

**GUYANA'S BUDGET TRANSPARENCY ACTION PLAN**

#	Activity	Objective	Current status	Identified field of reform	Mid-term indicator	Responsible Agency	Link and reference in the PFM Action Plan
1	<p><b>Consult with key stakeholders on proposals to be included in the National Budget</b> - the political Opposition, PSC, Trade Union Congress, and relevant civil society organisations.</p>	<p>To promote a participatory approach in budget preparation; to secure ownership of the outcome from key stakeholders; and to ensure the greater transparency in the crafting of the National Budget.</p>	<p>Prior to 2015, there was little or no consultation with the political Opposition. This has resulted in three consecutive years of stalemate, “budget cuts”, unauthorized expenditure, and judicial intervention.</p> <p>In the preparation of the 2015 Budget, attempts were made to consult with the political Opposition while in respect of the private sector and other stakeholders, there were detailed consultations.</p> <p>The Minister of Finance indicated a desire for on-going dialogue</p>	<p>To give effect to Article 13 of the Constitution “by providing increasing opportunities for participation of citizens, and their organisations in the management and decision-making processes of the State, with particular emphasis on those areas of decision-making that directly affect their well-being”.</p> <p>Enhancement of good governance practices and transparency.</p>	<p>Release of the outcome of such consultations to the public via press briefings and related press statements and on the Ministry of Finance’s website, <b>prior to the presentation of the 2016 Budget to the National Assembly.</b></p>	<p>Ministry of Finance</p>	<p>None</p>

			instead of a once-a-year consultation.				
2	<b>Incorporate a strengthened programme budgeting framework in the National Budget</b>	To provide for greater accountability for outputs, outcomes and impacts	Despite the efforts made to embed programme budgeting as evidenced by the compilation of Volumes 1 & II of the Estimates to the National Assembly, statements of impact and indicators of achievement are not specific and quantifiable to facilitate ex post evaluation.	Strengthening of the programme budgeting system and utilizing performance reports within an enhanced M&E environment, including measurable indicators that are quantifiable and specific.	<b>Effective from the fiscal year 2018</b> , in respect of all Ministries, Departments and Regions, the National Budget provides specific details regarding the quantification of outputs, outcome, impacts and indicators of achievements.	Ministry of Finance and three budget agencies  The Ministry of Finance and all budget agencies.	Budget classification and harmonisation process  Economic classification (2016-2017)
3	<b>Provide specialized training for key staff of budget agencies on latest techniques in programme budgeting.</b>	To enable staff to become more proficient in preparing programme budgets	Over the years, limited training has been provided to budget agency staff on programme budgeting,	Trained staff will facilitate the preparation of programme budgets and budget agency performance reports.	<b>Effective from the fiscal year 2016</b> , all budget agencies will use updated Programme Budgeting Manual. <b>By January 2017</b> , 80% of key staff from the Ministry of finance and budget agencies will be trained.	Ministry of Finance and all budget agencies	Budget classification and harmonisation process  Economic classification (2016-2017)
4	<b>Approve and publish in a timely manner the</b>	To ensure that the budget is approved before start of	The National Budget for 2015 was presented on 10 August 2015 due to	Alignment of budget approval with timeline of the fiscal year in	Approval of the national budget and its publication <b>by 31</b>	Ministry of Finance	Budget classification and

	<b>National Budget.</b>	fiscal year, and information on it is disseminated as widely as possible via the media and on Government websites.	the holding of national elections on 11 May 2015. This was well in advance of the constitutional deadline of 10 September 2015.  The Minister has indicated that there will be an early presentation of the 2016 Budget.	keeping with best practice.	<b>March 2016</b> in the case of the 2016 Budget.  The Government will build on this earlier presentation and approval for future budgets with the ultimate objective of having the budget <b>approved before the fiscal year commences.</b>		harmonisation process  Economic classification (2016-2017)
5	<b>Prepare comprehensive procurement plan by budget agency in support of the National Budget and publicise same in the media and government websites.</b>	To ensure that each budget agency plans its procurement activities well in advance and executes them in accordance with an approved plan.	Except for donor-funded projects, no such mechanism in place, and procurement is often not done in an organized and systematic manner.  The majority of persons involved in procurement are not trained in procurement planning.  A recently concluded Technical Cooperation Agreement with the IDB has a component involving training in procurement planning.	With approximately 70% of the National Budget devoted to public procurement, there is need for a more effective system of procurement management.  With procurement plans in place and are publicised, suppliers of goods and services, and the execution of works will be in a better position to plan the offer of their services to the Government. In this way, better quality of goods/services and	Preparation and publication of a comprehensive procurement plan for the Government and by Budget Agency on the Government's website <b>with effect from fiscal year 2017. This will enable the training of officials across government with EU technical assistance to take place in 2016.</b>  The publication should be made <b>not later than two</b>	Ministry of Finance in coordination with budget agencies and the NPTAB.	Budget classification and harmonisation process  Economic classification (2016-2017)

				works will be offered.	<b>months after the Budget is approved by the National Assembly, and</b> publicized in the media and reflected in the government websites.		
6	<b>Prepare and present a more comprehensive mid-year report on the execution of the National Budget.</b>	To provide detailed information to all stakeholders and the public on progress on budget execution by budget agency.	<p>Mid-year report is somewhat restricted in content, focusing mainly on macro-economic issues.</p> <p>Also, there is limited mention of major risks for the remainder of the year, together with policy responses to mitigate such risks.</p> <p>These are requirements of Section 67 of the FMA Act.</p> <p>The mid-year report does contain useful tables in the annexes, and it would be more useful if these are explained and discussed in the narrative of the report.</p>	Institutionalising a more effective half-yearly reporting mechanism on the execution of the National Budget, in keeping with Section 67 of the FMA Act.	An improved mid-year reporting on the National Budget with <b>effect from 2016</b> , including: (a) reporting similar to that of the End of Year Budget Outcome and Reconciliation Report and (b) explanations of variances, major risks for the rest of the year and measures to mitigate the risks.	Ministry of Finance in collaboration with Budget Agencies.	<p>Budget classification and harmonisation process</p> <p>Economic classification (2016-2017)</p>
7	<b>Prepare and</b>	To provide more	Review of the mid-year	The mid-year report	Although the	Ministry of	Budget

	<b>submit mid-year report on the execution of the National Budget in a more timely manner.</b>	timely information to all stakeholders on progress on budget execution by Budget Agency.	<p>reports for the last 7 years indicated that the reports were finalised sometime in August or September when Parliament was in recess. Therefore, the Legislature, and hence the public, did not have the benefit of examining the reports until a little over 10 months after the close of the fiscal year.</p> <p>The mid-year report for 2014 is yet to be examined by the Legislature, due to the prorogation and dissolution of Parliament.</p> <p>There is also no evidence of discussion or debate in the Assembly of the mid-year report.</p>	<p>should be made available as soon as possible after 30 June of each year to enable effective action to be taken in effect of significant variations.</p> <p>Since it is the Assembly that approves the annual budget, it is entirely appropriate for it to engage in a discussion or debate on the Mid-Year report, especially as regards measures to be put in place to address significant variances.</p>	<p>Minister has up to 31 August to present the mid-year report, it will be useful if he presents it before Parliament goes into recess. Alternatively, the Assembly could be recalled during the recess to specifically consider the report.</p> <p>The Minister could also hold a press briefing as soon as the report is finalized to inform the public of the results of the mid-year review.</p> <p><b>Effective from 2016,</b> mid-year report is presented to the National Assembly and made publicly available, preferably before Parliament goes into recess <b>on 10 August.</b></p>	Finance and the National Assembly.	<p>classification and harmonisation process</p> <p>Economic classification (2016-2017)</p>
8	<b>Report more timely on the annual budget execution,</b>	To provide stakeholders and the public with early feedback on	Annual reporting on the budget execution is not available until after 9 months of the close of	With the rapid advances in ICT, annual reporting can be done much earlier.	<b>Notwithstanding the Constitutional outer deadlines, the Government will</b>	Accountant General, Auditor General, PAC	Capacity building of the Accountant General's

	<p><b>including external audit thereof, and examination by the PAC.</b></p>	<p>the results of the execution of the National Budget, duly audited and reported on by the Auditor General.</p>	<p>fiscal year i.e. 30 September at a time when Parliament is in recess.</p> <p>2013 results were only made available in July 2015 due to prorogation and dissolution of Parliament.</p>	<p>Parliamentarians need to be guided by the results of the budget execution of the previous year in the consideration of the budget for the following year.</p>	<p><b>endeavor</b> to work with an accountability cycle, as follows:</p> <p>For 2017, Accountant General’s submission of the draft public accounts to the Auditor General: <b>31 March;</b> Auditor General’s report to Parliament: <b>31 August;</b> Public Accounts Committee examination: <b>31 October;</b> Issuing of Treasury Memorandum: One month after the PAC submits its report ; and Budget approval: <b>31 December.</b></p> <p><b>With effect from 2018, the Ministry of Finance will work with the other Institutions to achieve progressive improvements in the deadlines with the ultimate objective of achieving in the</b></p>	<p>and the Ministry of Finance.</p>	<p>Department and Office of the Auditor General, including the recruitment of specialized expertise.</p>
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					<p><b>following:</b>  Accountant General's submission of the draft public accounts to the Auditor General: <b>28 February;</b> Auditor General's report to Parliament: <b>30 June;</b> Public Accounts Committee report: <b>30 September;</b> Issuing of Treasury Memorandum: one month after the PAC submits its report and Budget approval: <b>31 December.</b></p>		
9	<p><b>Perform more effective follow-up on external audit and oversight of the budget</b></p>	<p>To ensure effective follow-up on the Auditor General's recommendations in his annual report.</p>	<p>There is no follow-up mechanism after the report is issued. It is only when the next cycle of audit commences that recommendations are followed up.</p>	<p>Timely follow-up on the implementation of recommendations is an established practice and provides for greater effectiveness of the work of the AOG. It also enhances accountability.</p>	<p>All budget agencies submit to the Auditor General on a quarterly basis, via the Ministry of Finance, the status of implementation of recommendations.</p> <p>Auditor General staff carry out on-site visit to verify implementation.</p> <p>Auditor General's Office intensifies</p>	<p>Budget agencies, and Auditor General</p>	<p>Capacity building of the Office of the Auditor General, including the recruitment of specialized expertise.</p>

					<p>efforts to conduct performance audits of selected agencies and reporting the results to the National Assembly. At least four such audits will be carried out <b>by December 2016</b></p> <p>Auditor General's Office intensifies efforts to bring the audits of public enterprises and statutory bodies up-to-date. All audits are brought up-to-date <b>by December 2016</b> based on financial statements received.</p>		
10	<b>Intensify efforts to carry out internal control audit</b>	To ensure effective internal controls are in place at budget agencies for the execution of the budget. To provide for an organized system of internal audit at Ministries, Departments and Regions	While some element of review of internal control is in place as part of the financial statements audit by the Audit Office, a more comprehensive and dedicated effort is needed.  Except for the Ministry of Finance, there is no	Internal control evaluation is recognized as an integral part of the external audit.  Strong and effective internal audits offer greater assurance relating to the effective functioning of internal controls.	<b>By December 2016</b> , Ministries of Public Infrastructure, Education, Public Health, Communities, Agriculture, as well as Ministry of the Presidency will have in place organised systems of internal audit by December 2016.	Auditor General and the Ministries of Public Infrastructure, Education, Public Health, Communities and Agriculture	Capacity building of the Office of the Auditor General, including the recruitment of specialized expertise.  Capacity building of the



			effective system of internal audit at Ministries, Departments and Regions. The Ministry of Finance Internal Audit, comprising 16 staff members, cannot provide such coverage, especially for larger Ministries and Departments.		The Auditor General will report on the effectiveness of the functioning of these internal audit units <b>in his 2016 report</b> to the National Assembly.	as well as Office of the Presidency.	Ministry of Finance Internal Audit.
11	<b>Ensure greater oversight of public procurement process</b>	To provide greater degree of assurance about the transparency and fairness in the award of contracts and to ensure greater confidence from all stakeholders in the system.	No Public Procurement Commission in place. The appointment of the 5-member Commission requires the approval of two-thirds of the Members of the National Assembly.  The NPTAB is not viewed as independent enough to carry out an objective assessment of tenders leading up to the award of contracts.  The Government has recently announced the replacement of members of the NPTAB.	Compliance with principles laid out in the Inter-American Convention against Corruption and United Nations Convention against Corruption to which Guyana is a signatory as well as international best practice.	Government will review and revise where necessary the Procurement Act and its Regulations and present these to the National Assembly by <b>Deadline December 2017</b> .  The NPTAB will establish a complaints mechanism and debarment procedures that take account of international best practices. <b>Deadline: December 2017</b> .	Ministry of Finance and NPTAB	Capacity building of the NPTAB and giving effect to certain requirements of the Procurement Act.
12	<b>Institute</b>	To ensure	No mechanism is in	EITI is a global Standard	GOG, through the	Ministries of	Budget

	<b>mechanisms for the Extractive Industries Transparency Initiative (EITI)</b>	compliance with international standards.	<p>place to provide open and accountable management of natural resources, especially as regards public reporting of revenue derived from extractive industries.</p> <p>In 2011, the Ministry of Natural Resources &amp; the Environment held discussions with the Government of Norway in connection with the Initiative. EITI held a workshop with stakeholders in Guyana and a study is currently underway.</p> <p>GOG was to make an application to EITI to be part of the Initiative by June 2015 but this was not done.</p>	to promote open and accountable management of natural resources. It seeks to strengthen government and company systems, inform public debate, and enhance trust. In each implementing country it is supported by a coalition of governments, companies and civil society working together.	<p>Ministry of Natural Resources &amp; the Environment, takes steps to advance the application process of being part of the EITI.</p> <p><b>Deadline: December 2016</b></p>	Finance and Natural Resources & the Environment	<p>classification and harmonisation process</p> <p>Economic classification (2016-2017)</p>
13	Continue holding regular meetings with Development Partners	To apprise Development Partners on progress in the execution of the National Budget	Periodic consultations with Development Partners take place.	Government's obligations to Development Partners who provide various forms of budget support.	Continuation of holding regular meetings with Development Partners, preferably once every quarter.	Ministry of Finance	<p>Budget classification and harmonisation process</p> <p>Economic classification (2016-2017)</p>

14	<b>Publicise the approved PFM Action Plan and the Budget Transparency Action Plan</b>	To promote transparency and to sensitive the public on initiatives being undertaken on public financial management and budgetary processes	Although a PFM Action Plan has been in place, there was no publication in the media or the Government's website.	It is good governance practice for citizens to be sensitized on key government initiatives, particular in the area of public financial management and budgetary matters.	The PFM Action Plan, and the Budget Transparency Action Plan, once updated/approved are publicized on the Government's websites. <b>Deadline: 31 October 2015.</b>	Ministry of Finance	Budget classification and harmonisation process  Economic classification (2016-2017)
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