



UPHOLDING COMMITMENTS

HOW SUPREME AUDIT INSTITUTIONS CAN STRENGTHEN
BUDGET CREDIBILITY THROUGH THEIR AUDITS

OVERVIEW

Presenting the policy brief

- 1 Rationale and purpose
- 2 Methodology
- 3 Overall findings
- 4 Challenges
- 5 Opportunities going forward

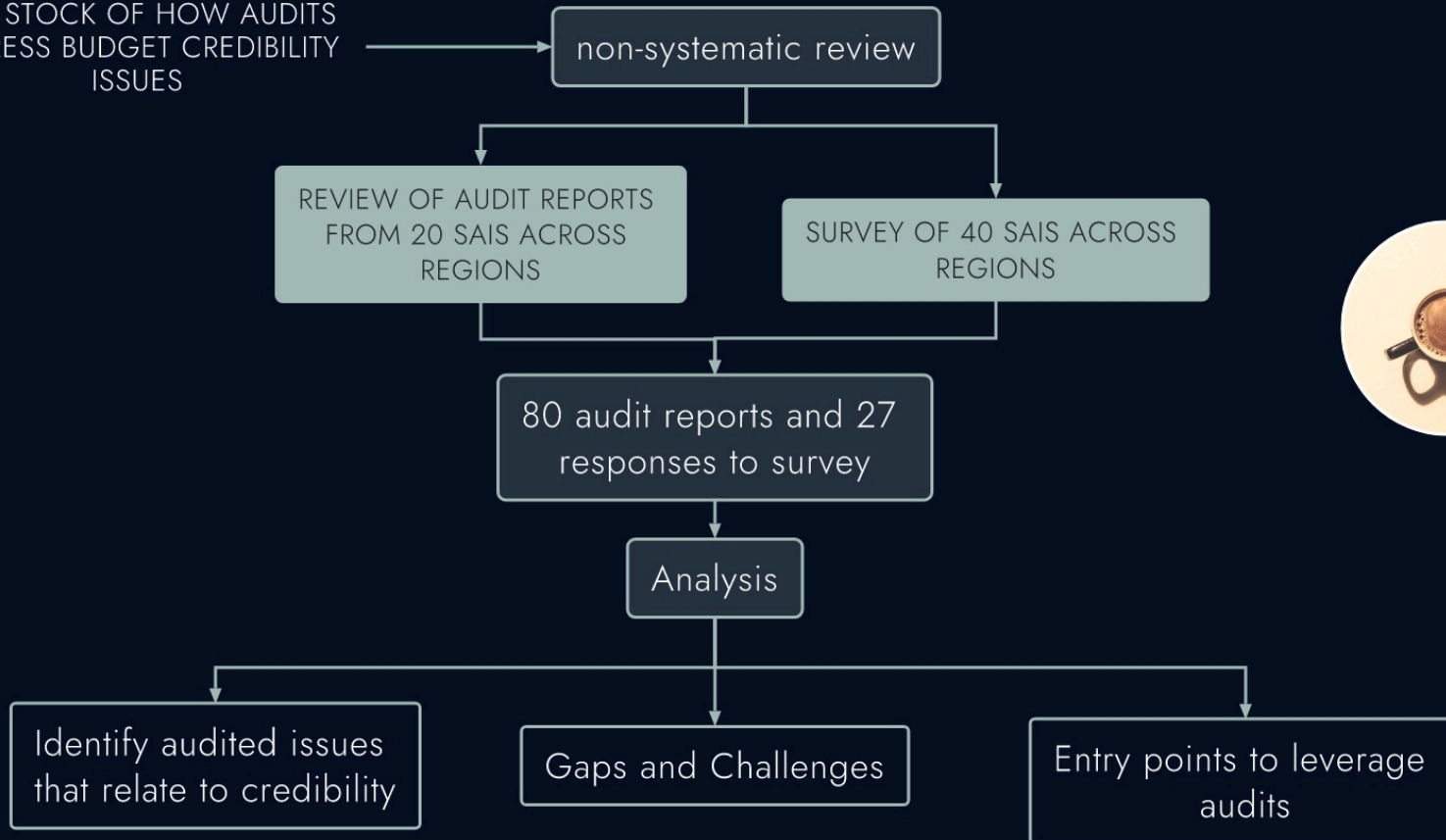


Understand how SAIs have covered budget credibility issues in their audits

- Address a gap in public finance literature
- Inform the development of handbook on this topic

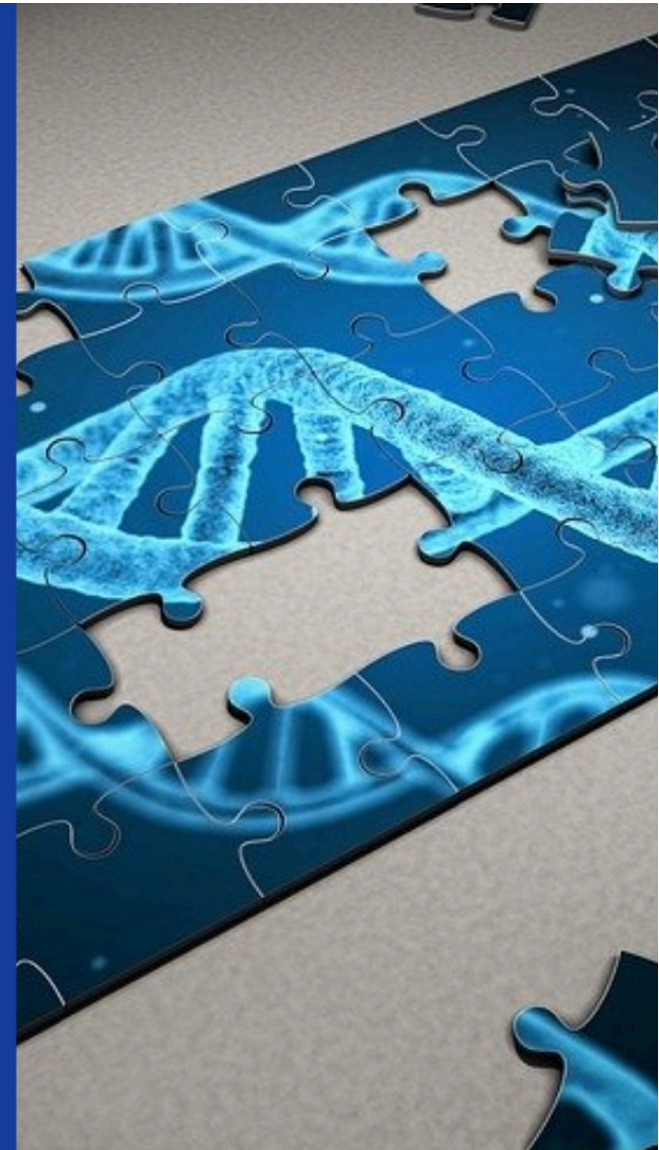
RESEARCH METHODOLOGY

TAKE STOCK OF HOW AUDITS
ADDRESS BUDGET CREDIBILITY
ISSUES



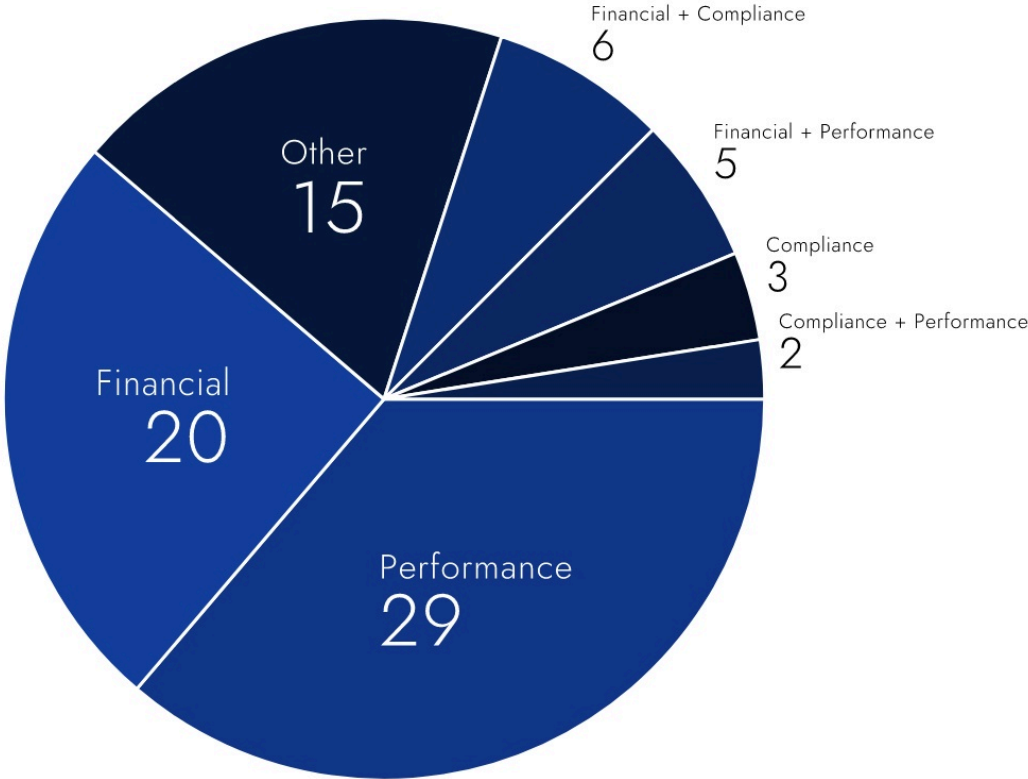
OVERALL FINDINGS

- 1 SAIs are aware of budget credibility problems
- 2 The term “credibility” is not common in audits
- 3 Limited analysis of the causes of overruns/under-spending and of their impact
- 4 However, SAIs examine multiple issues related to budget credibility
... yet not in a systematic comprehensive way (particularly at aggregate level)
- 5 Credibility issues are examined through different types of audits



BUDGET CREDIBILITY CUTS ACROSS TYPES OF AUDITS

Types of audit reports (number)





MAPPING SOME AUDITED ISSUES

AUDITS EXAMINE MULTIPLE ISSUES RELATED TO CREDIBILITY



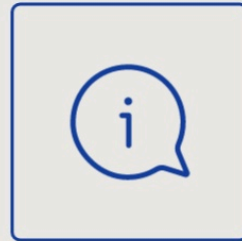


CHALLENGES AND OPPORTUNITIES

CHALLENGES



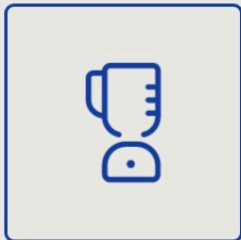
Varying capacities, skills, resources
and experience



Degrees of access to budget
information



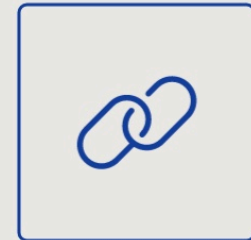
Executive leadership may inhibit
SAI's work



Combining information and
evidence from different audits



Discerning the effects on
performance



Entire accountability system matters

OPPORTUNITIES GOING FORWARD

Awareness

- What is meant by budget credibility - what makes a budget non-credible from an audit perspective - and its importance.
- How audits can contribute to assess credibility issues.

Capacities

- Identify capacity needs and gaps to perform budget oversight functions.
- Identify new skills needed for improving budget evaluations, going beyond oversight.
- Identify and share experiences across SAs.

Approaches and methods

- Explicitly link issues routinely examined and credibility.
- Credibility assessments at aggregate level.
- Analysis of effects on services, programmes and impact on performance.
- Contributing factors and causes, including wider trends and issues related to cross-cutting functions.

Impact

- Refine recommendations to make them more granular and impactful.
- Improve communication of findings
- Help raise awareness of other accountability actors to leverage budget credibility information.





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