

Phase / Institution		Institutional Strength	Effectiveness	Reform priority	
PLANNING	1	Fiscal targets and rules	HIGH Fiscal policy in Slovenia is subject to EU and national fiscal rules and a MTFF sets medium-term deficit and expenditure ceilings.	HIGH. Fiscal rules are complied with (excluding COVID period). Debt is on a downward trend. MTFF has guided budget reparation.	Low
	2	National and sectoral planning	MEDIUM The National Plan has no costings. Sectoral Plans have costings but are not constrained by medium term ceilings. Outputs are measured. Outcomes less so though they are linked to the national plan's outcome targets.	LOW Projects from sectoral Plans are not adequately linked to medium term budget constraints. They do identify major projects, sometimes costed. Large and EU projects include outputs and sometimes outcomes.	Medium
	3	Coordination between entities	MEDIUM Major municipal projects coordinated with central government. Transfers to municipalities as co-funding of EU-funded projects or by competition. Only PPP contingent liabilities required to be monitored.	MEDIUM Major municipal projects effectively coordinated with central government. Transfers to the municipalities done according to published criteria. Contingent liabilities of municipalities and PCs not monitored by MoF.	Medium
	4	Project appraisal	MEDIUM Project appraisal is required, but not review nor publication. Standard appraisal methodology but no central support. Risk assessment required, but not risk management.	LOW Appraisal seldom done before project selection to the Budget. MOF has no interaction with ministries on project appraisal. Weak risk assessment.	High
	5	Alternative infrastructure financing	MEDIUM Not enough incentives for private investment in infrastructure. Strong legal framework for PPPs. Government not required to review PC investment plans.	LOW Many public-sector local monopolies in infrastructure. No PPP strategy. No government review of investment plans of PCs.	Medium
ALLOCATION	6	Multi-year budgeting	MEDIUM The MTEF displays capital and current budgets over 4 years. Ceilings provided during budget preparation are aggregate. Full project costs are shown for all projects.	MEDIUM Capital appropriations are decided by ministries within an aggregate ceiling and then entered in the MTEF. Total project costs are entered into the MTEF before projects are approved for implementation.	Low
	7	Budget comprehensiveness and unity	MEDIUM Most capital spending is disclosed in the budget documentation. Capital expenditure of companies under SSH is not reported in budget documents. Capital and Current budgets are presented together in the budget.	MEDIUM Capital and Current budgets are developed together, though significant project spending is carried out outside the budget. Some 30 percent of public investment is undertaken by extra-budgetary entities.	Low
	8	Budgeting for investment	MEDIUM Full project cost approved when entering the budget. Virements from capital to current budgets not restricted. No explicit protection of ongoing projects in budget.	MEDIUM Parliament approves total capital costs of projects. Low incidence of virements from capital to current spending. Ongoing projects do not suffer from lack of funding.	Medium
	9	Maintenance funding	HIGH Routine and capital maintenance costing based on standard methodologies. Maintenance systematically identified in the budget.	HIGH Appropriate amounts for maintenance. Capital maintenance projects well visible in the budget. Maintenance expenditure presented for each budget entity.	Low
	10	Project selection	LOW There is no requirement for project review prior to inclusion in the Budget. Publication of selection criteria not required. No requirement for maintaining a pipeline of appraised projects.	LOW There is no project review before projects enter the Budget. No criteria nor required process for project selection. No pipeline of appraised investment projects.	High
IMPLEMENTATION	11	Procurement	HIGH Competitive procurement of major projects is required. There is a procurement database and requirement for analytical reporting. Complaints reviewed by an independent body.	MEDIUM Scarce effective competition for large projects. Procurement database is comprehensive, easy to navigate. Review of complaints is timely, published, enforced.	High
	12	Availability of funding	HIGH Commitment ceilings are provided. Time for payment documentation is specified by law. External financing integrated in the government accounts as required by law.	HIGH Cash flow projections done. Cash for projects are released in a timely manner with no delays. External funds are integrated.	Low
	13	Portfolio management and oversight	MEDIUM No central monitoring of financial and physical progress is required for major projects. Re-allocation of funds is permitted by law. Ex-post reviews required by law.	LOW Major projects are not centrally monitored. Re-allocations not generally conducted. Ex-post reviews not done, except for some EU projects.	High
	14	Management of project implementation	HIGH Project management personnel are required by law. Cost adjustments are allowed. External audits are required by law.	MEDIUM Project oversight is done monthly. Cost adjustments not done regularly. Audits are conducted.	Low
	15	Monitoring of public assets	HIGH Asset registers are required to be comprehensive, updated regularly, and values should be in the financial accounts. Assets are required to be depreciated on asset specific rules.	HIGH Assets registers are comprehensive. Assets are revalued yearly. Depreciations are done and entered in the financial accounts.	Low

Table 0.2. Summary of Recommendations

Recommendations	Responsibility	Timeframe	PIMA Inst.
Accelerate capital investment execution and absorption of EU funds (near to medium term)			