

# Opinion on the Budgetary Procedure



The General State Budget (GSB) is the **main management tool** of governments.

It is regulated by the **General Budgetary Law**.

In the exercise of its mandate, **AIReF has detected weaknesses** that limit the GSB as a tool for economic policy and accountability.

A robust budgetary process helps **improve the quality of public finances** and debt sustainability.



## OCTOBER 2022

In the **Report on the 2023 GSB**, AIReF made a **general recommendation** that the draft **General State Budget should recover its central role** as an instrument of fiscal and economic policy and as an element of design, planning, execution, control and supervision of public sector activity.

## NOVEMBER 2023

AIReF presents an Opinion with **specific proposals for improvements**.

# Weaknesses and Proposals

### 1 Shortcomings in the medium-term outlook.

To produce **multiyear budgetary scenarios** in which to frame de GSBs.



### 2 Lack of coherence between GSBs and other planning instruments.

Foster **coherence** and **integration** with the main budgetary documents.

This will address the fragmentation of the budgetary process.

### 3 Insufficient information at different levels.

1. Present **comparability** with the execution of the previous year.
2. Include information that allows the **reconciliation** of budgetary and national accounting data.
3. **Results-driven** by improving the definition of targets and indicators and creating a new *ex-post* control system.
4. Gather updated and quantified information on the main **fiscal risks** in order to anticipate potential deviations.