



## THE EVOLUTION OF THE CHILEAN BUDGET SENATE UNIT (2015 – 2018)

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### BACKGROUND

During the 1990s, the idea of control linked to budget by setting up an internal office capable of helping parliamentarians to play a more active role in financial control – thus enhancing their main duty to debate and pass laws – and encouraging a critical analysis of the budget implementation along the whole budget cycle<sup>1</sup>, began to gain strength. In the pursuit of this goal, former Senators, Sergio Bitar, Carlos Ominami y Sebastián Piñera<sup>2</sup> sponsored bills in order to amend the Constitutional Organic Law on National Congress, proposing a “Congressional Budget Office”, however, as no political agreement was reached, those bills were filed away.

Just a decade later, on 2003, thanks to amendments introduced to the Constitutional Organic Law on National Congress by which the Special Joint Budget Committee became permanent, a Budgetary Advisory Unit was settled in order to follow-up the implementation of the Budget Law by systematizing and analyzing the information sent by the Executive.

On 2012, the Senate reinforced its work team, defining the professional profile required was an analyst and launching a public recruitment process to fulfill three vacant positions. Thus, the work done began to be institutionalized and strengthened.

On 2015, products and services provided by this Unit began to be validated internally, to consolidate and the internal demand of legislative advisors, working both for a specific political group or a particular parliamentarian belonging to the Special Joint Committee on Budget, began to increase.

In 2018, the plan is to host a micro-site on the Senate Website in order to disseminate, give access and transparency to the published information; promote citizen participation as a means of social control and; make possible an easy for citizenship to access information.

Likewise, another 2018 goal is to implement a platform supporting Business Intelligence (BI) and content management, mainly refer to data coming from institutions involved in the Budget Law

<sup>1</sup> Ver: <http://repositorio.uchile.cl/bitstream/handle/2250/147054/Control-presupuestario-en-el-derecho-p%C3%BAblico-chileno.pdf?sequence=1>

<sup>2</sup> Presentadas el 19 de octubre de 1994 y 24 de octubre de 1995, Boletines N° 1412-07 y 1722-07, respectivamente, ver por número de boletín en <http://www.senado.cl/appsenado/templates/tramitacion/index.php>

## 1. PRODUCTS DEVELOPED BETWEEN 2015 AND 2018

### Budget Debate and Approval

**1.1 Comparative report on budgetary allocations of the Draft Budget Law and those defined on the current Budget Law:** Its objective is to show the differences between the Draft Budget Law and the current Budget Law, mainly those referred to budgetary allocation contents and scopes. Main quantitative and qualitative indicators on the budgetary allocations text are highlighted and made available to the corresponding Subcommittee.

This report was submitted for the first time during the 2017 Budget Law debate.

**1.2 Comparative report of budgetary expenditure of the Draft Budget Law and those defined on the current Budget Law.** Its objective is to show differences between the Draft Budget Law and the current Budget Law, mainly those referred to minimum possible expenditure amendment allocations.

This report has been periodically provided over the past 4 years.

**1.3 Thematic report:** its objective is to show an analysis of the cumulative expenditure of items involving one or several Annotations on the Budget Law, such as, Advertising and Promotion expenditures, Fee expenditures, Travel expenses, budget implementation in Public Investments, etc. It shows the cumulative and percentage expenditure trend, highlighting comparative data of previous years.

This report has been periodically produced over the past 4 years.

**1.4 Sectorial report:** its objective is to show an analysis of the cumulative expenditure of items involving specific areas of some Annotations of the Budget Law, such as, Waiting List and Healthcare investment, Assignment and Allocation of Specific Investment Plan (PMU, PMB, Social Fund), Budget Implementation of Reconstruction Programs.

This report has been periodically produced over the past 4 years.

### Budget Implementation follow-up

**1.5 Budget Implementation report:** its objective is to show monthly and cumulated expenditure, including Subtitle, Item and Allocation of each Budget Annotation, Chapters and Programs of the Budget Law, following data provided by the National Budget Office of the Finance Ministry. This report shows the expenditure percentages, the fluctuation on the budget availability considering the resources approved by the National Congress and the principal findings regarding the Budget Plan that is being analyzed.

This report has been periodically produced over the past 4 years.

**1.6 Follow-up report of the Agreements reached regarding the Articles, Items of the Budget Law, Memorandum of Understanding and those deals to report issues arising from Special Laws:** its objective is to show in an orderly manner documents received from the Special Joint Budget Committee regarding the Executive and others involved institutions on Budget Law's reporting and publishing obligation.

This type of report, which initially was devoted to check what information was received and which was not, stopped to be produced on 2015. An analytical examination of the information received by the CEMP (Report 1.7) was initiated.

**1.7 Analytical report of the Follow-up Agreements regarding the Articles, Budgetary Allocations of the Budget Law, Memorandum of Understanding and those deals to report issues arising from Special Laws;** Its objective, apart from showing in an orderly manner documents received from the Special Joint Budget Committee regarding the Executive and others involved institutions on Budget Law's reporting and publishing obligation, stating if it complies substantially with the legal mandate undertaken in the commitment to inform.

This report began to be produced from 2018 on.

	Period / Products	Year 2015	Year 2016	Year 2017	July 2018
<b>DEBATE AND APPROVAL</b>					
Comparative figure reports: D.L. proceeding / Existing Law	Annual	Yes	Yes	Yes	Yes
Comparative Budgetary allocation reports: D.L. proceeding / Existing Law	Annual	No	No	Yes	Yes
Thematic report	Annual	Yes	Yes	Yes	Yes
Sectorial report	Annual	Yes	Yes	Yes	Yes
<b>FOLLOW UP TO THE IMPLEMENTATION</b>					
Implementation budget reports	Monthly	Yes	Yes	Yes	Yes
Follow-up reports on agreements	Monthly	Yes	No	No	No
Analytical reports on follow-up agreement	Monthly	No	Yes	Yes	Yes

## II. STREIGHTENING DATA SYSTEMS

At present, the Budget Unit publishes on the Senate website [http://www.senado.cl/presupuestos-ano-2018/prontus\\_senado/2017-10-31/102636.html#](http://www.senado.cl/presupuestos-ano-2018/prontus_senado/2017-10-31/102636.html#) data related to the progress of budget implementation, following its two dimensions: one regarding the compliance of quantitative commitments of the Executive with the National Congress (“Analytical follow-up reports” are published – see product 1.6); and the other regarding the progress on the quantitative implementation which corresponds to data related to cumulative expenditure on each one of the annotation (“Reports on Budget Implementation” are published – See product 1.5)

It is planned to go forward on 2018 with the followings elements

**2.1 Design and use of a technological platform:** the purpose is to allow an adequate processing of data coming from the Executive, as well as to count on a system permitting the processing of multiple data (different formats and scheme) allowing managing knowledge. Such platform includes storage tools, Business Intelligence (BI) and document follow-up (library).

**2.2 Hosting a micro-site on the website:** its objective is to provide through a friendly environment data regarding the implementation of resources referred on the Budget Law and at the same time to educate and generate knowledge among citizenship on the expenditure of public resources.

	Frequency / Products	Year 2015	Year 2016	Year 2017	July 2018
<b>DATA SYSTEMS</b>					
Hosting the Budget implementation on the web	<b>Monthly</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
Hosting the fulfillment of commitments on the web	<b>Monthly</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
Hosting a Micro-site on the web	<b>Permanent</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>Yes</b>
Hosting a BI computer system	<b>Permanent</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>Yes</b>