

Budget Literacy Index

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What is Budget Literacy (BL) and why is it important?

- Budget Literacy → Ability to read and understand budget information
- Why BL is important?
- Effective public engagement in the budget process
- Broaden knowledgeable observers of the budget
- BL of Legislators is a prerequisite for effective monitoring of the budget process and budget analysis, monitoring of expenditures, and evaluation of outcomes

What is Budget Literacy (BL) and why is it important?

- BL cuts across the 3 iChallenge main themes:
 - ❑ *Transparent* management of public finance implies a provision of timely and accessible budget information to citizens
 - ❑ To hold their government *accountable*, citizens have first to know how the government plans to raise and spend public funds
 - ❑ BL is a precondition for an effective public *participation* in the budget process

Why BLI is a good indicator?

- Action-worthy: BL leads to more Transparency, Accountability and Participation
- Actionable: The government can take concrete actions to improve BL of Legislators through budget guides and budget trainings
- Behavioral: BLI measure the legislators' capacity/expertise on budgetary issues
- Feasible: identified population, objective questions

BLI Questionnaire

- 3 mains sections:

- The budget process/cycle

- The role of the parliament (law)

- Budget documents (practice)

Addressing the concerns of the Evaluation Body

- Is this indicator actionable?
- Will Legislators be willing to complete the questionnaire?
- Difficulty to compare across countries?
- Potential for gaming?

Bibliography

- PEFA

<https://www.pefa.org/>

- International Budget Partnership

<http://internationalbudget.org/>

- Global Integrity

<https://www.globalintegrity.org/>

- Unesco

<http://www.uis.unesco.org/literacy/Pages/default.aspx>