

# Programme and Performance Budgeting in Chile



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# 1 Programme and Performance Budgeting in OECD Countries

OECD governments are faced with mounting fiscal pressures that threaten the long-term sustainability of public finances. Structural factors such as population aging, and the growing costs associated with climate change are driving up public expenditure and constraining fiscal space for new policy initiatives. In this context, it is increasingly essential that public spending decisions are grounded in evidence and deliver demonstrable results. Many OECD member countries have responded by adopting performance-oriented budgetary reforms, such as performance and programme budgeting and spending reviews, that aim to better align limited fiscal resources with strategic priorities, while enhancing transparency, accountability, and value for money in the budgeting process.

## Defining programme and performance budgeting

Over the past decades, many OECD countries have reformed their budget processes to emphasise outcomes of public expenditure. A key reform has been the shift from traditional line-item budgets to programme-based budgeting, which classifies expenditures by policy areas such as education, health, or defense. This approach improves prioritisation and transparency, providing clearer insight into how resources are allocated. Additionally, it strengthens the link between spending and performance data, enabling governments to monitor results and make evidence-based decisions. Programme budgeting often serves as the foundation for developing an effective performance budgeting framework.

Performance budgeting, in turn, systematically integrates performance information into budget decisions. This may involve using performance data directly to allocate resources or as contextual information to guide budget planning (Tryggvadottir and Bambalaite, 2024<sup>[11]</sup>). The overarching goal of both programme and performance budgeting is to enhance transparency and accountability by clearly linking expenditures to their intended outcomes. This approach requires a fundamental shift in focus—from merely assessing inputs (“How much funding will I receive?”) to prioritising measurable results (“What can be achieved with the funding provided?”).

OECD countries have adopted various approaches to performance budgeting. The main ones are:

- **Presentational Performance Budgeting** is where performance information (objectives, outcomes, and performance indicators) is shown separately from the main budget document. In this approach, the budget may or may not be structured into programmes. It is commonly the first step in introducing performance budgeting.
- **Performance-Informed Budgeting** is where performance information is included within the budget document alongside financial information structured, typically, into programmes. In this approach, performance information is used to inform budgetary decisions. This is the form of performance budgeting that is commonly used by OECD countries.

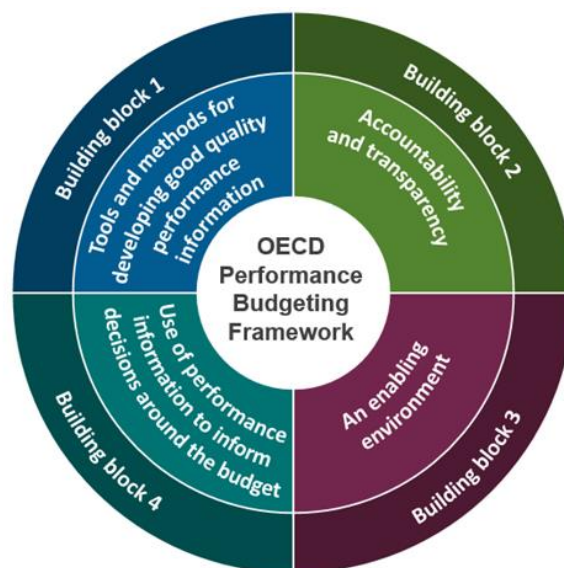
- **Managerial Performance Budgeting** is a variant of performance-informed budgeting. With this approach, the focus is on managerial impacts and changes in organisational behaviour, achieved through the combined use of budget and related performance information.
- **Direct Performance Budgeting** is where a direct link between results and resources is established, usually implying contractual-type mechanisms that directly link budget allocations to the achievement of results, with budgetary responses to over or under-achievement of performance objectives. No OECD country is using this approach.

## The OECD Performance Budgeting Framework

There is no one-size-fits-all design to performance budgeting, but several factors can facilitate the successful implementation of performance budgeting. A key element of an effective performance budgeting framework is ensuring that performance objectives and indicators are aligned with government priorities, as these provide clear direction for setting and assessing performance. The OECD Performance Budgeting Framework supports countries in developing a coherent performance budgeting system. The Framework consists of four building blocks (Figure 1.1):

1. **Tools and methods for developing meaningful performance information:** the importance of developing good quality and well-structured performance information.
2. **Accountability and transparency:** fostering accountability and transparency through clear roles and responsibilities and improving scrutiny and public access to performance information.
3. **Enabling environment:** other elements that are required for a successful performance budgeting framework to exist, such as programme budgeting, centrally issued guidelines and templates, capacity-building efforts, IT systems and incentives.
4. **Use of performance information to inform decisions around the budget:** ways to ensure effective use of performance information for decision-making purposes.

Figure 1.1. Performance Budgeting Framework



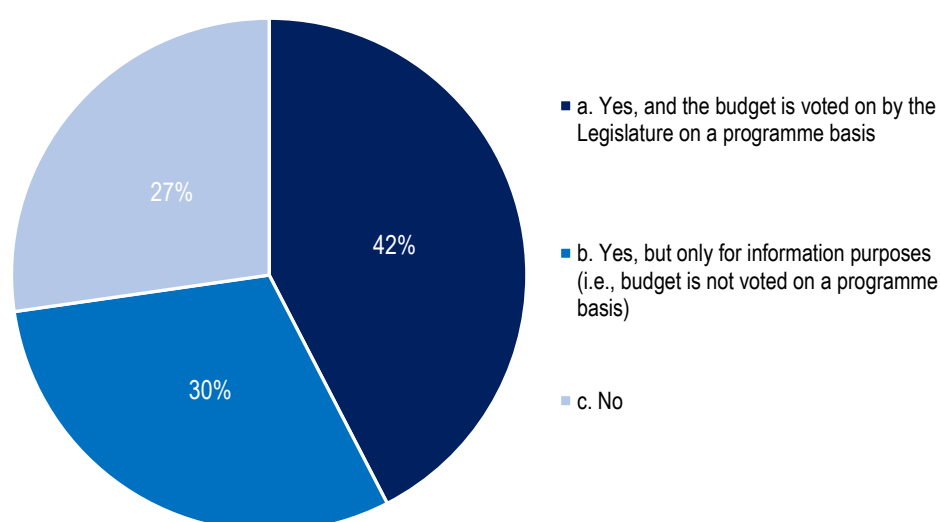


Source: Tryggvadottir, Á. and I. Bambalaite (2024), "OECD performance budgeting framework", OECD Journal on Budgeting, vol. 23/3, <https://doi.org/10.1787/247e9dcb-en>.

## Good practices from OECD countries

Programme and performance budgeting are widely used in OECD countries. Of the countries that responded to the latest OECD Survey on Performance Budgeting, 72% use programme budgeting and 85% use performance budgeting. While programme structures are often used for presentation, they are less commonly employed as the basis for voting on the budget (Figure 1.2). In fact, fewer than half of OECD countries use a programme-based structure when approving budgets. Likewise, the application of performance budgeting varies significantly in terms of scope and implementation (Figure 1.3).

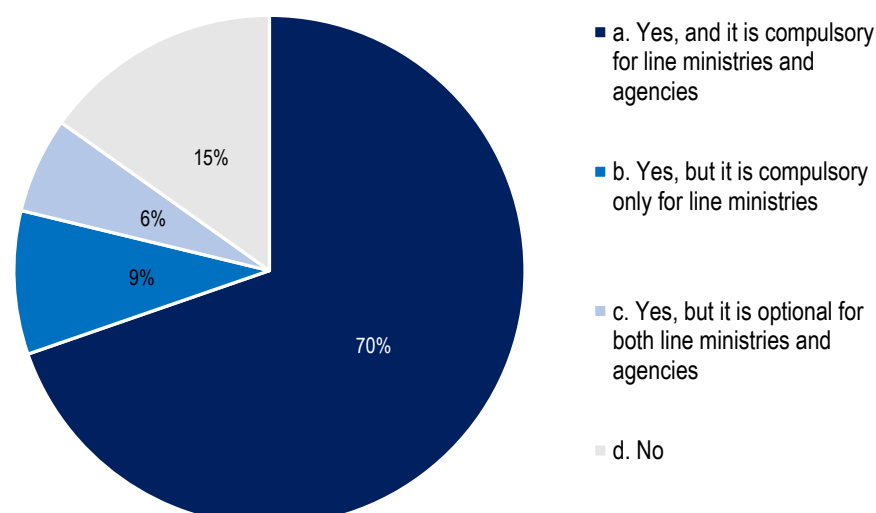
**Figure 1.2. OECD countries practicing programme budgeting**



Note: N=33

Source: Source: 2023 OECD Survey on Performance Budgeting

**Figure 1.3. OECD countries performing performance budgeting**

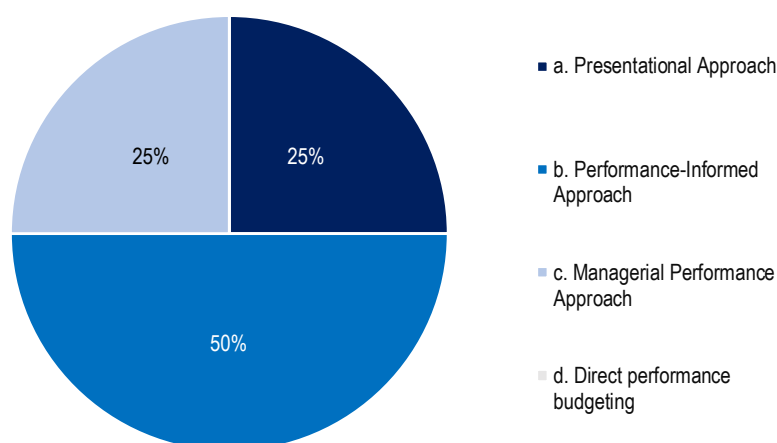


Note: N=33

Source: 2023 OECD Survey on Performance Budgeting

Finally, performance budgeting is used differently across OECD countries with the majority using a performance-informed approach (50%) and a quarter using either a managerial or a presentational approach (25% each).

**Figure 1.4. How performance budgeting is used across OECD countries**



Note: N=33

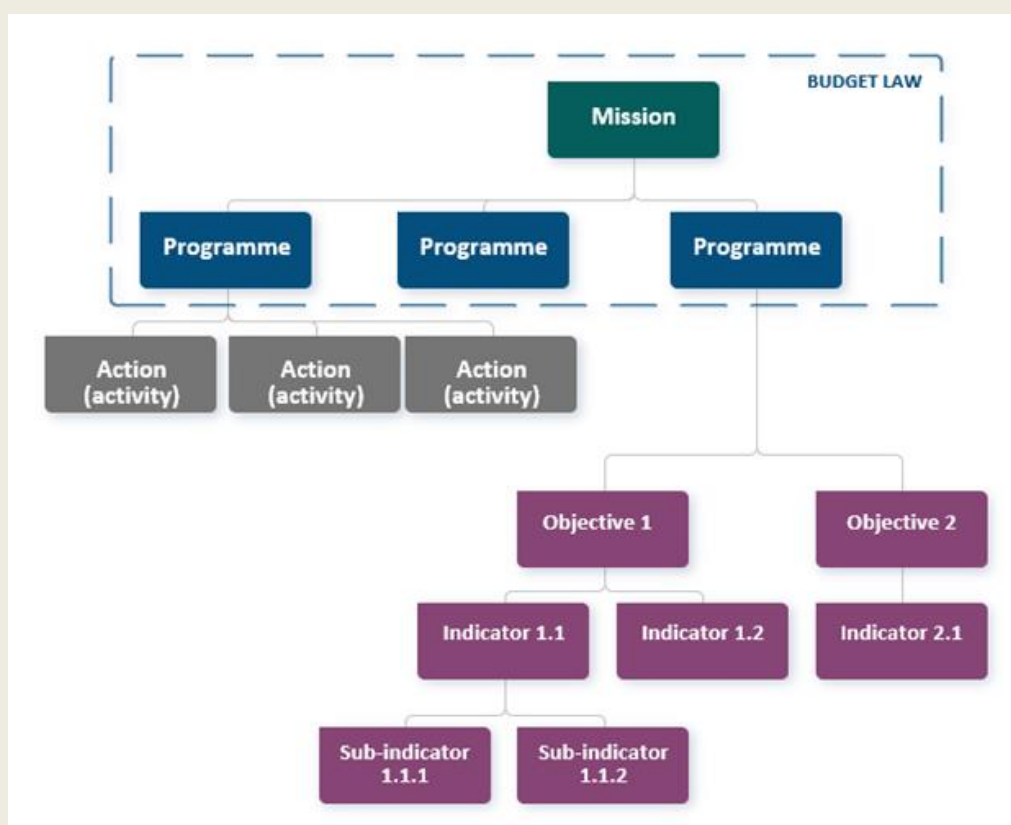
Source: 2023 OECD Survey on Performance Budgeting

A robust performance budgeting system relies on high-quality performance information, and a solid structure of the budget. This information should align with government priorities, follow a well-defined structure, and include regular quality checks. Across OECD countries, performance information is typically linked to line ministry plans or strategies (26 out of 33 countries) or government priorities (20 out of 33). France provides a notable example of a structured approach to performance information that is supported by a programme structure of the budget (Box 1.1).

### Box 1.1. Structure of performance information in France

In France, the budget is structured around organic missions, programmes and actions (or activities). The 2024 budget had 47 missions, 187 programmes each with around 5 to 15 activities. Performance information is set at the programme level, where performance objectives are linked to the budget structure and the implementation of performance objectives is measured by the performance indicators, as shown in Figure 1.5.

Figure 1.5. Performance information structure in France



Source: (Ministry of Finance and Public Funds, 2024<sup>[2]</sup>)

The quality of performance information should be regularly assessed against predefined criteria. In most OECD countries (30 out of 33), centrally defined standards guide the development of performance information, and a designated entity is responsible for ensuring its quality. In many cases, this role falls to the central budget office within the Ministry of Finance. However, in Austria, the Federal Performance Management Office oversees the quality of performance indicators (see Box 1.2).



### Box 1.2. Quality assurance in Austria

During the budget preparation process in Austria, the Federal Performance Management Office (FPMO) ensures the quality of proposed performance objectives and indicators. This includes verifying their alignment with national and sectoral strategies, as well as other established criteria. If the proposed objectives and indicators do not meet the required quality standards, the FPMO provides recommendations to the line ministries, guiding them to revise the material during the budget's preparation stage.

A well-functioning performance budgeting system requires clearly defined roles for key actors and effective reporting mechanisms to enhance accountability and transparency. OECD countries use various approaches to ensure internal accountability, with most organising discussions between line ministries and the Ministry of Finance (66% of respondents) or systematically monitoring and reporting on established targets (61% of respondents). To promote external accountability, most OECD countries publish performance reports (66% of respondents), and over two-thirds make this information publicly available. An emerging practice in 12 countries (36%) is the use of interactive web-based dashboards, allowing external users to visually explore performance data and quickly assess whether targets have been met (Box 1.3).

### Box 1.3. Dashboards for performance information

#### Ireland

Ireland has developed a webpage, "*Where Your Money Goes*," which presents key areas of government spending in a clear and accessible format. While the platform currently does not include performance information, Irish authorities are considering the integration of such data in the future to enhance transparency and public understanding of the link between spending and results.

#### Estonia

Estonia has developed an innovative tool called the "*Tree of Truth*," which visually presents the status of government performance targets. The platform uses a simple color-coding system to indicate progress: green signifies that a target has been met, orange indicates progress toward the expected result, and red shows that no significant progress has been made. This approach helps communicate performance information in an accessible and transparent way, supporting accountability and informed public engagement.

#### Canada

The Government of Canada's InfoBase provides an interactive platform for visualising both performance and budgetary information. It presents results in a clear visual format, making it easy to identify the proportion of targets that have been met or not met. The dashboard also allows users to generate customized tables with relevant data, which can be downloaded in CSV format for further analysis.

Source: (Government of Ireland, 2024<sup>[3]</sup>); (Statistics Estonia, 2024<sup>[4]</sup>); (Government of Canada, 2024<sup>[5]</sup>)

A strong enabling environment is essential for effective performance budgeting. This includes structuring budgets according to programmes, developing guidelines and templates for consistent performance data collection, and implementing supportive IT systems. Among OECD countries practicing performance budgeting, two-thirds issue central guidelines, and more than half provide standardised templates.

However, the mere development and presentation of performance information are not sufficient to ensure its effective use. For performance data to influence budgetary decisions and resource allocation, active engagement with key stakeholders is essential. Among these stakeholders, Parliament plays a pivotal role, not only in scrutinising government spending but also in fostering accountability and encouraging the use of evidence in the budget process.

To strengthen parliamentary engagement, some countries have introduced initiatives that present key results in a structured and transparent manner. For example, the Netherlands holds *Accountability Day* and France organises *Evaluation Springs* to facilitate discussions on performance outcomes with Parliament (Box 1.4).

### Box 1.4. Accountability Day and Evaluation Springs

#### Accountability Day in the Netherlands

In the Netherlands, *Accountability Day* - held annually on the third Wednesday of May - serves as a key moment for parliamentary oversight of government performance. On this day, the Minister of Finance submits the Central Government's annual financial report to the House of Representatives, detailing the government's activities, expenditures, and achievements over the previous year. The Netherlands Court of Audit plays a critical role by independently auditing these reports and presenting its own findings to Parliament. Its evaluation assesses whether policy objectives were achieved, expenditures complied with regulations, and public funds were used effectively. Parliamentary scrutiny continues into mid-June, when both the House of Representatives and the Senate discuss the findings, reviewing the execution, outcomes, and costs of various policy programmes. This process provides timely feedback on the government's performance and informs the development of the forthcoming National Budget, allowing for course corrections and policy adjustments where necessary.

#### Evaluation Springs in France

Since spring 2018, the Finance Committee of the French Parliament has implemented an annual evaluation programme. Under this initiative, each special rapporteur selects and investigates an evaluation theme of their choosing. These evaluations typically assess the effectiveness of a given policy, its value for public money, and any unintended consequences. Between May and June, all ministers are called before the Finance Committee to answer questions regarding the performance of the policies under their responsibility. These hearings take place during a dedicated "week of checks" and can influence future budgetary decisions. This process ensures that evaluation findings are embedded in political discourse and aligned with the practical demands of policymaking.

Source: (House of Representative, 2023<sup>[6]</sup>) (National Assembly, 2024<sup>[7]</sup>)

## 2 Budgeting in Chile: strengths and challenges

Chile has developed a robust budgeting system that has been instrumental in maintaining fiscal sustainability and supporting economic growth, as has been well-noted in previous OECD work with Chile (Vammalle and Ruiz Rivadeneira, 2017<sup>[8]</sup>) (Haw (Hawkesworth, Huerta Melchor and Robinson, 2013<sup>[9]</sup>) (Beazley and Ruiz Rivadeneira, 2021<sup>[10]</sup>). The budgeting process is clearly defined in key legal documents, with well-established roles for various stakeholders. Recent improvements have enhanced the presentation and communication of the budget to both the public and Congress, increasing transparency and visibility.

However, despite these strengths, the budget process faces persistent challenges. It remains highly technical and detailed, with numerous annotations (hereafter *glosas*) and a complex structure that makes it difficult to clearly link expenditures to performance indicators.

### Budgetary framework and process

Chile's budget process is well-structured and follows a strong top-down approach, which ensures clear delineation of roles among stakeholders and facilitates overall quality control of the budget proposal. At the center of this process is the Directorate of Budgets (DIPRES), which plays a pivotal role in public financial management. DIPRES is responsible for overseeing the allocation of state financial resources, regulating and guiding the formulation of the national budget, preparing expenditure ceilings and draft proposals, and monitoring and evaluating budget execution.

The Chilean budget process is grounded in high-level legal frameworks. The fundamental principles of the process are enshrined in the *Political Constitution of Chile*, which establishes approval deadlines and defines the powers of Congress in the budgetary process. According to Article 67, the President retains control over the budget.

Congress is restricted from increasing or reducing government's revenue estimate. It cannot increase expenditure, but it can reduce expenditures levels in certain budgetary programmes. Additional provisions are detailed in *Decree Law 1263 of 1975*, which outlines the roles and functions of key actors, particularly DIPRES. The law also regulates approval procedures, establishes guiding principles for all institutions, and mandates mechanisms to control and evaluate the budget through the development of an information system and standardised reporting rules.

The budget timeline is structured into four main phases: **exploration** (March to April), **formulation** (May to September), **legislative discussion and approval** (October to November), **execution** (calendar year), and **evaluation** (February to March) (See Table 2.1).

Table 2.1. Budget cycle in Chile

Month	Action	
February-March	Evaluation phase	
March-April	Formulation phase	Budget preparation phase and Exploratory Budget
May		Formulation instructions and budgetary framework are sent to the services. Services prepare proposals.
June		Discussion of budget proposals by technical committees.
July		Review of priorities. Considering of performance information (monitoring and programme evaluation). Formulation of the draft budget proposal and financial programme.
August-September		DIPRES prepares the final budget proposal. Review of <i>glosas</i> .
September		Analysis of the final proposal with the President of the Republic and delivery of the draft Budget Bill to line ministries (second and third week of the month). Closure and final adjustments of the budget (last week of the month). Submission of the Budget Bill to the National Congress no later than the 30th
October - November	Legislative discussion	

Source: DIPRES

The process begins with DIPRES reviewing the performance and evaluations of the previous year's budget, updating baselines, and setting new ceilings and allocations. The formulation phase also involves consultations with line ministries, during which past performance and proposed allocations are discussed. Once these adjustments are finalised, the budget bill is submitted to Congress by 30 September.

Once the budget bill reaches Congress, its ability to modify the bill is highly restricted. While Congress can reduce expenditures, it cannot propose specific adjustments to programmes or items. Instead, Congress may add *glosas* - annotations requesting additional information and evaluations related to specific spending areas.

Congressional oversight is primarily exercised through budget annotations rather than substantive modifications. This contrasts with practices in many OECD countries, where legislative bodies play a more significant role in shaping the budgetary process.

## Current budget structure in Chile

The budget law in Chile is structured into spending entities, chapters, and programmes. For example, the 2024 budget law was divided into 32 portfolios or spending entities (*partidas*), 244 chapters (*capítulos*), and 398 programmes (*programas*). The number of chapters and programmes has remained relatively stable over time. Each programme includes sections for revenues and expenditures, with detailed line items specifying the type of revenue or expenditure, resulting in a highly detailed budget."

The Chilean budget is quite granular, containing over 4,000 line-item appropriations. It also includes a substantial number of *glosas* for programmes and sometimes specific budget lines. For the 2024 budget bill alone, there were 2,736 *glosas* (Oficina de Información, Análisis y Asesoría Presupuestaria Senado de Chile, 2024<sup>[11]</sup>).

While *glosas* have a clear legal status and serve the main purpose of limiting and specifying expenses, they have posed certain challenges for budget execution over time. These annotations have led to execution inconsistencies, many of which are identified retrospectively by the Comptroller General of the Republic of Chile. Currently, they lack a clear definition or purpose, serving mainly to cap specific expenditures and provide information. Additionally, Congress often uses them as vehicles to pass legislation that is not directly related to the budget.

Despite some improvements in a few agencies, budget programmes in Chile are generally not structured around clear objectives, which makes it difficult to link funding to specific outcomes. Objectives are developed at the ministry and agency level through specific templates. While the budget is presented in programmes, these are primarily organised based on organisational criteria rather than expenditure objectives. Each ministry is represented as a *partida* composed of various chapters (*capítulos*), which correspond to the agencies within the ministry. Individual agencies manage their own programmes, which are largely based on historical arrangements that are hard to revise. Moreover, these programmes are not accompanied by statements outlining their objectives or intended outcomes, making it nearly impossible to understand the specific goals of individual budget programmes.

Efforts to create programmes with clearer objectives have started for certain expenditure areas. For example, in 2022, certain institutions restructured their budgetary programmes to better reflect direct and indirect costs (see Box 2.1). However, these restructuring efforts were modest and not systematic.

## Box 2.1. Programme re-structuring in FOSIS, CORFO and the Ministry of Environment

### Solidarity and Social Investment Fund - FOSIS

The **Solidarity and Social Investment Fund (FOSIS)** is a Chilean government agency tasked with addressing poverty and social vulnerability. It pursues this mission through strategies that promote social cohesion and build the skills and capacities of individuals, families, and communities—guided by a territorial and gender-sensitive approach.

In the **2021 National Budget**, FOSIS operated under a single budgetary programme encompassing all expenditures, including personnel costs and transfers for specific initiatives such as the **Entrepreneurship and Microfinance Programme**, the **Social Development Programme**, the **Employability Programme**, and the **Financial Education Programme**.

In **2022**, the FOSIS budget was restructured to more accurately reflect the organisation's diverse activities and objectives. The revised structure comprises three separate programmes: one dedicated to **administrative expenditures**, and two aligned with strategic goals.

- **Budgetary Programme 03** focuses on **supporting self-employment** through public programmes targeted at beneficiaries.
- **Budgetary Programme 04** aims to **strengthen social capital** within communities by fostering local networks and collaboration.

### Chilean Economic Development Agency - CORFO

The **Chilean Economic Development Agency (CORFO)** is a government entity dedicated to enhancing national competitiveness and promoting productive diversification through investment, innovation, and entrepreneurship. In 2023, to better reflect its growing emphasis on sustainable economic development, CORFO's budget was restructured into three distinct programmes. This included the creation of a new programme specifically focused on sustainability, consolidating resources allocated to this objective.

In a similar move, the **Ministry of the Environment** undertook a budgetary reform in 2025 to more clearly reflect the government's actions on sustainable development. A new budgetary programme was established within the Vice Secretariat for the Environment, consolidating all current transfers related to sustainable development initiatives. These resources were previously distributed under the agency's general operational programme, and their consolidation aims to improve transparency and alignment with policy priorities.

Source: Budget law 2021, Budget law 2022, Budget Law 2023, Budget law 2024, Budget law 2025, additional background interviews

## Budget presentation and communication

The budget bill is a highly technical and complex document, containing numerous budget lines and detailed annotations. To support transparency and improve public understanding, the Budget Directorate (DIPRES) regularly produces a range of complementary materials. In addition to the full budget bill, available on the DIPRES website, users can access comprehensive background analyses used to estimate total revenues and expenditures, monthly budget execution reports (presented at various levels of aggregation), and



performance-related data. To further enhance accessibility and improve the user experience, DIPRES has also developed shorter, more intuitive reports tailored to both Congress and the general public (Box 2.2).

### Box 2.2. Additional supporting documents to the budget

Together with the Budget Bill and the Instructions of the Budget, DIPRES provides several additional information to foster understanding from citizens and the Congress.

#### ***Prioridades Presupuestarias 2024- un Chile que avanza***

In 2023, DIPRES developed a brochure presenting the key objectives of the 2024 budget. The brochure summarises in 29 pages key data presenting how the budget has changed with respect to the previous year, highlighting some of the main regional investment projects and providing also synthetic information on how the budget process works more broadly. The document uses simple language and several graphics to facilitate understanding.

#### ***Variación de las asignaciones presupuestarias en 2024***

Starting in 2023, DIPRES began producing a dedicated report explaining the main changes in budget allocations between the 2023 and 2024 budgets. This document provides insights into the reasons for these changes, linking them to findings from the Monitoring and Evaluation System. However, these variations are presented at the public programme level, rather than by budget programme, which can make it more difficult for users to trace changes directly within the budget structure.

Source: (Dirección de Presupuestos, 2023<sup>[12]</sup>) (Dirección de Presupuestos, 2023<sup>[13]</sup>)

DIPRES produces a range of key documents to promote transparency and improve communication around the budget. These efforts are essential for fostering a transparent budgetary process and encouraging informed citizen engagement. While recent improvements, such as simplified reports and visual summaries, have made the budget more accessible, the overall volume and technical nature of the information can still be overwhelming. As a result, it remains difficult for users to clearly understand the connection between budget allocations and supplementary performance data. Furthermore, the absence of a centralised dashboard or user-friendly digital platform - where indicators, funding levels, and programme outcomes can be easily explored - continues to pose a challenge for those seeking to navigate the information effectively.

# 3 Performance budgeting in Chile: strengths and challenges

In recent years, Chile has made notable progress in strengthening its systems for generating performance information to support budgetary decision-making. The country systematically collects and presents various types of performance data, including performance indicators, programme monitoring results, and evaluation findings. The Chilean approach is internationally recognised as a good practice in the monitoring and evaluation of public programmes. Since 2019, DIPRES has further advanced this agenda by reinforcing its spending review framework, and it has recently begun implementing targeted spending reviews to inform resource allocation more effectively (OECD, 2024<sup>[14]</sup>).

Despite these advances, challenges remain in integrating performance information into budgetary processes. The connection between performance indicators, programme monitoring, and evaluations is often unclear, as these tools are typically developed in parallel rather than within a unified framework. Moreover, while there have been efforts to clarify the relationship between public programmes and their associated budgets, performance information remains only weakly linked to the budget structure, limiting its practical influence on funding decisions.

## The use of strategic objectives and indicators in Chile

In recent years, Chile has developed a comprehensive framework to support the achievement of strategic objectives and track relevant indicators. These strategic objectives are formulated by each ministry as part of a four-year planning process overseen by the President's Office. Each year, ministries and institutions update their strategic objectives and indicators using pre-established templates developed by DIPRES, specifically within the Sub-Department for Planning, Design, and Monitoring (Box 3.1). DIPRES plays a central role in both developing and monitoring performance information. Notably, two of DIPRES's strategic objectives focus on improving the effectiveness, efficiency, and relevance of public spending by integrating the Monitoring and Evaluation System with the budget and generating medium-term forecasting data (Dipres, 2024<sup>[15]</sup>),

DIPRES also provides methodological guidance and support in defining objectives and indicators. With the 2025 budget formulation, DIPRES is implementing methodological changes aimed at enhancing the overall process. These changes include strengthening the role of ministries in collecting information from their services and providing new guidelines to improve the quality of strategic objectives (Dipres, 2024<sup>[15]</sup>).

### *Improving the quality of performance information and its link to the budget*

There are several opportunities to strengthen Chile's performance management system, particularly in the formulation of strategic objectives and performance indicators.

**First, strategic objectives often lack an outcome-oriented focus. Many are framed around inputs or internal management processes, rather than addressing public policy challenges or responding to citizens' needs.** These objectives are frequently broad in scope, blending intended outcomes with the means to achieve

them, and failing to clearly specify measurable results that can be monitored and evaluated. A recent monitoring exercise by DIPRES revealed that 26% of strategic objectives are not formulated in a way that enables effective results-based monitoring. Furthermore, objectives are sometimes defined at different hierarchical levels, with interdependencies that complicate alignment and reduce their overall effectiveness.

Similarly, performance indicators could be more closely aligned with strategic objectives and focused on meaningful outcomes. At present, many indicators capture only partial aspects of service delivery or focus on internal processes, rather than measuring broader societal impacts. Notably, approximately 25% of performance indicators do not effectively assess their corresponding strategic objectives, limiting their usefulness in guiding decision-making and improving programme performance.

Finally, there is considerable room to improve the alignment and integration of strategic objectives and performance indicators with the budget structure. At present, multiple templates are used to present objectives and indicators, making it difficult to develop a clear and consolidated overview (Box 3.1). While there is some linkage between strategic objectives and budget chapters, no single document currently provides a comprehensive and coherent presentation of objectives, indicators, and budgetary programmes. This fragmentation weakens the overall effectiveness of the performance framework.

Although an Excel file is available that compiles the strategic objectives and indicators of all line ministries, services, and regional governments, the file contains over 1,000 lines, making it difficult to navigate and monitor effectively. In addition, the absence of an integrated IT system to support the collection, monitoring, and presentation of this information further reduces the usability and impact of performance data in the budget process.

### Box 3.1. Different templates for performance information

#### Formulario A0

This template is used to define the strategic objectives of ministries. The methodology is developed by the Ministerial Coordination Division of the Ministry Secretariat General of the Presidency and distributed by DIPRES to all line ministries. It sets out strategic objectives for a four-year horizon, serving as a forward-looking planning tool at the ministerial level.

#### Formulario A1

Formulario A1 is used to define institutional and regional government objectives, and it also includes the previously defined ministerial objectives. Distributed by DIPRES, this template incorporates the institutional mission of each ministry or public agency. It establishes a loose connection to the budget structure by linking each objective to the corresponding good or service being delivered. However, the presentation of these linkages remains unclear and could be improved to enhance transparency and usability.

#### Formulario H

This template is designed to capture performance indicators associated with the objectives outlined in Formulario A1. Typically, one or two indicators are defined per objective. The form also includes fields for reporting past results, setting future targets, and providing explanatory notes. While useful for performance tracking, the current structure limits the depth and scope of performance information presented.

Source: Fact finding mission

## Monitoring and Evaluation of public programmes

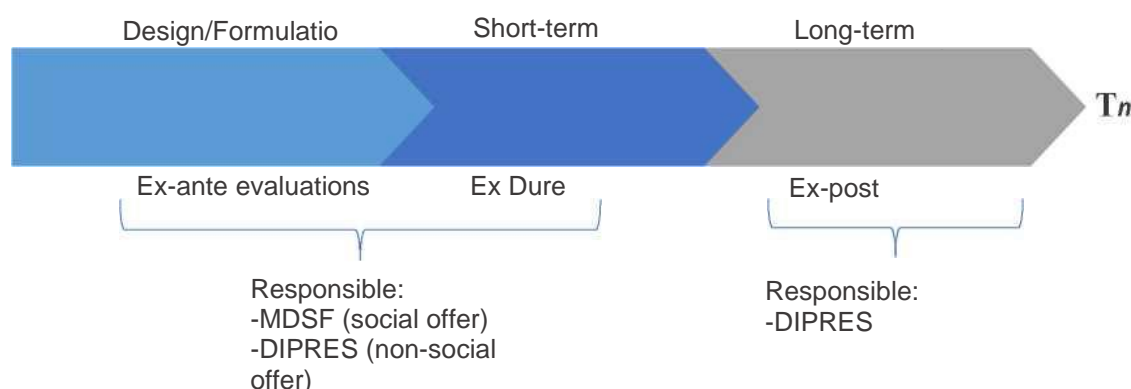
Chile has established a robust institutional framework, supported by clear methodologies and tools, for the monitoring and evaluation of public programmes. The system operates within a well-defined institutional and legal structure that delineates the roles and responsibilities of various stakeholders. Several legal instruments set out the foundations of this framework, assigning mandates and establishing standards and procedures for implementation.

The most recent regulation—the 2021 “Regulations for the Operation of the Evaluation System for Public Programs and Institutions”—was adopted under Article 52 of Decree Law No. 1,263, the Organic Law of Financial Administration of the State. This regulation provides detailed guidance on the types of evaluations to be conducted and the procedures governing their implementation.

Two main institutions are responsible for the evaluation process: DIPRES and the Ministry of Social Development.

- The Ministry of Social Development is in charge of ex ante and ex dure evaluations for all social programmes.
- DIPRES oversees ex dure monitoring, ex ante evaluations, and all ex post evaluations for non-social public programmes (see Figure 3.1).

Figure 3.1. Evaluations in Chile and main actors



Source: (DIPRES, 2024<sub>[16]</sub>)

Ex ante evaluations have been conducted regularly since 2008 for all new or redesigned public programmes (both social and non-social) (DIPRES, 2024<sub>[16]</sub>). These evaluations assess the coherence of the programme in terms of its objectives, goods and services, and beneficiaries. All ex-ante evaluations are published annually on the DIPRES website, organised by year and ministry.

Each year, DIPRES and the Subsecretaría de Evaluación Social (SES) of the Ministry of Social Development jointly manage the ex dure monitoring system—an annual process that covers the entire portfolio of public programmes, encompassing more than 700 initiatives. The system relies on performance indicators to assess key aspects of each programme, including its targeting, effectiveness, and efficiency. As part of this process, ministries are required to submit relevant data using a standardised reporting template, distributed by both DIPRES and SES. Once completed, these templates are published online in dedicated sections on each institution's website, promoting transparency and public access to monitoring data. Importantly, the information collected through this self-reporting mechanism serves as a screening tool: DIPRES uses it to identify programmes that may warrant more in-depth evaluations, based on identified performance concerns or gaps in effectiveness.

Finally, DIPRES is responsible for conducting ex post evaluations. The *Regulations for the Operation of the Evaluation System of Public Programs and Institutions* outline various types of evaluations that can be carried out (Box 3.2). Each year, an Interministerial Committee, composed of representatives from the Ministry of Economy, Development and Tourism (MINECON), the Ministry of Social Development and Family (MDSyF), and the Ministry of Finance through DIPRES, develops and approves an evaluation plan. This plan, approved by the Ministry of Finance, specifies which evaluations will be conducted in the upcoming year. The 2024 evaluation plan included: nine Government Programme Evaluations, four Targeted Scope Assessments, and two Sectoral Evaluations.

### Box 3.2. Different types of ex post evaluations conducted in Chile

#### Programme Impact Evaluation (IA)

This instrument generates rigorous causal evidence using experimental or quasi-experimental methodologies to assess both intermediate and final outcomes of a program or public policy. Impact evaluations are carried out through two mechanisms:

1. Impact Assessment Fund: A public competition inviting academics to propose programs for evaluation.
2. DIPRES Evaluation: Impact evaluations conducted by DIPRES in collaboration with external academic advisors, selected either through a public tender or by invitation.

#### Government Programme Evaluation (EPG)

This instrument evaluates the design consistency of a programme, its implementation and management, as well as its outputs and final objectives. The evaluation is based on the logical framework methodology, using primarily data administered by the evaluated program or secondary sources. These evaluations are conducted by panels consisting of three or four independent professionals, selected through a public tender process, and last up to 8 months.

#### Targeted Scope Assessment (EFA)

These are focused evaluations that provide a deeper analysis of specific aspects of programme performance. Typically, an EFA evaluates one or two key dimensions, such as efficiency, implementation, or strategy design. Currently, these evaluations are led by professionals from the Department of Evaluation, Transparency, and Fiscal Productivity at DIPRES. External evaluators, chosen from a register of program and public institution experts, are consulted for collaboration and validation, based on their expertise and professional profiles.

#### Sector Assessment (EN)

This comprehensive evaluation instrument analyses public policies by examining how various initiatives and institutional actions contribute to achieving their objectives. It considers the full cycle of government action, from strategic design to implementation, monitoring, evaluation, continuous improvement, and impact assessment (including outputs, intermediate results, and long-term effects). The evaluation process occurs in two stages:

1. Stage 1: Conducted by DIPRES in collaboration with the Ministry of Social Development and Family (MDSyF) for social policies, this stage involves defining the area of public policy and identifying the relevant programmatic offerings.
2. Stage 2: Conducted by an external expert panel, this stage evaluates public policy performance, validating the programmatic offer and assessing overall outcomes.

Source: (DIPRES, 2024<sup>[17]</sup>)

Evaluations are primarily outsourced through public tenders to ensure the independence of the results. To maintain quality standards, DIPRES has established criteria that evaluators must meet and put in place a registry where evaluators must be registered. Additionally, the National Productivity and Evaluation Commission was established to further enhance the independence of evaluation outcomes (Box 3.3).



While the National Productivity and Evaluation Commission will probably take on some of the evaluation responsibilities previously handled by DIPRES, the exact mechanisms for this transition remain uncertain.

### Box 3.3. A new actor in policy evaluation: CNEP

The National Evaluation and Productivity Commission was established in 2015 as part of the Ministry of Economy and became an autonomous entity in 2021. Initially, the Commission was tasked with conducting studies to improve productivity and providing tailored recommendations to foster economic development in Chile. Since 2022, it has also been responsible for conducting evaluations, a role added to enhance the independence of the evaluation process and its results.

Currently, the Commission is focused on two main formats: the annual evaluation report, and the medium-term evaluation agenda. The 2024 Annual Evaluation report was the first one to be carried out by CNEP and provides an analysis of the evaluations conducted in 2023 by different actors and identifies areas for further (Comisión Nacional de Evaluación y Productividad, 2025<sup>[18]</sup>) action. The Medium-term Evaluation Agenda has the objective of better integrating the different instruments used in Chile to perform evaluations and provides recommendations to strengthen evaluation across government (Comisión Nacional de Evaluación y Productividad, 2024<sup>[19]</sup>).

The Commission is composed of 17 highly qualified professionals, with key decisions made by a Council of five members, each bringing diverse expertise. Since its establishment, the Commission has completed 25 studies, resulting in more than 500 recommendations.

At the moment, there is a bill under discussion for the creation of the *Agencia para la Calidad de las Políticas Públicas y la Productividad* (Agency for the Quality of Public Policies and Productivity (ACPP)). The bill has the intention to define the Agency as a decentralised technical public service, whose purpose is to oversee, promote, and evaluate the effectiveness, efficiency, and coordination of the public policies, regulations, plans, and programs. This agency is created based on existing institutional framework particularly from the National Evaluation and Productivity Commission and evaluation functions of the Budget Office (DIPRES). The objective of the bill is to strengthen the evaluation function with a new, more robust institutional framework.

Source: Fact finding mission, (Comisión Nacional de Evaluación y Productividad, 2025<sup>[18]</sup>), (Comisión Nacional de Evaluación y Productividad, 2024<sup>[19]</sup>)

Finally, DIPRES has made significant efforts to promote the use of evaluation results by actively communicating and disseminating them. All evaluations are publicly available on the DIPRES website through a dedicated platform. In addition, DIPRES shares evaluation results with Congress and relevant line ministries. Each year, DIPRES publishes a report summarising the evaluations conducted, highlighting key findings and recommendations. In 2024, 15 evaluations were completed across various policy areas. There were considerable differences in the quality of each evaluation (DIPRES, 2024<sup>[17]</sup>).

### **Limited links between evaluation results and the budget**

While the monitoring and evaluation system has many strengths, certain challenges persist. Specifically, despite its high level of systematisation, evaluation results appear to have limited impact on budget allocations. Since 2023, DIPRES has estimated the influence of the Monitoring and Evaluation System on the Budget Bill. Analysis shows that public programmes receiving positive ex-post evaluations, favourable ex-ante recommendations, or unqualified monitoring assessments receive, on average, a 6% increase in

earmarked funding in the Budget Bill. In contrast, programmes with negative performance receive, on average, a 5% decrease (Dirección des Presupuestos, 2025<sub>[20]</sub>).

As previously noted, evaluation results tend to influence programme design and management but generally do not affect the funding of programmes. However, since 2017, efforts to better integrate evaluation results with budget decisions have been implemented, particularly by integrating the results of evaluations with the formulation phase of the budget.

Several factors contribute to the limited impact of evaluation results. First, the highly centralised nature of the Chilean evaluation system may limit the involvement of line ministries in the evaluation process, limiting their ownership of the results. Second, the interactions between the under directorate of Budgets and the Department of Evaluation, Transparency, and Fiscal Productivity could be strengthened to ensure that evaluation results are more effectively discussed during negotiation meetings with line ministries and the relevant budget offices (See Annex B for DIPRES organigramme).

Finally, a major cause of the disconnect between the budget and the evaluation system is that evaluated programmes are not easily identifiable within budget programmes. Currently, the "public programmes" that are evaluated tend to be more narrowly defined than the budgetary programmes. While recent efforts have been made to link public programmes to budget lines and funding, further improvements are needed (Box 3.4).

#### Box 3.4. Formulario E – linking public programmes to budget lines

In 2008, DIPRES introduced a new template, Formulario E, to improve the competitive allocation of financing for public programs. Over time, this template has evolved into a tool that links public programmes to their corresponding budgets. Public programs are no longer strictly tied to a single budget line; instead, multiple budget lines can be associated with each program. To ensure clarity, the DIPRES team has mapped out these various possibilities, making the connection between programs and budgets as transparent as possible.

Once the relevant budget lines are identified, they are reported in annual monitoring templates, which are used to track the performance of public programs. This ensures that the relationship between programs and their financing is consistently monitored and clearly identified.

Source: Fact finding mission

# 4 Improving the impact of performance budgeting in Chile: Key recommendations

## 1. Improve the quality, accessibility and use of performance information

While Chile has established sound practices for developing performance information - such as clear templates, rules, and processes - the overall quality of the information could be enhanced. At the same time, efforts should be made to improve how this information is presented and communicated, in order to strengthen its use and ensure better alignment with financial allocations. In this context, both short-term and medium-term actions can be considered.

### 1.1 In the short term, improve the quality of performance objectives and indicators

- To ensure that performance information is effectively used in decision-making, it is essential to improve both its quality and presentation. Chile already has a well-established methodology and clearly defined templates for developing performance data, and significant efforts have been made, particularly since 2023, to enhance quality by reducing the number of objectives focused on internal management processes. However, further improvements are necessary.
- While performance objectives and indicators are becoming increasingly ambitious and aligned with strategic outcomes, the overall quality and coherence of the information can still be strengthened. **Notably, strategic objectives defined by institutions are sometimes overlapping or repetitive, and they are not always sufficiently results-oriented.** In many cases, there is a disconnect between high-level strategic goals and the indicators used to measure progress, which are often focused on processes or outputs rather than meaningful outcomes.
- **A promising solution involves reducing the number of strategic objectives to avoid redundancy and developing SMART objectives** (Specific, Measurable, Achievable, Robust, and Time-bound). These SMART objectives should act as intermediate steps that clearly link strategic goals to relevant, actionable indicators.
- **To implement this improvement, updates are needed to both the Formulario H template, which is used to report performance indicators, and the methodological guidance provided by DIPRES.**
- Table 4.1 presents a proposed revision of Formulario H to better reflect these improvements.

Table 4.1. Revised template H

Strategic Objective	Performance objective	Indicator	Calculation formula	Budget 2022	Budget 2023	Estimated 2024	Estimated 2025
1. Strategic objective	1. Performance objective	1. Indicator					
	2. Performance objective	2. Indicator					
2. Strategic objective	1. Performance objective	1. Indicator					
	2. Performance objective	2. Indicator					

### 1.2 In the short-term, strengthen quality assurance of performance information

- While DIPRES currently conducts quality checks on the performance information submitted by institutions, its ability to carry out a robust quality assurance function is limited by capacity constraints. Strengthening DIPRES's institutional capacity is therefore essential to improve the monitoring and promotion of performance information quality. With an expanded and better-resourced team, DIPRES would be able to:
  - Deliver capacity-building workshops for institutional staff;
  - Hold regular follow-up meetings with institutions to provide feedback and support the continuous improvement of performance reporting; and
  - Invest in advanced data collection and analysis tools, improving the consistency, reliability, and usability of the information provided.

1.3 In the short to medium term, develop a consolidated document that presents both financial and non-financial performance information

- To ensure that performance information is both useful and used, it must be presented alongside budgetary data. **Currently, such integration is largely absent in Chile, limiting the practical use of performance information during budget formulation and, even more significantly, during parliamentary discussions.**
- To address this, DIPRES could develop a standardised template that presents each institution's budget allocations together with a summary of key performance information. This template should be:
  - Used by DIPRES budget teams to support internal discussions during budget preparation
  - Be updated and submitted to Congress to inform parliamentary review and oversight;
  - Follow the example of international good practices (see, for instance, the Irish model for presenting integrated financial and performance data).
- A useful starting point may be the recently developed "Variación de las asignaciones presupuestarias en 2024", which presents line ministry budgets in a more concise and accessible format, including year-over-year changes. Incorporating performance information into this document would offer a practical and scalable way to integrate financial and non-financial data in a single, coherent format. However, two key challenges must be addressed:
  - The current document presents data at the line ministry level, whereas performance information is often developed at the agency level;
  - The presentation of financial information varies across institutions and is not currently guided by a standardised methodology.
- To improve usability and comparability, a common methodology should be established, and the presentation of information should be aligned at the agency level, allowing for clearer linkages between spending and results.

**Table 4.2. Presentation of financial and performance information in Ireland**

<b>Programme A</b>						
Key objective:						
<b>Financial and human resource information</b>						
	2021		2022		Number of staff	
	Current	Capital	Current	Capital	2021	2022
Sub-head A	X	X	X	X	X	X
Sub-head B	X	X	X	X	X	X
Sub-head C	X	X	X	X	X	X
<b>Total per programme</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<i>Of which pay</i>	X	X	X	X	X	X
<b>Performance information</b>						
<b>Key output indicators</b>			2020		2021	2022
			Target	Achieved	Target	Target
Key programme output indicator A ( <i>units of measurement</i> )						
Key programme output indicator B ( <i>units of measurement</i> )						

<b>Key impact indicators</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Key programme impact indicator A ( <i>units of measurement</i> )			
Key programme impact indicator A ( <i>units of measurement</i> )			

Note: The table has been adjusted for readability purposes. The full document, which includes relevant summary tables for each programme, can be accessed here: <https://assets.gov.ie/207416/1ebb916d-9839-458f-a4df-9fa77be9b7de.pdf>.

Source: Government of Ireland **Invalid source specified.**, Revised Estimates for Public Service 2022.

#### 1.4 **In the medium term, enhance the visibility and usability of performance objectives and indicators by creating a user-friendly digital platform**

- Finally, while all performance information in Chile is publicly available, further efforts are needed to improve its accessibility and user-friendliness. Currently, the information is dispersed across multiple documents and formats, limiting its visibility and practical use.
- A key step forward would be the creation of a single, centralised digital portal where strategic objectives and performance indicators can be easily accessed, monitored, and compared. Such a platform would significantly enhance transparency, facilitate regular monitoring, and encourage greater use of performance data by both government actors and the public.
- International experience offers promising models: for example, the performance dashboards developed in Canada and France present results in a clear, interactive, and intuitive format, allowing users to explore performance information by ministry, policy area, or programme (see Box 4.1). A similar initiative in Chile could serve as a powerful tool for improving accountability, communication, and data-driven decision-making.



### Box 4.1. Use of dashboards and visual tools in Canada

Government of Canada InfoBase (accessible [here](#)) allows visualising performance and budgeting information. The results are presented visually allowing to identify the share of targets met or not met. The interactive dashboard allows building tables with relevant information and download it in csv format.

Figure 4.1. Canada InfoBase



Source: (Government of Canada, 2025<sup>[21]</sup>)

### Box 4.2. Use of dashboards and visual tools in France

France displays performance information on a dedicated website (accessible [here](#)). Users can filter information by mission and see the snapshot of the financial information and share of targets that have or have not been met.

Figure 4.2. France performance data platform



Source: (Direction du budget, 2025<sup>[22]</sup>)

## 2. Strengthen the impact of monitoring and evaluation on budget allocations

Alongside the information generated through strategic planning, the monitoring and evaluation of public programmes provides valuable insights for enhancing the efficiency and effectiveness of public spending. However, the current influence of evaluations and monitoring on spending decisions remains limited.

### 2.1 In the short term, strengthen collaboration between line ministries and the budget office during budget negotiations to support more informed and coordinated decision-making.

- To maximise their impact, evaluation and monitoring results should be systematically presented and discussed during key decision-making moments within the budget cycle. This includes aligning the use of performance evidence with the timing and structure of budget formulation and negotiation processes.
- In particular, evaluation findings should be explicitly incorporated into budget negotiation meetings between line ministries and DIPRES. These discussions should involve both

budget and evaluation teams, ensuring that insights from programme performance—such as effectiveness, efficiency, and outcomes—directly inform decisions on resource allocations. This practice would reinforce the role of evaluation in improving spending quality and policy effectiveness, and promote a more integrated, evidence-based budgeting approach.

*2.2 In the short term, create more structured opportunities to present and discuss evaluation findings with Congress.*

- While DIPRES prepares a comprehensive annual Evaluation Report, which is submitted to the Special Mixed Budget Committee, the uptake and discussion of evaluation findings in Congress remains limited. This represents a missed opportunity to leverage evaluation insights for more evidence-informed budgetary decisions.
- To address this gap, DIPRES, in collaboration with other key evaluation stakeholders, could organise an **annual public event dedicated to presenting and discussing the year's evaluation findings. This initiative could follow the example of successful practices in other OECD countries, such as the Netherlands' Accountability Day and France's Evaluation Springs,** which provide structured forums for dialogue between evaluators, policymakers, and legislators.
- Such an event in Chile could serve as a focal point for engaging Congress, ministries, civil society, and the public, and should specifically highlight how evaluation findings inform budget allocations and fiscal decisions. This would not only enhance the visibility and influence of evaluations but also reinforce a culture of transparency and accountability in public finance.

*2.3 In the medium term, consider restructuring budget and public programmes to enhance their visibility and traceability within the budget process.*

- Currently, not all public programmes are easily identifiable within the budget, which makes it difficult to clearly link evaluation results to budget allocations. While some progress has been made, such as the introduction of Formulario E to help clarify this connection, a more systematic restructuring of budget programmes could be considered. Ideally, each public programme should be associated with a clearly defined budget line.
- To enhance transparency and improve the visibility of the government's programmatic offer, one possible solution would be to distinguish between a budget programme dedicated to administrative and support (operating) costs, and one or more separate budget programmes covering the programmatic expenditure.

*2.4 In the medium term, conduct a mapping of public programmes to identify opportunities for consolidation, with the aim of reducing fragmentation and enhancing strategic alignment*

- In the Chilean context, the large number of public programmes contributes to significant fragmentation and inefficiencies in both policy delivery and evaluation efforts. This fragmentation can weaken the overall coherence and effectiveness of public interventions, while also complicating the ability to assess their collective impact.

- In particular, having too many small programmes can spread financial and staff resources too thin, requiring time and effort to monitor and evaluate each one, often without producing useful insights or clear evidence about what works.
- To address this, a strategic review should be undertaken to map and identify programmes with overlapping objectives, with the aim of:
  - Integrating or coordinating similar initiatives, and
  - Merging smaller programmes into larger, more coherent structures.
- Such consolidation would not only improve the efficiency of public spending, but also enhance the quality, scope, and strategic relevance of evaluations, making it easier to assess outcomes and support evidence-informed decision-making.

### **3. Improving the budget presentation and structure**

The structure and presentation of the budget play a crucial role in supporting performance budgeting. When the budget is organised into clearly defined programmes with associated strategic objectives, it becomes easier to link performance information to budget allocations, enabling more evidence-informed decisions about public spending. In Chile, while the budget is formally structured by programmes, these programmes often lack clearly defined performance objectives. Instead, performance information is typically developed at the level of public institutions (Capítulos), making it harder to draw direct connections between spending and results at the programme level. Additionally, the detailed and technical nature of the budget—especially the use of *glosas* (narrative annotations on spending items)—results in a document that is dense and difficult to interpret, particularly for non-expert users such as parliamentarians, journalists, and citizens. This complexity limits the accessibility and practical use of the budget as a tool for transparency and accountability.

#### *3.1 In the short to medium term, develop clear and standardised guidelines, in collaboration with Congress, on the use of glosas, to support a more accessible and streamlined budget document*

- The number and role of *glosas* are a distinctive feature of Chile's budget process. While both the executive and legislative branches recognise the value of this instrument—for example, in providing important implementation details—they also acknowledge that *glosas* contribute to budgetary complexity and can pose challenges for transparency and clarity.
- To address these concerns, a collaborative effort between DIPRES and Congress is needed to define the appropriate use of *glosas*. This should include clear guidance on what types of content are permissible, and an exploration of options to reduce their volume without compromising oversight or accountability.
- One practical measure could be to establish a maximum number of *glosas* per programme or institution, helping to streamline the budget document.
- In accordance with Article 50 of the current Budget Law, an initial review will be led by DIPRES and discussed with the Special Joint Budget Committee, providing a foundation for reform.

#### *3.2 In the medium to long term, budget discussions in Congress should evolve from a predominantly technical focus to one that places greater emphasis on performance and results*

- To enhance the quality and focus of budget discussions, shift the emphasis from *glosas* toward strategic objectives, evaluation findings, and performance results. This would promote a more outcomes-oriented and evidence-informed dialogue in Congress. The shift can be supported by presenting performance and financial information in a more integrated and accessible format, enabling clearer links between public spending and results.
- In parallel, consider organising dedicated "Evaluation Days" in Congress, in collaboration with the National Evaluation and Productivity Commission (CNEP) and other key stakeholders. These events would provide a platform to present evaluation findings, encourage reflection on the effectiveness of public programmes, and support more informed and constructive budget discussions.

*3.3 In the medium term, budget programmes should be progressively revised to reflect the strategic objectives established in the strategic planning process (Formulario A1), strengthening the link between planning and budgeting*

- A key step toward enhancing performance-informed budgeting is to restructure existing budget programmes so they align more closely with each institution's strategic objectives and core missions. For example, if a public institution has two distinct missions, it should define two corresponding strategic objectives and organise its budget into two dedicated programmes, or three, if including a programme for transversal or cross-cutting functions. This approach does not require changes to expenditure classification or budgetary detail, but it would significantly clarify the link between strategic goals and resource allocations.
- Given the effort involved, this restructuring should be undertaken after performance information has been improved and once strategic objectives are well-formulated, results-oriented, and appropriately ambitious.
- Initial steps to support this transition could include:
  - Mapping public services (Capítulos) where alignment between existing budget programmes and strategic objectives is already feasible or promising;
  - Piloting the new structure in two or three selected institutions, to test the approach, surface operational challenges, and identify best practices for broader implementation;
  - Developing clear guidelines for structuring budget programmes in newly created public institutions, ensuring their budgets are aligned with strategic objectives from the outset.

# Annex A.

**Table A.1 Performance budgeting framework in Chile**

Tools and methods for developing performance	Sequencing performance information	<b>Moderate</b>	<ul style="list-style-type: none"> <li>Performance objectives are linked to the budget structure but not in a clear way</li> <li>Performance information includes performance goals, indicators and targets</li> <li>There are no multi-annual performance targets, 51% of OECD countries set those.</li> </ul>
	Avoiding overload of performance information	<b>Low</b>	<ul style="list-style-type: none"> <li>There number of performance information is expected to be stable overtime.</li> <li>With respect to 2019 the number of budget programmes has increased as well as the number of performance indicators. On average, both numbers have remained stable for most OECD countries.</li> <li>There is no formal limit on the number of performance objectives or performance indicators to be included for each programme. A limit is present in 27% of OECD countries</li> </ul>
	Criteria for developing performance information	<b>Moderate</b>	<ul style="list-style-type: none"> <li>There is no explicit rule to align performance information to government priorities (48% of OECD countries have them).</li> <li>Performance information is required to be outcome oriented and follow a SMART logic, in line with most OECD countries.</li> </ul>
	Quality assurance process	<b>Low</b>	<ul style="list-style-type: none"> <li>The Budget Office does not perform a quality assurance of the performance information included in the budget; this occurs in 61% of OECD countries.</li> </ul>
Accountability and transparency	Managerial flexibility and accountability	<b>Moderate</b>	<p>The Ministry of Finance engages in discussions with line ministries on the quality of performance information and its relevance to budgetary decisions, as in most OECD countries (22 out of 33).</p> <ul style="list-style-type: none"> <li>There are also monitoring and reporting mechanisms to track results, in line with most OECD countries (20 out of 33).</li> <li>There is no sign-off by a high-level official on performance information to be included in budget documentation, while this occurs in 36% of OECD countries.</li> <li>There are consequences for line ministries if the targets are not met however, these are not clearly specified.</li> <li>Across OECD countries, the most common consequence when results are not achieved is to increase monitoring of the organization in the future (7 out of 33).</li> </ul>
	Reporting practices	<b>High</b>	<ul style="list-style-type: none"> <li>Line ministries are required to report on the intended targets and the actual results achieved in the year-end reports</li> <li>The end-year performance report includes both financial and performance information</li> </ul>
	Roles and responsibilities	<b>High</b>	<ul style="list-style-type: none"> <li>The Ministry of Finance sets the overall framework</li> <li>Line ministries are responsible for operational implementation of performance budgeting, including developing performance information, reporting and budget execution</li> <li>Supreme audit institution assesses the soundness of the overall framework and conducts performance audits within relevant areas</li> <li>Parliament uses the information to hold ministries accountable and monitor the implementation of performance targets but has an overall limited role.</li> </ul>



	Public access to performance information	High	<ul style="list-style-type: none"> <li>All performance information included in budget documentation is included in relevant performance reports</li> <li>Year-end performance report is published</li> <li>Performance information is published but not in an interactive dashboard</li> </ul>
An enabling environment	Budget structured around programmes	Low	<ul style="list-style-type: none"> <li>The budget has a programme structure, however programmes do not reflect specific objectives</li> </ul>
	Centrally issued guidelines and templates	High	<ul style="list-style-type: none"> <li>There are centrally issued guidelines or manuals, as in 89% of OECD countries.</li> <li>Standard templates for collecting and reporting on performance information are prepared by DIPRES, this is what performed by 70% of OECD countries.</li> </ul>
	Capacity-building efforts	High	<ul style="list-style-type: none"> <li>Trainings are provided to build capacity like in 56% of OECD countries.</li> </ul>
	Supporting IT environment	Moderate	<ul style="list-style-type: none"> <li>Performance information is collected through the same IT system, like in 74% of OECD countries.</li> <li>However, performance information and financial information are collected through different IT systems. 57% of OECD countries have integrated IT systems to collect both performance and financial information.</li> </ul>
	Incentive mechanisms	Low	<ul style="list-style-type: none"> <li>No formal incentives are put in place, only a minority of OECD countries have specific incentives in place.</li> </ul>
Use of performance information to inform decisions around budget	Role of the Parliament	Moderate	<ul style="list-style-type: none"> <li>Parliament monitors the implementation of performance targets included in the budget and uses performance information for accountability</li> <li>However, parliament does not have discussions with stakeholders to improve the performance information provided in the budget, while this occurs in 40% of OECD countries.</li> </ul>
	Role of the sectoral committees in the Parliament	Low	<ul style="list-style-type: none"> <li>Sectoral parliamentary committees do not engage with relevant line ministries regarding the performance information included in the budget</li> </ul>
	Presentation of relevant information in budget documents	High	<ul style="list-style-type: none"> <li>Performance information is presented in standardized manner both in the main body and in the annexes</li> </ul>

Table A.2. Policy Evaluation system in Chile

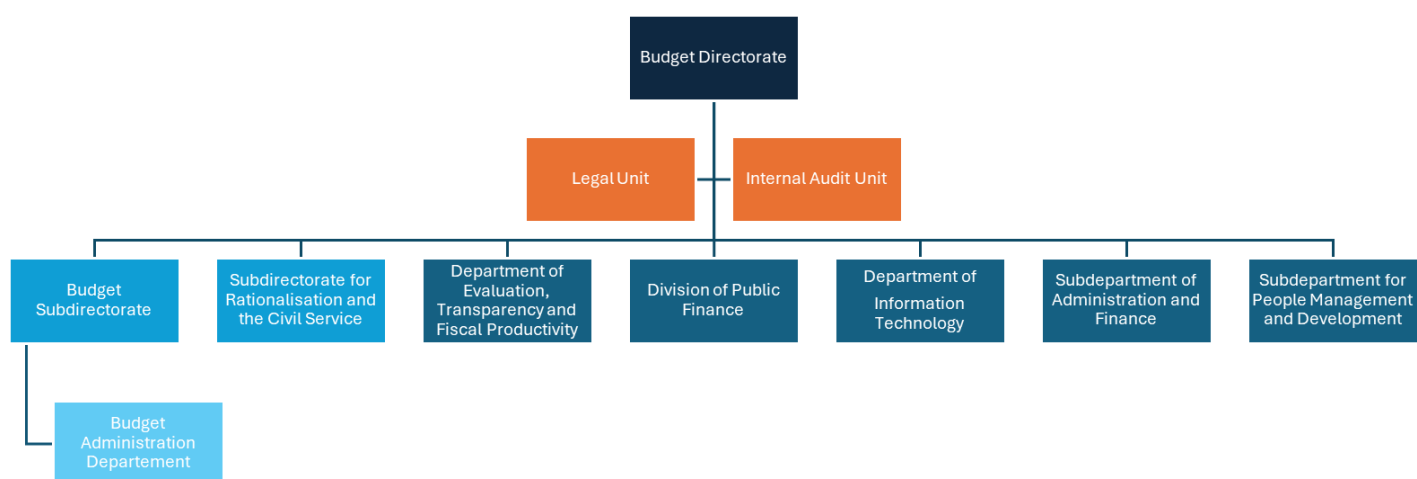
Institutionalisation of policy evaluation	Presence of evaluation champions	At standard	<ul style="list-style-type: none"> <li>Chile has defined two evaluation champions with the mandate to coordinate evaluations across line ministries: DIPRES and the Ministry of Social Development</li> <li>The role and responsibilities of champions are clearly defined, and there is a clear distinction regarding those of other government institutions</li> <li>This is in line with most OECD countries, <b>84% of OECD respondents have at least one evaluation champion</b></li> <li>In most OECD countries, evaluation champions are in the <b>Ministry of Finance (45%)</b> or in the <b>Centre of Government (39%)</b></li> </ul>
	Institutional responsibility definition	In development	<ul style="list-style-type: none"> <li>In Chile, <b>dedicated evaluation units are presented in a minority of line ministries</b> (below 50%), and these are developed at the discretion of ministries</li> </ul>

			<ul style="list-style-type: none"> <li>This is the case in <b>almost 50% of the OECD countries</b>, while in 12% of countries there are dedicated evaluation units in each line ministry (Canada, Netherlands, Mexico and Spain).</li> </ul>
	Knowledge broker promotion	In development	<ul style="list-style-type: none"> <li>Limited role of actors outside the executive in promoting evaluation (e.g., supreme audit office not involved). Interesting role of the CNEP in developing external evaluations.</li> <li>There are <b>no specific knowledge brokers</b> active in evaluation, as in the 50% of OECD countries.</li> <li>Chile also does not have a specific <b>Evaluation Society</b>, <b>contrary to 70% of OECD countries</b>.</li> </ul>
	Legislative review opportunity	In development	<ul style="list-style-type: none"> <li>The legislative body in Chile can require government to evaluate specific policies and present and discuss evaluation results. This occurs in majority of OECD countries.</li> <li>However, the legislative body does not have internal analytical functions to conduct evaluations. In <b>35% of OECD countries the legislative body has established an internal body</b> responsible for conducting evaluations.</li> </ul>
Mechanisms to ensure quality of policy evaluations	Early evaluation planning and provision	Opportunity for improvement	<ul style="list-style-type: none"> <li>Evaluation clauses are included in some laws (below 50%). This occurs in 65% of OECD countries.</li> <li>There are <b>no central requirements establishing when a policy needs to be evaluated</b>. In other countries policies that results from international commitment need to be evaluated (51%) or policies that exceed certain budgetary thresholds (19%).</li> </ul>
	Stakeholder engagement	Opportunity for improvement	<ul style="list-style-type: none"> <li>There are <b>no mechanisms</b> to ensure that external <b>stakeholders are consulted</b> in the evaluation processes. In <b>70% of OECD countries, mechanisms are in place</b> to ensure stakeholder engagement for at least some evaluations. In <b>22% of OECD countries, stakeholders need to be engaged in all evaluations</b>.</li> </ul>
	Guidelines on policy evaluation	At standard	<ul style="list-style-type: none"> <li>In Chile there are <b>central guidelines to support the evaluation process</b>. Guidelines are present in <b>80%</b> of OECD countries.</li> </ul>
	Professional Standards	At standard	<ul style="list-style-type: none"> <li>Chile has a <b>public register of evaluation experts</b> that requires specific professional standards for evaluators. This represents a best practice as 77% of OECD countries have no professional standards or accreditations systems in place.</li> <li>In addition, <b>Chile has specific ethical standards in place</b> to ensure the independence of evaluators. Most countries (80%) simply rely on ethical standards for all public servants.</li> </ul>
	Autonomy of evaluations	At standard	<ul style="list-style-type: none"> <li><b>Different mechanisms</b> are in place to <b>ensure autonomy of evaluations</b> including outsourcing evaluation to external actors, providing flexibility to evaluation teams in setting the evaluation plans and establishing ethical and professional standards.</li> <li>In most OECD countries at least one of these mechanisms is used, the most common approach is to commission evaluations to external actors (74%).</li> </ul>
	External scrutiny and/or quality criteria	In development	<ul style="list-style-type: none"> <li>In Chile, <b>external peer reviews</b> are conducted for internal evaluations. In <b>58% of OECD countries</b> there are no peer review mechanisms in place.</li> <li>There are <b>no pre-defined quality criteria</b> to assess the quality of evaluations. 77% of OECD countries do not have pre-define quality criteria.</li> </ul>
	Capacity building for skills development	Opportunity for improvement	<ul style="list-style-type: none"> <li>There are <b>no measures to acquire or retain adequate skills</b> for policy evaluation. 48% of OECD countries provide regular professional updates and trainings.</li> </ul>
	Data access for evaluation	Opportunity for improvement	<ul style="list-style-type: none"> <li>There is <b>no national government strategy to promote the availability and accessibility of data</b> for evaluation and evidence-informed policymaking. <b>29% of OECD countries</b> have a data strategy that includes promotion of access to data for evaluation and policy analysis.</li> </ul>
Measures to ensure impact of policy evaluation	High level guidance	Opportunity for improvement	<ul style="list-style-type: none"> <li><b>No high-level guidance</b> framing policy evaluation across the government. <b>45% of OECD countries have guidance in the form of legal framework</b>.</li> </ul>
	Use of evaluation results	At standard	<ul style="list-style-type: none"> <li>Evaluation results are <b>used in budgetary decision making and to improve programme implementation</b> as in most OECD countries.</li> </ul>
	Follow-up mechanisms	At standard	<ul style="list-style-type: none"> <li><b>Follow-up mechanisms are present</b> for some evaluations based on line ministries commitments. Across OECD countries, follow-up mechanisms are in place for all evaluations (23% of cases) or for some evaluations (48%).</li> </ul>
	Publicity of evaluation results	At standard	<ul style="list-style-type: none"> <li>Evaluations are <b>public by default</b> as in <b>61% of OECD countries</b>. Chile also has a <b>central platform with all evaluations</b> published. At the moment, central platform are present in <b>42% of OECD countries</b>.</li> </ul>

Evaluation evidence presentation	<b>At standard</b>	<ul style="list-style-type: none"> <li>Evaluations are <b>published in tailored and accessible formats</b> (e.g. policy briefs, executive summaries, etc.). Only 29% of OECD countries ensures this for all evaluations.</li> </ul>
Evidence synthesis use	<b>Opportunity for improvement</b>	<ul style="list-style-type: none"> <li>Evaluation results are <b>not aggregated in systematic manner</b> to provide aggregated results. Only 39% of OECD countries uses synthesis methodologies to aggregate findings.</li> </ul>

## Annex B.

Figure B.1. DIPRES Organigramme



Source: Dipres

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