

Statistical Methodology in the scope of performance budgeting

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Abstract

The environmental protection has become one of the main political priorities of the United Nations and the European Union. Environment is one of the areas where measurement of performance and efficiency is particularly difficult specially owing to lack of information and absence of traceability of actual effects on the environment. For this reason, environment requires its own approach that will properly evaluate environmental data and use them when planning the budget. Performance budgeting promises such solution as this approach investigates the linkage between spent public resources and planned public policy objectives. Realization of these objectives is measured through a set of indicators, attributed to each objective. The purpose of this paper is to present a broader theoretical and methodological framework of performance budgeting in the field of environment and set a proper environmental model for studying the linkage between environmental taxes, environmental expenditures and environmental impacts that are all interrelated. These will be estimated by a specifically tailored statistical model and tested in the case of the EU Member States.

Keywords: Performance budgeting, statistical methodology, the European Union, environment.

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