

DRAFT INDICATORS FOR PUBLIC FINANCE MANAGEMENT

Indicator	Baseline (value + year) (2) 2018	Milestone 2022	Final Target (2024) (4)	Source of information	EU / Balkan benchmark
Priority 1 - Improved Fiscal Framework					
Priority 2 - Revenue Mobilisation					
Tax efficiency coefficient ¹	PIT tax efficiency: 0.23 CIT tax efficiency: 0.14 VAT C-efficiency: 0.52	PIT tax efficiency ≥ 0.29 CIT tax efficiency ≥ 0.23 VAT C-efficiency ≥ 0.60	PIT tax efficiency ≥ 0.29 CIT tax efficiency ≥ 0.23 VAT C-efficiency ≥ 0.60	Tables for the national Budget execution (Ministry of finance) and data for Gross domestic product (SSO)	N.A
Percentage of tax services digitalised	≥40% (2017)	≥60%	≥80%	e-Tax platform	N.A.
Number of customs decisions to use simplified digitalised procedures	≥215 (2016)	≥225 - (2022)	≥236 - (2024)	Customs reports	N.A,
Priority 3 - Planning and Budgeting					

¹PIT-Tax efficiency indicator

$$Y_{pit} = (T_{pit} / GDP) / r_j$$

Y_{pit} - tax efficiency indicator

T_{pit} =PIT revenue

r_j - Tax rate first bracket

CIT-Tax efficiency indicator

$$Y_{cit} = (T_{cit} / GDP) / r_j$$

Y_{cit} - tax efficiency indicator

T_{cit} =CIT revenue

r_j -Standard tax rate

VAT- C- efficiency indicator

$$Y_{vat} = (T_{vat} / FC) / r_j$$

FC-Final consumption

Y_{vat} - C-efficiency indicator

T_{vat} -VAT revenue

r_j -Standard tax rate

Indicator	Baseline (value + year) (2) 2018	Milestone 2022	Final Target (2024) (4)	Source of information	EU / Balkan benchmark
Budget deficit in percentage of GDP	1.8% of GDP (Executed budget 2018)	≤ 3%	≤ 3%	Medium term fiscal strategy and annual Budget	General government deficit as % of GDP: EU28: 2018: -0.7 % 2017: - 1 % 2016: -1.7 % 2015: -2.4 % https://ec.europa.eu/eurostat/web/government-finance-statistics/data/main-tables (Select: Government statistics / Government finance statistics / Government deficit and debt / General government deficit / surplus; Open table and select: % of GDP) OR https://data.oecd.org/gga/general-government-deficit.htm (Select: General government deficit; table view)
Priority 4 - Budget Execution					
Competition rate: - number of one bid tenders in electronic procedures) - average No of submitted tenders per tender	25% (2016) 2.97 (2016)	≤ 25% ≥ 3	≤ 20% ≥3.5	e-Procurement reports/ Annual Report on Public Procurement System	N.A. N.A:
Priority 5 - Transparent Government Reporting					

Country's rank in the Open Budget Index - Transparency	37 out 100 in 2017 35 out of 100 in 2015 35 out of 100 in 2012	≥45 out of 100	≥45 out of 100	Open Budget Survey by OECD Explanation of values of indicator: 81 – 100: extensive information 60 – 80: substantial information 41 – 60: limited information 21 – 40: minimal information 0 – 20: scant or no information	<p><u>EU benchmark:</u></p> <p>Germany: 2017: 69 out of 100 2015: 71 2012: 71</p> <p>Slovenia: 2017: 69 out of 100 2015: 68 2012: 74</p> <p>Croatia: 2017: 57 out of 100 2015: 53 2012: 61</p> <p>Sweden: 2017: 87 out of 100 2015: 87 2012: 84</p> <p><u>Balkan benchmark:</u></p> <p>Albania: 2017: 50 out of 100 2015: 38 2012: 47</p> <p>Serbia: 2017: 43 out of 100 2015: 47 2012: 39</p> <p>Bosnia and Herzegovina: 2017: 35 out of 100 2015: 43 2012: 50</p> <p>https://www.internationalbudget.org/open-budget-survey/open-budget-index-rankings/ (Select: view results by country)</p>
Priority 6 - Internal Control					

Indicator	Baseline (value + year) (2) 2018	Milestone 2022	Final Target (2024) (4)	Source of information	EU / Balkan benchmark
Percentage of budget users applying decentralised system for managing public funds	≥46%	≥60%	≥70%	Annual report for functioning of PIFC system	Subnational government expenditure as a % of total public expenditure (2017) EU28: 33.5 % Germany: 47.6 % Slovenia: 19.1 % Sweden: 51.1 % http://www.oecd.org/regional/EU-Local-government-key-data.pdf (page 8.)
Percentage of implemented internal audit recommendations	≥ 43%	≥53%	≥63%	Annual report for functioning of PIFC system	N.A.
Priority 7 - External Control and Parliamentary Oversight					
Percentage of external audit coverage of the total budget expenditure	≥42%	≥50%	≥55%	SAO Annual Report	