Table 0.A. Summary Assessment

Phase/Institution			Institutional Strength	Effectiveness	Reform Priority
A. Planning	1	Fiscal targets and rules	**Medium:** Limited legal debt constraints; no legal fiscal rules	**Medium:** Conservative fiscal policy has resulted in limited deficits and improving debt sustainability	
	2	National and sectoral planning	**High:** Published PDP, PIP including costing of projects; RM, including output and outcome indicators	**Medium:** National plans are helpful in guiding public investment but not fully published	
	3	Coordination among entities	**Medium:** Regional plans coordinated with national government; capital transfers not fully known in advance; SNG fiscal risks not systematically assessed	**Medium:** Major investments effectively coordinated, but investment overlaps occur in smaller projects	
	4	Project appraisal	**Medium:** Major projects systematically appraised, and central support available for project appraisal, but risk assessments not conducted diligently	**Low:** land issues and resettlements and detailed designs not always considered during appraisal; risk mitigation not always identified	**
	5	Alternative infrastructure financing	**Medium:** Established framework for private investment in infrastructure, with competition in some sectors; fiscal monitoring function being developed	**Medium:** No gateway process for preliminary assessment of fiscal risks and for post-award proactive management of fiscal risks	**
B. Allocation	6	Multiyear budgeting	**Medium:** No published projections of capital spending; no overall ceilings; total construction cost projections available	**Low:** No published projections; no multi-year ceilings for projects; updating of cost without effective cost validation	**
	7	Budget comprehensive-ness and unity	**Medium:** Budget summary tables and agency detail incorporate capital spending from all financial sources	**Medium:** Annual focus obscures implications of infrastructure on recurrent budgets	
	8	Budgeting for investment	**Medium:** Capital outlays appropriated on annual basis; virement from capital to current spending allowed; two-tier budgeting to prioritize ongoing projects	**High:** Multiyear contracts allowed; virement with DBM approval; effective protection of ongoing project funding	
	9	Maintenance funding	**Medium:** No standard methodology for the determination of routine maintenance and its costs	**Low:** Routine maintenance not costed appropriately and not adequately funded	**
	10	Project selection	**Medium:** Major projects reviewed by a central agency; selection criteria published; PIP includes pipeline of appraised projects	**Low:** Land and resettlement issues not completed before projects are funded	**
C. Implementation	11	Procurement	**Medium:** Competitive legal framework but not strict enough to lead to effective competition; transparency required	**Low:** Low competition in most public investment sectors; no systematic review of procedures to induce competition	**
	12	Availability of funding	**High**: Cash flow forecasts prepared monthly and updated within the obligation limits; no reported delays in cash release	**Medium:** TSA not yet fully implemented; cash forecasts not highly reliable	
	13	Portfolio management and oversight	**Medium:** Certain major projects centrally monitored; cross-project reallocation allowed with DBM approval; no systematic ex-post review	**Medium:** Certain major projects monitored but with significant time lag; ex-post review not systematically conducted	*
	14	Project management	**Medium:** Implementation plans not systematically prepared; standardized rules for project adjustments; ex-post audits for selective projects	**Medium:** Project adjustments not restricted to unforeseen technical issues; rules for cost overruns; limited ex-post audits	**
	15	Monitoring of assets	**High:** Public assets properly accounted for and reported in financial statements	**Medium:** Some issues with comprehensiveness of reporting and frequency of updates	

Note: DBM – Department of Budget and Management; PDF = Philippines Development Plan; PIP = Public Investment Program; RM = Results matrix; TSA = Treasury Single Account.