Table 0. Public Investment Management Assessment: Summary Heatmap

Phase / Institution			Institutional Strength	Effectiveness	Rec.
A. Planning	1	**Fiscal rules**	**Strong:** Debt rule since 2009, deficit rule in effect since 2014, with an investment clause and automatic adjustment mechanism.	**Medium:** In 2014, the deficit exceeded the ceiling by 0.4 percent of GDP within the margin, despite under execution of capital spending.	5, 6
	2	**National and sectoral planning**	**Good:** National development under preparation; multiplicity of sectoral strategies with some performance measures.	**Low:** Around 80 sectoral strategies are in place, without clear coordination and incomplete costing.	1, 4
	3	**Central-local coordination**	**Medium:** Debt limits constrain debt for municipalities; information for municipalities timely; no rule-based allocation of capital transfers.	**Medium:** In 2014, optimistic projections of own revenues of 6 million result in corresponding under execution of capital spending for municipalities.	
	4	**Public-private partnerships**	**Good:** PPPs guided by strategy within strong institutional and legal framework, but not included in MTBF or budget documentation.	**High:** Existing PPPs capital stock account for 1.2 percent of GDP, but several projects planned. Fiscal risks currently low.	2
	5	**Regulation of infrastructure companies**	**Good:** Regulatory framework supports competition; prices set by independent regulators; weak financial oversight assessment of fiscal risks of POEs.	**Medium:** Challenges to regulators' independence. Public investment of POEs account for 0.1 percent of GDP, but fiscal risks not assessed.	2
B. Allocation	6	**Multi-year budgeting**	**Good:** Multi-year ceilings of capital spending are published based on not published projections of full cost of capital projects, but not binding.	**Low:** There are large discrepancies between MTBF ceilings and budget allocations (22 percent for n+2).	1, 3
	7	**Budget comprehensiveness**	**Medium:** Budget incorporates loans and co-financed donor funding, but not externally financed grants and PPPs.	**High:** Externally financed projects not in the budget less than 3% of total capital spending; extra-budgetary capital spending is insignificant.	2
	8	**Budget unity**	**Good:** Budgets disclose capital and current appropriations in a single document in line with GFS, but project specific information is not disclosed.	**Low:** Auditor General qualified the 2014 financial statements because of 5 percent misclassifications of current as capital spending.	4
	9	**Project appraisal**	**Medium:** The methodology is comprehensive; but results not published and limited risk analysis.	**Medium:** MoF and BOs lack resources to undertake the required analysis.	5
	10	**Project selection**	**Medium:** Most project selection carried out by BOs, broadly in line with criteria in PIP Manual; but role of MoF weak and no legal basis.	**Low:** Weak and fragmented decision making on project prioritization and selection contributes to the 45 percent efficiency gap.	5, 6
C. Implementation	11	**Protection of investment**	**Low**: Projects appropriated on annual basis only, no restrictions on virements, and restricted carryovers.	**Medium:** Average under execution of the annual budget was 10 percent, in line with regional average.	3
	12	**Availability of funding**	**Good**: Cash flows planed quarterly and generally released in time, but some grants outside TSA.	**Medium:** 1.1 percent of capital spending is in arrears, but total arrears are 2 percent of GDP in 2014.	
	13	**Transparency of execution**	**Medium:** Procurement law in line with internet standards; quarterly monitoring; limited ex post audit of projects.	**Low:** Court proceedings limit ex post audits of projects to donor-funded projects.	8
	14	**Project management**	**Medium:** Major projects have project managers; adjustment rules generally in place; no ex post reviews.	**Medium:** In 2012 and 2013, around one fourth of the projects had delays.	7
	15	**Assets accounting**	**Good:** Nonfinancial assets regularly surveyed, depreciated and reported annually.	**Medium:** Poor data quality, e.g. mismatch of between capital spending and stocks of 33 percent.	