund programs benefitting developed countries.)

### Conclusions of Review Process

The Department concluded that, of the 140 governments evaluated pursuant to the Act plus Equatorial Guinea, 68 did not meet the minimum requirements of fiscal transparency. Of these 68, however, 11 governments made significant progress toward meeting the minimum requirements of fiscal transparency.

The Department assessed the following governments as meeting the minimum requirements of fiscal transparency for 2018: Afghanistan, Albania, Argentina, Armenia, The Bahamas, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Burkina Faso, Cabo Verde, Chile, Colombia, Costa Rica, Côte d'Ivoire, Croatia, Czech Republic, El Salvador, Estonia, Fiji, Georgia, Ghana, Greece, Guatemala, Guyana, Honduras, India, Indonesia, Israel, Jamaica, Jordan, Kazakhstan, Kenya, Kosovo, Kyrgyz Republic, Latvia, Lithuania, Macedonia, Malaysia, Malta, Marshall Islands, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Morocco, Namibia, Nepal, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Senegal, Serbia, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, South Africa, Sri Lanka, Thailand, Timor-Leste, Tonga, Trinidad and Tobago, Tunisia, Turkey, Uganda, and Uruguay.

The following table lists those governments that were found **not** to meet the minimum requirements of fiscal transparency and identifies whether the governments made significant progress toward meeting those requirements:

Governments Assessed in 2018 as not Meeting Minimum Requirements of Fiscal Transparency	Significant Progress	No Significant Progress
Algeria	X	
Angola		X
Azerbaijan		X
Bahrain		X
Bangladesh		X

Governments Assessed in 2018 as not Meeting Minimum Requirements of Fiscal Transparency	Significant Progress	No Significant Progress
Belize		X
Benin	X	
Burma	X	
Burundi		X
Cambodia	X	
Cameroon		X
Central African Republic		X
Chad	X	
China		X
Comoros		X
Congo, Democratic Republic of the		X
Congo, Republic of the		X
Djibouti		X
Dominican Republic	X	
Ecuador		X
Egypt	X	
Equatorial Guinea		X
Eswatini (Swaziland)		X
Ethiopia		X
Gabon		X
Gambia, The		X
Guinea	X	

Governments Assessed in 2018 as not Meeting Minimum Requirements of Fiscal Transparency	Significant Progress	No Significant Progress
Guinea-Bissau		X
Haiti		X
Hungary		X
Iraq		X
Laos		X
Lebanon		X
Lesotho		X
Liberia		X
Libya		X
Madagascar		X
Malawi		X
Maldives		X
Mali		X
Mauritania		X
Micronesia		X
Mozambique		X
Nicaragua		X
Niger		X
Nigeria		X
Oman		X
Pakistan		X
Palestinian Authority		X

Governments Assessed in 2018 as not Meeting Minimum Requirements of Fiscal Transparency	Significant Progress	No Significant Progress
Papua New Guinea		X
Rwanda		X
Samoa		X
Sao Tome and Principe		X
Saudi Arabia	X	
Somalia		X
South Sudan		X
Sudan		X
Suriname	X	
Tajikistan		X
Tanzania		X
Togo		X
Turkmenistan		X
Ukraine		X
Uzbekistan		X
Vietnam		X
Yemen		X
Zambia		X
Zimbabwe	X	

### **Government-by-Government Assessments**

This section describes areas where governments fell short of the Department's minimum requirements of fiscal transparency during the review period and includes specific recommendations of short- and long-term steps such governments should take to improve fiscal transparency. For those governments determined to have made significant progress toward meeting the minimum requirements, the section also includes a brief description of such progress.

**Algeria:** Algeria made significant progress this year by expanding the abilities and activities of its supreme audit authority and improving the availability of its reports. During the review period, budget documents were generally publicly available, but the government did not publish an executive budget proposal within a reasonable period of time. Limited information regarding debt obligations was publicly available. Publicly available information did not provide a comprehensive treatment of allocations to and earnings from state-owned enterprises. The government maintained off-budget accounts, and though they were subject to audit with the results made public, government efforts to reduce the number of off-budget accounts appeared to have stalled. The information in the budget was generally considered reliable, and the government published budget execution reports. Algeria's supreme audit institution audited the government's executed budget and made its reports public within a reasonable period of time online. The criteria and procedures by which the national government awarded natural resource contracts or licenses were specified in law and appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. Algeria's fiscal transparency would be improved by publishing its executive budget proposal and audits of state-owned enterprises within a reasonable period of time, and providing additional detail regarding debt obligations and revenues and expenditures in the budget, including those of state-owned enterprises.

**Angola:** During the review period, the government made its executive budget proposal and its enacted budget, but not its end-of-year report, widely and easily accessible to the general public within a reasonable period of time. Publicly available information on debt obligations was outdated. The information in the budget was considered generally reliable, though there were concerns about the accuracy of information about expenditures. Angola's supreme audit institution did not publish audit reports on the government's accounts. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. Angola's fiscal transparency would be improved by publishing its end-of-year report within a reasonable period of time; providing reasonably current information on debt obligations; and ensuring the supreme audit institution audits the government's annual executed budget and publishes its findings within a reasonable period of time.

**Azerbaijan:** During the review period, budget documents were publicly available and provided a substantially complete picture of the government's revenues, including natural resource revenues. While budget documents did not fully disaggregate allocations to or earnings from state-owned enterprises, more detailed information was available through other public documents. Significant, large state-owned enterprises had audited financial statements publicly available online. Information in budget documents was generally reliable. Azerbaijan's supreme audit institution audited the government's annual executed budget, and its reports and opinions on state budget execution were publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction—particularly for oil production sharing agreements—were only partially specified in law, regulation, or public documents. It is therefore not clear to what extent the government has followed applicable laws and regulations for awarding contracts or licenses for natural resource extraction. In practice, the government has chosen production-sharing agreements as the preferred contracting vehicle for hydrocarbon exploration projects. Basic information on such awards was made publicly available after contracts were awarded. Azerbaijan's fiscal transparency would be improved by fully specifying in law or regulation the criteria and procedures for awarding natural resource extraction awards and following applicable laws and regulations in practice.

**Bahrain:** During the review period, budget documents were widely and easily accessible to the general public, but the government did not make its executive budget proposal publicly available within a reasonable period of time. The government's 2017-2018 executive budget proposal was submitted late to parliament in June, six months into the fiscal year. The enacted budget was also late. Information on debt obligations was publicly available. Publicly available budget documents provided limited detail on allocations to and earnings from state-owned enterprises and partial details on ministry and agency budgets. Royal court expenditures were not included in the budget. Though budget documents were generally reliable, the government did not publish periodic budget execution reports or issue revised budget estimates. Bahrain's supreme audit institution audited the government's executed budget, but only published portions of its audit report in local newspapers. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law and regulation and appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. Bahrain's fiscal transparency would be improved by publishing its executive budget proposal and enacted budget within a reasonable period of

time; providing more detail in the budget on expenditures by ministries, allocations to and earnings from state-owned enterprises, and royal court expenditures; and making the supreme audit institution's audit reports available in full and easily accessible to the public.

**Bangladesh:** During the review period, the government made its executive budget proposal, a summary enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Information on debt obligations was publicly available. Publicly available budget documents provided a reasonably complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. While the government included more details in budget documents about allocations to and earnings from state-owned companies during the review period, concerns have been raised about off-budget financing of some of these companies. State-owned companies did not consistently have publicly available audited financial statements. The information in the budget was considered generally reliable. Bangladesh's supreme audit institution reviewed the government's accounts, but its reports were not made publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, and other public documents. The government appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was not consistently made publicly available. Bangladesh's fiscal transparency would be improved by ensuring all allocations to and earnings from state-owned enterprises are reflected in the budget; ensuring the supreme audit institution has adequate authority and capacity to fulfill its mandate; making audit reports by the supreme audit institution publicly available within a reasonable period of time; and making basic information about natural resource extraction awards publicly and consistently available.

**Belize:** During the review period, the government made budget documents and information on debt obligations widely accessible to the general public, with most documents available online. Publicly available budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. Certain budget-related information, however, is only available through the Gazette, which is not widely available throughout the country and requires an annual subscription. Budget information was generally reliable. Belize's supreme audit institution did not publish audit reports within a reasonable period of time and appeared under-resourced to accomplish its mission. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and generally appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. Belize's fiscal transparency would be improved by having its supreme audit institution publish audit reports within a reasonable period of time.

**Benin:** Benin made significant progress during the review period by hiring private auditing firms to conduct publicly available audits of select state-owned enterprises; launching a website of the supreme audit authority; and publishing historical budget audit documents. During the review period, the government made budget documents and information on debt obligations widely and easily accessible to the general public, including online. Budget documents did not detail allocations to and earnings from state-owned enterprises. The government maintained off-budget accounts not subject to adequate oversight or audit. The reliability of budget documents has historically been undercut by significant variations between budget projections and execution. Benin's supreme audit institution conducted verifications of the government's budget, but it has not made reports widely and easily accessible to the general public. The launch of a website to publish historical budget documents, however, marked a significant improvement in Benin's budget reliability. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. Benin's fiscal transparency would be improved by providing a more detailed and comprehensive accounting of all revenues and expenditures, including transfers to and from all state-owned enterprises; subjecting off-budget accounts to adequate oversight and audit; improving the reliability of budget documents by producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; and ensuring the supreme audit institution continues to audit the government's executed budget and makes its reports publicly available within a reasonable period of time.

**Burma:** Burma made significant progress during the review period by publishing an executive budget proposal and publishing information about debt obligations. During the review period the enacted budget was also publicly available within a reasonable period of time. Budget documents were not complete and did not capture allocations to and earnings from military-owned enterprises falling under the Ministry of Defense. The government lacked capacity to conduct a comprehensive audit of all state-owned enterprises. It is unclear to what extent there was civilian oversight of military and intelligence budgets. Burma's supreme audit institution did not issue publicly available audit reports of the government's financial accounts. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were not sufficiently outlined in law or regulation, nor was information on natural resource extraction awards in the mineral, jade, and gemstone industries always publicly available. To improve the transparency and implementation of laws guiding natural resource extraction, the government suspended licensing for mining concessions to conduct a review of the relevant legal and regulatory framework. Burma's fiscal transparency would be improved by publishing substantially complete budget documents which included military-owned enterprises; making state-owned enterprise audited financial statements and supreme audit institution reports publicly available; establishing greater civilian oversight over military and intelligence budgets; specifying in law or regulation the criteria and procedures for awarding natural resource extraction contracts and licenses, adhering to these laws and regulations in practice, and publishing basic information on all such awards.

**Burundi:** During the review period, the government made its enacted budget publicly available. It did not make executive budget proposals publicly available, and information on debt obligations was not always current. Publicly available budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. Natural resource revenues, though relatively nominal, were not included in the budget. The government appeared to maintain off-budget accounts not subject to adequate audit or oversight. Though information in the budget was not always complete, it was considered generally reliable. Burundi's supreme audit institution reviewed the government's accounts, and its reports were publicly available, but outdated. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law and regulation but were inconsistently followed in practice. Basic information on natural resource extraction awards was publicly available upon request from the Ministry of Energy and Mines. Burundi's fiscal transparency would be improved by publishing executive budget proposals within a reasonable period of time; providing timely information on debt obligations; ensuring all revenues and expenditures are reflected in the budget; ensuring adequate audit and oversight for off-budget accounts; consistently adhering to applicable laws and regulations for awarding natural resource extraction contracts and licenses; and facilitating better access to basic information about natural resource extraction awards.

**Cambodia:** Cambodia made significant progress during the review period by publishing its executive budget proposal. During the review period, the government also made its enacted budget and end-of-year report widely and easily accessible to the general public, including online, within a reasonable period of time. Information on debt obligations was publicly available. The budget documents provided a substantially complete picture of the government's expenditures and revenue streams, including natural resource revenues. Significant deviations between projected and actual revenues during the review period, however, undercut the reliability of budget information. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were not specified in law, regulation, or other public documents. The government instead relied on ad hoc negotiations to award contracts and licenses. Basic information on natural resource extraction awards was not publicly available. Cambodia's fiscal transparency would be improved by producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; eliminating off-budget accounts or subjecting them to adequate audit and oversight; specifying in law or regulation the procedures and criteria by which the government awards natural resource extraction contracts or licenses; following such laws or regulations in practice; and making basic information on natural resource extraction awards publicly available.

**Cameroon:** During the review period, budget documents were widely and easily accessible to the public online. Information in budget documents, however, was incomplete. Allocations to and earnings from state-owned enterprises were not identified in budget documents, and few state-owned enterprises produced financial statements. The government maintained off-budget accounts not subject to adequate audit or oversight, and there were similar concerns regarding the budget for the security services. The information in the budget was considered generally reliable, though the execution of the investment budget deviated

significantly from projections. Cameroon's supreme audit institution audited the government's accounts and made its audit reports publicly available but was vulnerable to political pressure. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents. The government appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Cameroon's fiscal transparency would be improved by including allocations to and earnings from state-owned enterprises in its budget; eliminating off-budget accounts or subjecting them to adequate audit and oversight; producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; and granting the supreme auditing institution authority to audit the government's enacted budget free from political pressure.

**Central African Republic:** During the review period, some budget documents, including the executive budget proposal and enacted budget, were publicly available. Quarterly reports were made available, but not a full end-of-year report. Limited information on debt obligations was publicly available. Publicly available budget documents provided a fairly complete picture of the government's planned expenditures and revenue streams, with the exception of allocations to and earnings from state-owned enterprises. The reliability of budget information was undercut by the lack of an end-of-year report and budget execution reports. The Central African Republic's supreme audit institution did not audit the government's annual financial statements. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. The Central African Republic's fiscal transparency would be improved by publishing its end-of-year report; providing more detail on allocations to and earnings from state-owned enterprises in budget documents; and having the supreme audit institution audit the government's annual financial statements and publish its audit reports within a reasonable period of time.

**Chad:** Chad made significant progress by publishing its executive budget proposal and making key budget documents publicly available online. During the review period, information on debt obligations was publicly available. The budget documents did not include all revenues and expenditures and did not include all foreign aid. Significant, large state-owned enterprises did not have publicly available audited financial statements. The government maintained some off-budget accounts not subject to audit or oversight. Chad's supreme audit institution did not produce public reports. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation, but the government did not always appear to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Chad's fiscal transparency would be improved by including all revenues and expenditures in the budget; eliminating off-budget accounts or subjecting them to audit and oversight; publishing audited financial statements for significant, large state-owned enterprises; making supreme audit institution reports publicly available; and adhering to the criteria and procedures for awarding natural resource extraction contracts and licenses as set out in applicable laws and regulations.

**China:** During the review period, the government made its enacted budget and end-of-year report accessible to the general public, including online, but it did not publish an executive budget proposal before enactment of the budget. Information on debt obligations was publicly available but not always complete or up to date. Budget documents did not identify financial allocations to state-owned enterprises, and not all significant, large state-owned enterprises controlled by the central government had publicly available audited financial statements. China's supreme audit institution reviewed the government's accounts and made audit reports publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation. The government generally appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. China's fiscal transparency would be improved by publishing executive budget proposals ahead of the budget's enactment; providing timely and complete information on debt obligations; detailing financial allocations to state-owned enterprises in the budget or other public documents; and publishing audit reports for significant, large state-owned enterprises.

**Comoros:** During the review period, the government made its enacted budget and end-of-year report widely and easily accessible to the general public, including online. The government did not publish an executive budget proposal. Information on debt obligations was publicly available. Those budget documents that were publicly available provided a substantially complete picture of the government's planned expenditures and revenue streams. The information in the budget was generally considered reliable, <https://www.state.gov/e/eb/ifa/oma/fiscaltransparency/285996.htm>

though investment expenditures deviated significantly from projections. Comoros' supreme audit institutions did not publish audit reports of the government's annual financial statements within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and appeared to be followed in practice. The government received no revenues from natural resource extraction. Comoros' fiscal transparency would be improved by making executive budget proposals publicly available and ensuring the supreme audit institution conducts audits of the government's annual financial statements and makes its reports publicly available within a reasonable period of time.

**Congo, Democratic Republic of the:** During the review period, the government made its executive budget proposal and enacted budget widely and easily accessible to the general public but not in a timely manner. It also did not make its end-of-year report public. Information on debt obligations was publicly available. Publicly available budget documents lacked detail on allocations to state-owned enterprises, which did not have publicly audited financial statements, and the government maintained special accounts not subject to adequate oversight or audit. There were concerns about the reliability of information regarding expenditures to support executive offices, and oversight over military and intelligence budgets appeared lacking. Budget execution varied considerably from the enacted budget. In a positive development, the Democratic Republic of the Congo's supreme audit institution set up a website to make audit documents publicly available and published its 2015 fiscal year audit within a reasonable period of time. The process for awarding contracts or licenses for natural resource extraction was specified in law for mining but not oil extraction. The government did not appear consistently to follow applicable laws in practice. The Democratic Republic of the Congo's fiscal transparency would be improved by publishing budget documents within a reasonable period of time; specifically identifying allocations to state-owned enterprises in the budget and making audited financial statements publicly available for significant, large state-owned enterprises; making public more detail on audits of the government's special accounts; ensuring greater civilian oversight of military and intelligence budgets; and improving the overall reliability of budget information, specifically for expenditures to support executive offices. Fiscal transparency would further be improved by ensuring the procedures and criteria by which the national government awards contracts and licenses for natural resource extraction are specified in law, regulation, or other public documents and ensuring awarding agencies follow applicable laws and regulations in practice.

**Congo, Republic of the:** During the review period, the government made only its enacted budget widely and easily accessible to the general public, including online. Information on debt obligations was publicly available but greater detail would improve transparency. Publicly available budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. The budget provided limited detail on allocations to ministries. Allocations to and earnings from state-owned enterprises were not included in the budget, and the government maintained off-budget accounts not subject to audit and oversight. The information in the budget was not considered reliable and showed regular and consistent discrepancies. The Republic of Congo's supreme audit institution lacked capacity and independence to fulfill its mandate, and audit reports were not publicly available. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law, but there were reports of inconsistent application of the law. Basic information on natural resource extraction awards was publicly available. The Republic of Congo's fiscal transparency would be improved by making its executive budget proposal and end-of-year report widely and easily accessible to the general public; providing a more comprehensive accounting of off-budget accounts and subjecting such accounts to audit and oversight; detailing allocations to and earnings from state-owned enterprises in budget documents; ensuring greater civilian oversight of military and intelligence budgets; enhancing the completeness and reliability of budget reporting and debt obligations; publishing audit reports of the government's annual financial statements; and ensuring it follows applicable laws and regulations in awarding contracts and licenses for natural resource extraction.

**Djibouti:** During the review period, the government published summaries of most budget documents but did not make all budget documents easily accessible to the public. Public budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. While earnings and expenditures from state-owned enterprises were included in public budget documents, the figures were outdated. Significant, large state-owned enterprises did not have publicly available audited financial statements. Some ministries maintained off-budget accounts not subject to audit. Djibouti's supreme audit institution did not publish its reports within a reasonable period of time, though the government has invested new resources into the institution, a positive step forward. The criteria and procedures by which the national government awards contracts or

licenses for natural resource extraction were specified in new laws and regulations. The government has not yet awarded any natural resource contracts since the new laws and regulations were implemented. Basic information on natural resource extraction awards was publicly available. Djibouti's fiscal transparency would be improved by making its budget documents widely and easily available to the public; including in its budget information on state-owned enterprises; eliminating off-budget accounts or subjecting them to audit and oversight; and ensuring the supreme audit institution audits the government's financial statements and publishes its reports within a reasonable period of time.

**Dominican Republic:** The Dominican Republic made significant progress by completing the World Bank's two-year Strengthening Management of Public Finances Development Policy Loan (DPL) Project and improving the reliability and availability of budget information. During the review period, the government's budget and information on debt obligations were widely and easily accessible to the general public, including online. The budget was substantially complete and considered generally reliable, but significant, large state-owned enterprises, notably oil refiner Refineria Dominicana de Petroleo (REFIDOMSA) and electricity distribution and transmission company Corporación Dominicana de Empresas Eléctricas Estatales (CDEEE), did not have audited financial statements. The Dominican Republic's supreme audit institution reviewed the government's accounts and made its reports publicly available. The criteria and procedures by which the national government awards licenses and contracts for natural resource extraction were outlined in law and appeared to be followed in practice. Basic information on natural resource extraction awards was public. The Dominican Republic's fiscal transparency would be improved by ensuring the financial statements of significant, large state-owned enterprises are audited and made publicly available.

**Ecuador:** During the review period, budget documents were publicly available, although complete information on debt obligations, including oil-for-loan agreements, was not publicly available. Budget documents were otherwise substantially complete and generally reliable. Ecuador's supreme audit institution audited the government's annual financial statements, and the government made its reports publicly available within a reasonable period of time. The process for awarding natural resource extraction licenses and contracts was outlined in law, but basic information on awards was not publicly available, making it difficult to assess whether the criteria and procedures used in practice to award licenses and contracts were consistent with law. Ecuador's fiscal transparency would be improved by publishing complete information on intragovernmental loans and oil-for-loan agreements and making basic information on natural resource extraction awards publicly available.

**Egypt:** Egypt made significant progress by publishing its end-of-year report in a reasonable amount of time. During the review period, the government made its budget documents widely and easily accessible to the general public, including online. The government maintained off-budget accounts that were not publicly disclosed or subject to audit, but it continued to make significant reductions in the amount and use of off-budget accounts. The budget did not include allocations to military state-owned enterprises, nor were audit reports for significant, large state-owned enterprises made public. It was not clear from publicly available budget documents whether expenditures to support executive offices represented a significant outlay. The information in the budget was generally considered reliable, if incomplete. Audit reports from Egypt's supreme audit institution were not public. The independence of the supreme audit institution was not assured. The criteria and procedures by which the national government awards natural resource contracts or licenses were specified in law and regulation and appeared to be broadly followed in practice. The government has not consistently made public basic information on natural resource extraction awards. Egypt's fiscal transparency would be improved by describing all revenues and expenditures in the budget, including those for off-budget accounts, executive offices, and allocations to and earnings from state-owned enterprises; ensuring an independent supreme audit institution, one that carries out audits of the government's annual financial statements and makes its reports publicly available within a reasonable period of time; and consistently making basic information on natural resource extraction awards publicly available.

**Equatorial Guinea:** During the review period, the government did not make its executive budget proposal, enacted budget, or end-of-year report widely and easily accessible to the general public. Information on debt obligations was not publicly available. Though not easily accessible, budget documents provided a mostly complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. Significant, large state-owned enterprises lacked publicly available audited financial statements. The information in the budget was not considered reliable. Equatorial Guinea did not have an

operating supreme audit institution. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents. The government appeared to follow these laws or regulations in practice, but the government's attempts to renegotiate awarded contracts created concern as to the government's commitment to following such laws. Basic information on natural resource extraction awards was publicly available. Equatorial Guinea's fiscal transparency would be improved by making budget documents and information on debt obligations widely and easily accessible to the general public; ensuring information in the budget is reliable; and ensuring the supreme audit institution audits the government's executed budget and makes its reports publicly available.

**Eswatini (Swaziland):** During the review period, budget documents were available to the general public, including online. While budget documents provided a general picture of government revenues and expenditures, revenues from natural resources and land leases were not included in the budget. Expenditures to support the royal family were included in the budget but lacked specific detail and were not subject to the same oversight as the rest of the budget. Information in the budget was considered generally reliable. Eswatini's supreme audit institution's reports of the government's annual financial statements were published within a reasonable period of time, but some budget items were not subject to audit. The criteria and procedures for awarding natural resource extraction licenses and contracts were outlined in law, but the opacity of the procedures, which involve submitting applications for licenses directly to the king, cast doubt on whether the government actually followed the law in practice. Basic information on natural resource extraction awards was not always publicly available. Eswatini's fiscal transparency would be improved by providing more detail on expenditures and revenues in the budget, particularly for off-budget accounts, natural resource revenues, land leases, and royal family expenditures; subjecting the entire budget to audit and oversight; demonstrating applicable laws are followed in practice for awarding natural resource extraction contracts and licenses; and making basic information on natural resource extraction awards publicly available.

**Ethiopia:** During the review period, the government made its enacted budget available to the general public online, but the executive budget proposal was not published. Its end-of-year report was not published within a reasonable period of time. Information on debt obligations was publicly available. Publicly available budget documents lacked detail on state-owned enterprises, particularly those implementing major infrastructure projects, and not all significant, large state-owned enterprises had publicly available audited financial statements. Assessing the reliability of budget information is complicated by the lack of end-of-year and execution reports, though Ethiopia's supreme audit institution audited the government's annual financial statements and published its reports within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation, and the government generally appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was not always publicly available. Ethiopia's fiscal transparency would be improved by publishing its executive budget proposal and end-of-year report within a reasonable period of time; providing more detail on allocations to and earnings from state-owned enterprises in the budget; increasing the public availability of audit reports for significant, large state-owned enterprises; and making basic information about natural resource extraction awards publicly available.

**Gabon:** During the review period, the government published its enacted budget online but did not make its executive budget proposal or end-of-year report publicly available within a reasonable period of time. Only very general information on debt obligations was publicly available. Publicly available budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. Budget documents lacked detail on expenditures by individual ministries, as well as information on off-budget accounts and transfers between the government and state-owned enterprises. The information in the budget was not considered reliable, particularly given the lack of public budget documents. Gabon's supreme audit institution reviewed the government's accounts but did not make its reports publicly available. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were only partially specified in law, regulation, or other public documents, and the government did not consistently follow applicable laws and regulations in practice, particularly for mining concessions. Basic information on natural resource extraction awards was generally not publicly available. Gabon's fiscal transparency would be improved by making substantially complete and reliable budget documents publicly available; increasing the level of detail with respect to debt obligations; making audit reports of the government's annual financial

statements publicly available within a reasonable period of time; clarifying in law or regulation the process by which the government awards contracts or licenses for natural resource extraction, and following such laws and regulations in practice; and making basic information for natural resource extraction awards publicly available.

**Gambia, The:** During the review period, the government did not make budget documents widely and easily accessible to the general public, and only limited information on aggregate debt obligations was publicly available. Budget documents lacked complete information on natural resource revenues. The Ministry of Finance recently updated its website to provide earnings from state owned enterprises and include information on the government's debt obligations. The government maintained off-budget accounts that supported military and intelligence spending in particular and were not subject to adequate oversight or audit. The Gambia's supreme audit institution was responsible for auditing the government's annual executed budget, but it did not publish audit reports within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were not specified in law, and basic information about natural resource extraction awards was not publicly available. The Gambia's fiscal transparency would be improved by making sure budget documents are complete; subjecting off-budget accounts and military and intelligence spending to adequate audit and oversight; ensuring the supreme audit institution publishes audit reports within a reasonable period of time; specifying in law or regulation the procedures and criteria for awarding natural resource extraction contracts and licenses and following those laws and regulations in practice; and making basic information about natural resource extraction awards publicly available.

**Guinea:** Guinea made significant progress by making both its executive budget proposal and its enacted budget public and easily accessible online. During the review period, the government did not make its end-of-year report, however, publicly available. Information on debt obligations was available, but limited. The enacted budget contained a mostly complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. Significant, large state-owned enterprises lacked publicly available audited financial statements. The reliability of information in the budget was undercut by significant deviations between projected and actual expenditures that were not addressed through revisions of budget estimates or a supplementary budget process. Guinea's supreme audit institution has completed no audits of government accounts. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law but appeared to be applied inconsistently in practice. Basic information on natural resource extraction awards was publicly available. Guinea's fiscal transparency would be improved by making its end-of-year report publicly available; improving the level of detail on debt obligations; ensuring significant, large state-owned enterprises have publicly available audited financial statements; publicly disclosing and addressing significant departures from planned revenues and expenditures through revised budget estimates and supplementary budgets; establishing an independent supreme audit institution and ensuring it publishes an audit of the government's accounts; and applying laws on contracting and licensing for natural resource extraction consistently.

**Guinea-Bissau:** During the review period, the government did not make budget documents or information on debt obligations widely and easily accessible to the general public. Available budget information did not include allocations to or earnings from state-owned enterprises, and the government maintained an off-budget account for the promotion of agricultural products that has not been subject to adequate oversight. The reliability of the budget was undercut by the lack of timely and complete budget documents, and Guinea-Bissau's supreme audit institution did not audit the executed budget. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, but the government did not appear to follow the law in practice. Basic information on natural resource extraction awards was not publicly available. Guinea-Bissau's fiscal transparency would be improved by making budget documents and information on debt obligations widely and easily accessible to the general public; including allocations to and earnings from state-owned enterprises in the budget; subjecting off-budget accounts to adequate audit and oversight; improving the reliability of budget documents by producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; having the supreme audit institution audit the government's budget and make its reports publicly available within a reasonable period of time; consistently adhering to laws and regulations for contracting and licensing in natural resource extraction; and routinely publishing basic information on natural resource extraction awards.

**Haiti:** During the review period, the government made its executive budget proposal widely and easily accessible to the general public, including online, but it did not publish its end-of-year report within a reasonable period of time. Information on debt obligations was publicly available, but not fully up to date. Publicly available budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. The budget did not provide sufficient detail for each ministry or agency and did not include allocations to and earnings from state-owned enterprises. The government maintained off-budget accounts that were not subject to the same oversight and audit as other expenditures. Haiti's supreme audit institution partially reviewed the government's accounts, but it did not make its report publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and decree. The government did not appear to follow general contracting laws and regulations in practice. Basic information on natural resource extraction awards was only sporadically publicly available. Haiti's fiscal transparency would be improved by publishing its end-of-year report and information on debt obligations in a timely manner; providing greater detail on revenue sources and types, as well as expenditures by ministry in the publicly available budget; providing more detail on allocations to and earnings from state-owned enterprises; ensuring adequate audit and oversight for off-budget accounts; improving the reliability of budget documents by producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; ensuring the supreme audit institution audits the government's accounts and publishes the resulting audit reports; consistently adhering to laws and regulations for contracting and licensing in natural resource extraction; and routinely publishing basic information on natural resource extraction awards.

**Hungary:** During the review period, Hungary's budget and information on debt obligations were widely and easily accessible to the general public, including online. The completeness and reliability of budget information was questionable due to the failure to include frequent budget modifications in the publicly available budget and the lack of adequate oversight and audit of off-budget activities. Hungary's supreme audit institution reviewed the government's accounts, and its reports were publicly available. The criteria and procedures for allocating licenses and contracts for natural resource extraction were outlined in law and appeared to be followed in practice. Basic information on natural resource extraction awards was public. Hungary's fiscal transparency would be improved by ensuring budget documents are complete and updated throughout the year and establishing adequate oversight and audit of off-budget activities.

**Iraq:** During the review period, the government made its enacted budget widely and easily accessible to the general public online, but it did not publish its end-of-year report for 2017 or executive budget proposal for 2018. In a change from previous years, the government also did not publish or provide to parliament a table of sovereign expenditures, a grouping of expenditures which have spending priority and impact the calculation of allocations to regions. Limited details regarding debt obligations were publicly available. Available budget documents provided limited details regarding allocations to and earnings from state-owned enterprises. Other public documents provided detail on government grants, transfers, and loans for Iraq's systemically significant state-owned enterprises. The government maintained off-budget accounts subject to limited oversight. The information in the budget was considered reliable and reasonably accurate at the time it was produced, and the government passed a supplemental budget during the review period to document above-budget spending for the first half of the budget period. Iraq's supreme audit institution audited the government's executed budget. The supreme audit institution, however, has not published audits of budgets since the 2013 fiscal year. The national government awarded natural resource extraction contracts or licenses as guided by Article 111 of the Iraqi constitution; however, in the absence of implementing laws and regulations, the criteria and procedures for awarding natural resource extraction contracts and licenses were unclear. Iraq's fiscal transparency would be improved by publishing its executive budget proposal, including details regarding sovereign expenditures, and its end-of-year report; ensuring budget documents are complete and reliable, with details on allocations to and earnings from state-owned enterprises; producing and publishing within a reasonable period of time audit reports of the government's annual financial statements that contain substantive findings and narratives; specifying more concretely in law or regulation the process for awarding natural resource extraction contracts and licenses; and following applicable laws and regulations in practice.

**Laos:** During the review period, the government did not make most budget documents publicly available. It did begin to publish its enacted budget after years of failing to do so, though not within a reasonable period of time. Information on debt obligations was not publicly available. The completeness and reliability of budget information could not be properly evaluated due to the lack of publicly available documents. Laos' supreme audit institution reviewed only a portion of the government's accounts and did not make its reports publicly available. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents. Basic information on natural resource extraction awards was publicly available. A moratorium on natural resource extraction awards has been in effect since 2012. Laos' fiscal transparency would be improved by making substantially complete and reliable budget documents publicly available and ensuring the supreme audit institution audits the government's annual financial statements and makes its reports public within a reasonable period of time.

**Lebanon:** Shortly after the end of the review period, the government posted publicly its 2017 enacted budget that was approved in November 2017, nearly 12 years after the last budget was enacted. It did not publish an executive budget proposal or produce revised budget documents to reconcile the first ten months of 2017, which are based on the Budget Law of 2005 and other additional spending authorizations, with the remaining two months of 2017-- a period based on and carried out according to the newly enacted 2017 budget. As a result, the government did not present a full picture of Lebanon's expenditures and revenue streams for 2017. Details regarding allocations to and earnings from state-owned enterprises were limited. Military and intelligence budgets were supplemented by assistance from private sources; such contributions were not captured in available budget documents and were not subject to oversight. The information in the budget was not considered reliable and reasonably accurate and did not correspond to actual revenues and expenditures. Lebanon's supreme audit institution audits the government's financial statements but does not make audit reports publicly available. Lebanon does not yet derive revenues from natural resources, but the criteria and procedures by which the national government awards natural resource contracts or licenses were specified in two decrees recently approved by the cabinet. Lebanon's fiscal transparency would be improved by publishing in a timely fashion an executive budget proposal, enacted budget, and end-of-year report that are substantially complete and that correspond to actual expenditures and revenue streams; detailing allocations to and earnings from state-owned enterprises; including all military revenue sources and expenditures in budget documents; and making supreme audit institution audit reports publicly available.

**Lesotho:** During the review period, the government made its executive budget proposal and enacted budget publicly available but did not publish its end-of-year report within a reasonable period of time. Information on debt obligations was publicly available. Publicly available budget documents provided a mostly complete picture of the government's planned expenditures and revenue streams, including natural resource revenues, but information regarding two off-budget accounts was not publicly available. There were also concerns about the consistency of information presented across budget documents. Lesotho's supreme audit institution did not review the government's accounts and make its reports publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents. The government appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Lesotho's fiscal transparency would be improved by timely publishing its end-of-year report; ensuring off-budget accounts are subject to adequate audit and oversight; improving the consistency and comparability of information in budget documents; and ensuring the supreme audit institution audits the government's executed budget and publishes its reports within a reasonable period of time.

**Liberia:** During the review period, budget documents and information on debt obligations were widely and easily accessible to the general public, including online. Foreign assistance was neither adequately captured in the budget nor subject to the same audit and oversight as other budget items. Budget documents made it difficult to identify natural resource revenues. The information in publicly available budget documents was generally reliable, though Liberia's supreme audit institution's audit reports were not publicly available within a reasonable period of time. The criteria and procedures for awarding natural resource extraction licenses and contracts were outlined in law, though there have been reports of corruption and inconsistent application of regulations in practice. Basic information on natural resource extraction awards was publicly available. Liberia's fiscal transparency would be improved by ensuring the budget is substantially complete and off-budget accounts are subject to adequate audit and oversight;

making supreme audit institution audit reports publicly available within a reasonable period of time; and ensuring the criteria and procedures used to award natural resource extraction contracts and licenses are consistent with the requirements set by law or regulation.

**Libya:** During the review period, the government produced a budget, but it was not officially approved by the legislature. Internal political conflict has prevented the Libyan government from fully implementing its budget processes, which has adversely impacted fiscal transparency. Only limited information on debt obligations was publicly available. Quarterly budget summary documents, prepared by the government and the Central Bank of Libya, were not substantially complete and lacked sufficient detail, and quarterly reports prepared by the government were not easily accessible by the public. It is unknown to what extent significant, large state-owned enterprises, including the National Oil Company, had audited financial statements, and audit reports for such enterprises were not publicly available. Budget summary documents did not include information on its sovereign wealth fund, the Libyan Investment Authority. Information regarding expenditures to support executive offices was not public. Military and intelligence budgets were not subject to civilian oversight. Libya's supreme audit institution audited the government's accounts and made its reports publicly available. The criteria and procedures for awarding contracts and licenses for natural resource extraction were outlined in law or regulation and generally appear to have been followed in practice. Basic information on natural resource extraction awards was public. Libya's fiscal transparency would be improved by publishing complete and reliable budget documents in a reasonable period of time; including in its budget documents information on debt obligations, its sovereign wealth fund, state-owned enterprises, and expenditures to support executive offices; and subjecting military and intelligence budgets to civilian oversight.

**Madagascar:** During the review period, the government made only its executive budget proposal and enacted budget widely and easily accessible to the general public, including online. The government did not publish its end-of-year report within a reasonable period of time. Information on debt obligations was publicly available. Budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. Budget documents contained gaps and omitted details on natural resource revenues and transfers to and from state-owned enterprises. The information in the budget, though incomplete, was considered reliable. Madagascar's supreme audit institution reviewed the government's budget execution and made its reports publicly available. The government continued efforts to update criteria and procedures by which the national government awards contracts or licenses for natural resource extraction. The government did not appear to follow existing laws or regulations in practice. Basic information on natural resource extraction awards was publicly available. Madagascar's fiscal transparency would be improved by making its end-of-year report widely and easily accessible to the general public within a reasonable period of time; providing greater detail in the budget on revenues from natural resources and allocations to and earnings from state-owned enterprises; and following applicable laws and regulations in practice for awarding natural resource extraction contracts and licenses.

**Malawi:** During the review period, the government made its executive budget proposal, enacted budget, and end of year reports publicly available within a reasonable period of time. Information on debt obligations was publicly available. Publicly available budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. The information in the budget was generally considered reliable, and Malawi's supreme audit institution's audit of the government's annual financial accounts was published within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation. The government did not appear to follow applicable laws in practice. Basic information on natural resource extraction awards was not always publicly available. Malawi's fiscal transparency would be improved by adhering to the process for awarding natural resource extraction contracts and licenses as set out in law and consistently making basic information on natural resource extraction awards publicly available.

**Maldives:** During the review period, the government made budget documents widely and easily accessible to the general public, including online. Limited information on debt obligations was publicly available. Budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, but there were questions about the reliability of budget information because the government did not publish budget execution reports. The Maldives' supreme audit institution was

mandated to review the government's consolidated annual financial statements, but its audit reports were not publicly available. The Maldives did not have a natural resource extraction sector. The Maldives' fiscal transparency would be improved by ensuring budget information is reliable by publishing budget execution reports and making audit reports of the government's financial statements publicly available within a reasonable period of time.

**Mali:** During the review period, the government made only its executive budget proposal widely and easily accessible to the general public, including online, within a reasonable period of time. The government did not publish its enacted budget nor its end-of-year report within a reasonable period of time. Information on debt obligations was publicly available. Publicly available budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues, but the government maintained some off-budget accounts not subject to adequate audit or oversight. Information regarding allocations to and earnings from state-owned enterprises was lacking, and significant, large state-owned enterprises did not have publically available audited financial statements. The information in the budget was considered broadly reliable, and significant deviations from projections were described in publicly available revised estimates. Mali's supreme audit institution reviewed the government's accounts and made reports publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law. The government appeared to follow applicable laws in practice. Basic information on natural resource extraction awards was publicly available. Mali's fiscal transparency would be improved by publishing its enacted budget and end-of-year report within a reasonable period of time; subjecting off-budget accounts to regular audit and oversight; detailing allocations to and earnings from state-owned enterprises; and ensuring significant, large state-owned enterprises have publicly available audited financial statements.

**Mauritania:** During the review period, the government made budget documents widely and easily accessible to the general public, including online. Information on debt obligations was publicly available. Budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues, but the government maintained some off-budget accounts not subject to adequate audit or oversight. The information in budget documents was generally reliable, and showed improvements in quality, but Mauritania's supreme audit institution did not conduct an audit or issue a report in 2017. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation, but there have been reports of inconsistent application of applicable regulations. Basic information on natural resource extraction awards was publicly available. Mauritania's fiscal transparency would be improved by subjecting off-budget accounts to adequate audit and oversight; ensuring the supreme audit institution publishes audit reports on the government's budget execution within a reasonable period of time; and ensuring the criteria and procedures used to award natural resource extraction contracts and licenses are consistent with the procedural requirements set by law or regulation.

**Micronesia:** During the review period, the government's budget and information on debt obligations were widely and easily accessible to the general public, including online, but the government did not make its executive budget proposal publicly available within a reasonable amount of time. Budget information was made available quarterly as required by the Department of Interior's disbursements of Compact of Free Association Funds. The budget was substantially complete and considered generally reliable. Micronesia's supreme audit institution reviews the government's accounts and makes its reports publicly available. Micronesia did not have a natural resource extraction sector that included the resources covered by this report: oil, gas, or minerals. Micronesia's fiscal transparency would be improved by making its executive budget proposal publicly available within a reasonable period of time.

**Mozambique:** During the review period, the government made budget documents publicly available, but there were serious concerns about the availability of information for debt obligations. Publicly available budget documents provided an incomplete picture of the government's planned expenditures and revenue streams, especially with regard to natural resource revenues and allocations to and earnings from state-owned enterprises, which generally did not have publicly available audited financial statements. The government maintained off-budget accounts not subject to adequate audit or oversight. For portions of the budget that were relatively complete, the provided information was generally considered reliable. Mozambique's supreme audit institution reviewed the government's accounts and its reports were published within a reasonable period of time. The criteria and procedures

by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents. The government has generally appeared to follow applicable laws and regulations in practice. The government published basic information on natural resource extraction awards. Mozambique's fiscal transparency would be improved by making more information on debt obligations and utilization of borrowed funds publicly available; ensuring budget documents include more detailed information on natural resource revenues and allocations to and earnings from state-owned enterprises; making audited financial statements for significant, large state-owned enterprises publicly available; and subjecting off-budget accounts to adequate audit and oversight.

**Nicaragua:** During the review period, the government made its executive budget proposal, enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Publicly available budget documents did not, however, provide a substantially complete picture of the government's planned expenditures and revenue streams. Information on debt obligations was publicly available but incomplete. The information in the budget was generally considered reliable, but Nicaragua's supreme audit institution did not audit the government's full financial statements. The financial statements do not fully account for the liabilities of state-owned enterprises, which are increasingly being assumed on an ad hoc basis by the government. The government has not publicly accounted for the expenditure of significant off-budget assistance from Venezuela, and this assistance has not been subject to audit or legislative oversight. Allocations to and earnings from state-owned enterprises were included in the budget on a net basis, but most state-owned enterprises, including ALBANISA, a joint venture of the Nicaraguan and Venezuelan state oil companies, have not been subject to audit. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law, though it is unclear whether the process used in practice to make awards has been consistent with the law. Basic information on natural resource extraction awards was publicly available. Nicaragua's fiscal transparency would be improved by including all off-budget revenues, expenditures, and debt obligations in the budget; detailing allocations to and earnings from state-owned enterprises; making full audit reports for significant, large state-owned enterprises publicly available; conducting a full audit of the government's annual financial statements; and making audit reports publicly available within a reasonable period of time.

**Niger:** During the review period, the government did not make budget documents widely and easily accessible to the public. Budget documents provided an incomplete picture of the government's planned expenditures and revenue streams, with insufficient detail on revenues derived from natural resource extraction, as well as allocations to and earnings from state-owned enterprises. Budget documents lacked credibility, and Niger's supreme audit institution did not make audit reports of the government's accounts publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation, but the government does not appear to have followed applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Niger's fiscal transparency would be improved by publishing budget documents within a reasonable period of time; ensuring budget documents are complete and reliable; detailing allocations to and earnings from state-owned enterprises; providing full information on revenues derived from natural resource extraction; ensuring the supreme audit institution conducts audits of the government's accounts and publishes audit reports within a reasonable period of time; and following applicable laws and procedures in practice for awarding contracts and licenses for natural resource extraction.

**Nigeria:** During the review period, the government made budget documents and information on debt obligations widely and easily accessible to the general public online. Budget documents provided relatively broad details on revenue, compared to the more precise details for expenditure. The Nigerian National Petroleum Corporation did not have fully audited financial reports that were available to the public. The government maintained off-budget accounts not subject to adequate oversight or audit. Information in budget documents was generally reliable, though undercut by issues with revenue forecasting and associated under-execution of projected expenditures. Nigeria's supreme audit institution completed audits of the government's budget and reportedly made audit reports available upon request. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation. The government has appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Nigeria's fiscal transparency would be improved by providing more detailed and reliable information on revenues; detailing allocations to and

earnings from state-owned enterprises; making full audit reports for significant, large state-owned enterprises publicly available; subjecting off-budget accounts to adequate audit and oversight and making information on such accounts publicly available; and making audit reports of the government's accounts more easily accessible.

**Oman:** During the review period, the government made its enacted budget and end-of-year report widely and easily accessible to the general public, including online. It did not publish an executive budget proposal. Publicly available budget documents lacked sufficient detail and did not include allocations to and earnings from state-owned enterprises, or allocations to the royal family. The government maintained off-budget accounts not subject to audit or oversight. The government did not issue revised budgets, and Oman's supreme audit institution did not audit the government's annual financial statements. The process for awarding natural resource extraction licenses and contracts was outlined in law. While the criteria for making natural resource extraction awards were not generally public, bidders have been informed about the criteria for awards through the bidding process, and the bidding process has not been widely seen as flawed or susceptible to corruption. Basic information on awards was publicly available. Oman's fiscal transparency would be improved by making its executive budget proposal widely and easily accessible to the general public within a reasonable period of time; adding more detail to the budget, including allocations to and earnings from state-owned enterprises and expenditures for the royal family in the budget; subjecting off-budget accounts to audit and oversight and making information on such accounts publicly available; having the supreme audit institution audit the government's annual executed budget and make its reports public; and making the criteria for awarding natural resource extraction contracts and licenses publicly available.

**Pakistan:** During the review period, the government made its executive budget proposal, enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Information on debt obligations was publicly available. Publicly available budget documents provided a substantially complete picture of most of the government's planned expenditures and revenue streams, including natural resource revenues, but the budget of the intelligence agencies was neither publicly available nor subject to adequate parliamentary or other civilian oversight. The information in the budget was considered generally reliable and subject to audit by Pakistan's supreme audit institution; however, audit reports were not made publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, and other public documents. The government appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Pakistan's fiscal transparency would be improved by subjecting the intelligence agencies' budgets to parliamentary or other civilian oversight and making the supreme audit institution's audit report on the government's annual financial statements publicly available within a reasonable period of time.

**Palestinian Authority:** During the review period, the Palestinian Authority made its enacted budget widely and easily accessible to the general public, including online. The Palestinian Authority did not, however, publish its executive budget proposal or end-of-year report in a timely manner. Information on debt obligations was incomplete. Budget documents otherwise provided a substantially full picture of the Palestinian Authority's planned expenditures and revenue streams. The information in the budget was considered reliable and reasonably accurate. The Palestinian Authority's supreme audit institution lacked independence, and its audit reports of the Palestinian Authority's annual financial statements were not publicly available within a reasonable period of time. The Palestinian Authority did not receive any revenues from natural resource extraction during the review period. The Palestinian Authority's fiscal transparency would be improved by publishing its executive budget proposal and end-of-year report in a timely manner; providing complete and timely information on debt obligations; ensuring the independence of the supreme audit institution; and publishing supreme audit institution audit reports within a reasonable period of time.

**Papua New Guinea:** During the review period, the government made budget documents and information on debt obligations publicly available. Publicly available budget documents were incomplete and did not include royalties and levies from the oil and gas industry held in off-budget trust accounts which lacked adequate oversight and audit. The information in the budget was considered generally reliable, but Papua New Guinea's supreme audit institution did not make its reports publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law. The government did not appear to follow applicable laws in practice. Basic information

on natural resource extraction awards was not always publicly available. Papua New Guinea's fiscal transparency would be improved by establishing adequate audit and oversight for revenues from natural resources and spending from associated off-budget trust accounts; ensuring the supreme audit institution publishes complete audit reports of the government's financial statements within a reasonable period of time; following applicable laws and regulations in practice for awarding natural resource extraction licenses and contracts; and publishing basic information regarding all natural resource extraction awards.

**Rwanda:** During the review period, the government's enacted budget and end-of-year report were widely and easily accessible to the general public within a reasonable period of time. The government did not make a detailed executive budget proposal widely and easily accessible to the general public prior to enactment of the budget. The government published a budget speech and a draft budget law with top-level budget information ahead of the budget's enactment but not the appendices to the draft law which provided detailed information on revenues and expenditures. Information on debt obligations was publicly available. Allocations to and earnings from state-owned enterprises were available in budget documents but only in aggregate. More detailed information for some state-owned enterprises was available in other public documents, but the government did not make detailed information regarding all transfers easily accessible to the public. Rwanda's supreme audit institution reviewed the government's accounts and made its reports publicly available. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law and appeared to be followed in practice. Basic information on natural resource extraction awards was public. Rwanda's fiscal transparency would be improved by publishing a substantially complete executive budget proposal within a reasonable period of time and making detailed information on allocations to and earnings from state-owned enterprises publicly available.

**Samoa:** During the review period, the government made its executive budget proposal, enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Information on debt obligations was publicly available. Budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams. The information in the budget was considered reliable. Samoa's supreme audit institution reviewed the government's accounts, but audit reports with substantive findings, recommendations, and narratives were not made publicly available within a reasonable period of time. Samoa did not have a natural resource extraction sector. Samoa's fiscal transparency would be improved by publishing audit reports with substantive findings, recommendations, and narratives within a reasonable period of time.

**Sao Tome and Principe:** During the review period, the government made its executive budget proposal, enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Information on debt obligations was publicly available. Public budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. The information in the budget was considered generally reliable, though budget documents were not prepared according to internationally accepted principles. Audit reports from Sao Tome and Principe's supreme audit institution were not published within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and appeared to be broadly followed in practice. Basic information on natural resource extraction awards was publicly available. Sao Tome and Principe's fiscal transparency would be improved by preparing budget documents using internationally accepted principles and making audit reports widely and easily accessible to the public within a reasonable period of time.

**Saudi Arabia:** Saudi Arabia made significant progress by producing quarterly budget execution reports and making them publicly available. During the review period, the government made some, but not all, budget documents publicly available. Information on debt obligations was publicly available. The limited data available in the government's annual budget statement did not break down expenditures by ministry or agency. Some significant, large state-owned enterprises did not have publicly available audited financial statements. The annual budget statement did not show allocations to the royal family or Council of Ministers, and the government maintained off-budget accounts. For the first time, departures from planned expenditures and revenues were disclosed during the course of the year, and the extent of departures was greatly reduced compared to previous years. Any reports prepared by Saudi Arabia's supreme audit institution were not publicly available. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation. The government has generally appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards

was publicly available. Saudi Arabia's fiscal transparency would be improved by producing detailed and complete budget documents and making them publicly available; ensuring audit reports for significant, large state-owned enterprises are publicly available; and making supreme audit institution reports publicly available.

**Somalia:** During the review period, the government made its enacted budget publically available but did not publish its executive budget proposal or end-of-year report. Information on debt obligations was not publicly available. Those budget documents that were public were not substantially complete. Some ministries maintained off-budget accounts not subject to audit or oversight, and revenue generated from contracts signed for natural resource extraction was not included in budget documents. Actual revenues and expenditures deviated significantly from projections, but the government issued revised budget estimates and periodic budget execution reports, increasing the credibility of information in budget documents. Somalia's supreme audit institution did not produce a publicly available review of the government's accounts. It did not appear that the government consistently followed criteria and procedures as inscribed in law or regulation to award natural resource extraction contracts and licenses. Basic information on such awards was not always publicly available. Somalia's fiscal transparency would be improved by making budget documents widely and easily accessible to the general public within a reasonable period of time; making information on debt obligations publicly available; including all revenues and expenditures in the budget; producing audit reports of the government's financial statements and making them publicly available; awarding natural resource extraction contracts and licenses in a manner consistent with law or regulation; and making basic information on such awards publicly available.

**South Sudan:** During the review period, the government made its executive budget proposal and enacted budget publicly available online within a reasonable period of time but did not publish its end-of-year report. No information on debt obligations was publicly available. Allocations to and earnings from Nile Petroleum Corporation, South Sudan's national oil company, were not described in budget documents, and no audited financial statements were publicly available. The government maintained off-budget accounts for which civilian oversight and scrutiny have been limited. Information in budget documents was not reliable. Ministries, agencies, and departments have consistently overspent or underspent their budgets, and the government has not issued revised budget estimates. South Sudan's supreme audit institution has not published an audit report on the government's accounts in several years due to capacity issues and lack of access to records and documentation from government entities, especially those associated with oil revenues and security sector expenditures. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law but did not appear to be followed in practice. Basic information on natural resource extraction awards was not publicly available. South Sudan's fiscal transparency would be improved by publishing its end-of-year report and substantially complete information on debt obligations within a reasonable period of time; conducting financial audits of Nile Petroleum Corporation and making the results public; eliminating off-budget accounts or subjecting them to adequate oversight and audit; improving the reliability of budget documents by producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; publishing audit reports of the government's accounts; ensuring the consistent application of applicable laws and regulations in awarding natural resource extraction contracts and licenses; and making basic information on natural resource extraction awards publicly available.

**Sudan:** During the review period, the government made budget documents and information on debt obligations available only upon request. Budget documents were not substantially complete. The budget did not include revenue from gold and oil extraction and did not adequately describe allocations to and earnings from state-owned enterprises. Significant, large state-owned enterprises, including the Omdurman National Bank and the Seen Flour Company, did not have audited financial statements. The government maintained off-budget accounts. It is unclear to what extent military and intelligence budgets were subject to adequate civilian oversight. Information in the budget was not reliable, and there have been reports of significant underreporting of expenditures and revenues in the budget, including the military and intelligence budgets. Sudan's supreme audit institution did not make its reports public. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were outlined in law but did not appear to be followed in practice. Basic information on natural resource extraction awards was publicly available. Sudan's fiscal transparency would be improved by making budget documents widely and easily accessible to the general public; including all expenditures and revenues in its budget; eliminating off-budget accounts or subjecting them to adequate audit and oversight; establishing greater civilian oversight over military and intelligence budgets;

producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget; auditing all significant, large state-owned enterprises and making such audit reports public; ensuring the supreme audit institution audits the government's annual financial statements and publishes its reports; and adhering to the process for awarding natural resources extraction contracts and licenses as set out in law.

**Suriname:** Suriname made significant progress during the review period by passing the Act on Annual Accounts in September 2017 which obligates all state-owned enterprises, as well as all companies in general, to publish annual accounts starting in 2020. Additionally, in May 2017 the Extractive Industries Transparency Initiative admitted Suriname as a candidate country, and as part of this effort Suriname's Minister of Natural Resources made information on issued gold mining and logging concessions publicly available online in August 2017. During the review period, the government made its executive budget proposal and enacted budget easily accessible to the general public, including online. Its end-of-year report was not, however, publicly available. Information on debt obligations was publicly available. Budget documents lacked sufficient detail on allocations to and earnings from state-owned enterprises. Actual government revenues and expenditures deviated from the enacted budget, and the origin and level of accuracy of some information in the budget were not reliable. Suriname's supreme audit institution published a limited audit report based on a set of data provided by individual ministries. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and appeared to be followed in practice. Basic information on natural resource extraction awards was publicly available. Suriname's fiscal transparency would be improved by publishing an end-of-year report; detailing allocations to and earnings from state-owned enterprises; making full audit reports for significant, large state-owned enterprises publicly available; and producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget.

**Tajikistan:** During the review period, the government made its executive budget proposal, enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Information on debt obligations was also available. The budget documents did not provide a substantially complete picture of the government's planned expenditures. Budget documents lacked detail regarding expenditures for ministries and agencies and did not identify allocations to or earnings from state-owned enterprises. They broke down revenue by source but did not identify natural resource revenues. Only summary information of Tajikistan's supreme audit institution's reports of the government's accounts was publicly available. The criteria and procedures by which the national government awards natural resource contracts or licenses were specified in law. The government did not appear to follow these laws or regulations in practice. Basic information on natural resource extraction awards was not publicly available. Tajikistan's fiscal transparency would be improved by producing substantially complete and sufficiently detailed budget documents; making full audit reports publicly available; following applicable laws and regulations in practice for awarding natural resource extraction contracts and licenses; and making basic information on natural resource extraction awards publicly available.

**Tanzania:** During the review period, the government only made its enacted budget available upon request. It did not publish a full executive budget proposal nor an end-of-year report. Information on debt obligations was available online. Publicly available budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. It was unclear if information on natural resource revenues and allocations to and earnings from state-owned enterprises was accurate. The intelligence budget was not part of the public budget, and there were no procedures in place to permit parliamentary review of it. Tanzania's supreme audit institution reviewed the government's accounts and made its reports publicly available within a reasonable period of time. The supreme audit institution, however, issued an adverse opinion on the government's consolidated financial statements, casting doubt on the reliability of budget documents. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation. The government appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Tanzania's fiscal transparency would be improved by making its executive budget proposal and end-of-year report widely and easily accessible to the general public; ensuring information in budget documents is substantially complete and reliable; and establishing greater civilian oversight over intelligence budgets.

**Togo:** During the review period, the government made its enacted budget and end-of-year report widely and easily accessible to the general public, including online. The government did not make its executive budget proposal available in a reasonable period of time. Information on debt obligations for the review period was available upon request from the Ministry of the Economy and Finance. Publicly available budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. The information in the budget was considered reliable. Togo's supreme audit institution reviewed the government's accounts and made its audit report publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents. The government appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Togo's fiscal transparency would be improved by publishing an executive budget proposal within a reasonable period of time.

**Turkmenistan:** During the review period, Turkmenistan published aggregate revenue data in its state-run newspaper, but budget documents and information on debt obligations were not made public. Publicly available budget information was not complete and did not include government revenues from natural resources, particularly oil and natural gas. Information on the government's off-budget stabilization fund was not publicly available. Given the lack of availability of budget documents, the budget's reliability cannot be assessed. Turkmenistan's supreme audit institution did not make its reports publicly available despite purportedly reviewing the government's financial statements. Its independence was questionable. The laws and regulations for allocating licenses and contracts for natural resource extraction did not fully detail the conditions and procedures for issuing licenses and contracts. Therefore, it is unclear if the laws and regulations were followed in practice. Basic information on natural resource extraction awards was not always publicly available. Turkmenistan's fiscal transparency would be improved by making budget documents and independent audit reports publicly available within a reasonable period of time; ensuring these documents are substantially complete and reliable; disclosing proceeds from the sale of oil and natural gas; fully outlining the criteria and procedures for allocating natural resource extraction licenses and contracts in law or regulation; following applicable laws and regulations in practice; and making basic information on natural resource extraction awards publicly available.

**Ukraine:** During the review period, the government made its budget and information on debt obligations widely and easily accessible to the general public, including online. Budget documents provided a mostly full picture of the government's planned expenditures and revenue streams. Not all allocations to and earnings from state-owned enterprises, however, were captured in publicly available documents, though auditing of significant state-owned enterprises has improved significantly. Ukraine maintained off-budget accounts, including three social insurance funds, which were not subject to adequate audit and oversight. Ukraine's supreme audit institution reviewed the government's accounts and made its report publicly available within a reasonable period of time. The process for awarding natural resource extraction licenses and contracts was outlined in law, but anecdotal evidence suggests corruption persists in making these awards. Basic information on natural resource extraction awards was publicly available. Ukraine's fiscal transparency would be improved by fully capturing allocations to and from state-owned enterprises in public budget documents; ensuring all off-budget accounts are subject to adequate audit and oversight; and ensuring applicable laws and regulations for contracting and licensing in natural resource extraction are followed in practice.

**Uzbekistan:** During the review period, the government made an abstract of its enacted budget and end-of-year report widely and easily accessible to the general public, including online. The executive budget proposal and information on debt obligations were not publicly available. Publicly available budget documents did not provide a substantially complete picture of the government's planned expenditures and revenue streams. Budget documents did not include detail on expenditures by ministry or information on allocations to or earnings from state-owned enterprises. Detailed information on natural resource revenues and the government's off-budget accounts was not publicly available. The budget did not include information on expenditures to support executive offices. It is not possible to assess the reliability of the budget due to the lack of publicly available information. Uzbekistan's supreme audit institution had a legal mandate to review the government's annual budget execution, but its reports were not publicly available. The government's criteria and procedures for awarding natural resource extraction contracts and licenses lacked details, though existing legislation provided for application procedures. Basic information on natural resource extraction awards was not always publicly available. Uzbekistan's fiscal transparency would be improved by making budget documents and audit reports publicly available within a reasonable period of time; ensuring publicly available budget documents are substantially

complete and reliable; making reports by the supreme audit institution publicly available; fully outlining the criteria and procedures for allocating natural resource extraction licenses and contracts in law or regulation and following them in practice; and making basic information about such awards publicly available.

**Vietnam:** During the review period, the government made its budget documents generally accessible to the public, including online, but the government did not make its executive budget proposal accessible to the general public prior to enactment. Information on debt obligations was publicly available. Publicly available budget documents provided a fairly complete picture of the government's planned expenditures and revenue streams, including natural resource revenues, but the government maintained off-budget accounts which lacked transparency. The budget included expenditures to support executive offices, but it did not include the budget to maintain the Communist Party of Vietnam, a parallel structure to the government whose budget could rival that of the government. The information in the budget was considered generally reliable. Vietnam's supreme audit institution reviewed the government's accounts and made its report publicly available. The procedures, though not the criteria, by which the national government awards contracts or licenses for natural resource extraction were specified in law and regulation. The government appeared to follow these laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Vietnam's fiscal transparency would be improved by making its executive budget proposal widely and easily accessible to the general public before the budget is enacted; including all budgetary expenses; eliminating off-budget accounts or subjecting them to adequate audit and oversight; and publicizing the criteria by which the government awards contracts and licenses for natural resource extraction.

**Yemen:** During a period of significant internal political conflict, the government did not fully implement its budget processes. The government has not enacted a new budget in several years. The government, however, did publish limited information on debt obligations. While the information in budget documents may have been substantially complete when it was originally compiled, it could not be considered complete or reliable during the review period. Yemen's supreme audit institution did not conduct an audit of the government's annual financial statements. The criteria and procedures by which the government awards natural resource contracts or licenses were specified in law only in terms of general principles, and there have been reports of inconsistent application of applicable regulations. Basic information on natural resource extraction awards was publicly available. Yemen's fiscal transparency would be improved by making budget documents available to the public within a reasonable period of time; publishing timely data on debt obligations; ensuring budget documents are substantially complete and reliable; producing and publishing audit reports of the government's annual financial statements within a reasonable period of time; clarifying laws and regulations for awarding contracts and licenses for natural resource extraction; and ensuring such laws and regulations are followed in practice.

**Zambia:** During the review period, the government made its executive budget proposal, enacted budget, and end-of-year report widely and easily accessible to the general public, including online. Information on debt obligations was publicly available, though mostly as aggregate figures. Publicly available budget documents provided a substantially complete picture of the government's planned expenditures and revenue streams, including natural resource revenues. The information in the budget was not always considered reliable due to the government incurring unbudgeted expenditures and significant variations between budget projections and actual execution. Zambia's supreme audit institution reviewed the government's accounts and made its report publicly available within a reasonable period of time. The criteria and procedures by which the national government awards contracts or licenses for natural resource extraction were specified in law, regulation, or other public documents, but the government has not appeared to follow applicable laws and regulations in practice. Basic information on natural resource extraction awards was publicly available. Zambia's fiscal transparency would be improved by improving the reliability of budget documents by producing and publishing a supplemental budget when actual revenues and expenditures do not correspond to those in the enacted budget and ensuring it follows applicable laws and regulations for awarding contracts and licenses for natural resource extraction.

**Zimbabwe:** Zimbabwe made significant progress this year by making budget documents available in a reasonable amount of time and producing for the first time an Annual Budget Review Statement assessing revenue and expenditure outcomes. During the review period, the government made its executive budget proposal, enacted a budget and made an end-of-year report publicly

available within a reasonable period of time. However, publicly available budget documents did not include a substantially complete picture of revenue streams, including natural resource revenues. The budget included aggregate allocations to, but not earnings from, state-owned enterprises. Significant, large state-owned enterprises did not have audited financial statements. The intelligence budget was not part of the public budget, and there were no procedures in place to permit parliamentary review of it. The information in the budget was considered generally reliable. Zimbabwe's supreme audit institution reviewed the government's accounts and made its report publicly available within a reasonable period of time. The criteria and procedures by which the national government awards natural resource extraction contracts or licenses were specified in law. The government appeared to broadly follow the law in practice, except in the diamond sector, where it is unclear if the laws are followed in practice. Basic information on mining concessions was not publicly available. Zimbabwe's fiscal transparency would be improved by providing a complete picture of revenues and expenditures, including revenues from natural resources; detailing allocations to and earnings from state-owned enterprises; making full audit reports for significant, large state-owned enterprises publicly available; allowing greater parliamentary oversight over the intelligence budget; ensuring laws and regulations governing natural resource extraction contracting and licensing are followed in practice; and making basic information about such awards publicly available.

Date:

John J. Sullivan  
Deputy Secretary of State

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