Table 1.A. Summary Assessment of Public Investment Management Institutions

Phase/Institution			Institutional Strength	Effectiveness	Reform priority
A. Planning	1	Fiscal objectives and rules	MEDIUM. The two fiscal targets are defined on average over 5 years. There are no fiscal rules. The MTFF aggregates current and capital expenditures.	MEDIUM. Borrowing is below target. There are no fiscal rules and the MTFF does not project disaggregated capital expenditure.	Medium
	2	Sectoral and national planning	MEDIUM. The plans have output and outcome targets, but they do not include all sources of investment and the cost projections are unrealistic.	MEDIUM. Some projects are associated with goals and are included in the budget, but the projected costs exceed 50 % of the budget.	Medium
	3	Coordination between entities	MEDIUM. There is formal coordination of investment plans with territories. Transfers are transparent. There is no standard for reporting contingent liabilities of projects.	MEDIUM. The preliminary calculations of the transfers are reliable. Territorial investment is registered in the SINIP. No contingent liabilities are reported.	Low
	4	Project appraisal	HIGH All projects should be assessed using the FEPIP Guide, which includes a chapter on disaster risk analysis.	MEDIUM. The FEPIP Guide is effectively used in project appraisal, but some studies do not incorporate all the aspects suggested.	Medium
	5	Alternative financing for infrastructure	MEDIUM. There is a favorable framework for private participation in PPPs and competition in the telecommunications and electricity sectors. Coordination with PCs could be improved.	LOW. In practice, there is limited private sector involvement, limited PPP implementation, and lack of coordination with public corporations.	Medium
B. Allocation	6	Multi-year budgeting	LOW. Capital expenditure is projected on a multi-year basis but not broken down by institution. There are no ceilings on investment spending and no project costs are published.	MEDIUM. The capital expenditure forecast error is minor. Budget documents do not include the costs of major projects.	Medium
	7	Budget coverage and unity	LOW. Expenditure of trusts is allowed. The investment of PPPs, Concessions, and PCs is not published. Current and capital expenditure are integrated.	MEDIUM. The capital expenditure of trusts is negligible. The DTP reviews more than 75 percent of project costs in the budget.	Low
	8	Investment budgeting	HIGH The rules provide that project costs are to be published, transfers from capital expenditure to current expenditure are prohibited, and the implementation of ongoing projects is prioritized.	MEDIUM. The budget does not report project costs. There are no transfers from capital to current allocations. Ongoing projects are not prioritized.	High
	9	Maintenance resources	LOW. Methodologies are not used to measure the resources required for maintenance.	LOW. There is a lack of proper classification and transparency of maintenance costs, which makes any assessment difficult.	High
	10	Project selection	HIGH The SNIP regulations require SEGEPLAN to issue a technical opinion on new projects and they must meet published criteria and be registered in the SNIP in order to be eligible for the budget.	MEDIUM. SEGEPLAN's analysis is detailed, but projects registered in the SNIP are included in the budget without having met the established requirements.	High
C. Implementation	11	The Agreement	MEDIUM. The rules promote competitiveness and establish a grievance mechanism without independence from the adjudicating body. GuateCompras with good coverage. No analytical reports are issued.	MEDIUM. Many major projects have a single bid and high-cost projects are contracted out of the central system. There are no risk detection routines or red flags for follow-up.	High
	12	Resource availability	MEDIUM. The institutions begin execution with a budget certification, an accrual quota is established, but payments are not guaranteed due to liquidity limitations.	MEDIUM. There is annual cash scheduling that is updated frequently. Invoices are paid in a timely manner in compliance with legal deadlines. External resources in TSA.	Low
	13	Investment portfolio management and supervision	MEDIUM. The legal framework governs the monitoring and financial management of projects without requiring ex-post reviews.	LOW. The monitoring and financial management by MINFIN and SEGEPLAN do not provide a multi-year vision of the projects and are inefficient.	High
	14	Project execution management	MEDIUM. Sectoral ministries have the main tools for implementation of investment projects.	LOW. Despite the existence of a person in charge and a schedule for each project, there is a lack of real piloting and an exhaustive ex-post audit.	Medium
	15	Monitoring of public assets	LOW. Fixed assets are not regularly recorded and no accounting policy has been issued to guide the process. The financial statements include the property, plant, and equipment account, but the information is partial.	LOW. The recording of fixed assets is limited, data are included in the financial statements, but without standardization of the quality of the information. No depreciation is recorded.	Medium

Table 1.B. Summary Assessment of Public Investment Management Institutions – Climate Change Module (C-PIMA)

Phase/Institution			Institutional Strength	Reform priority
PIMA Climate Change	C1	Planning for climate change	**MEDIUM.** The strategies translate the government's climate policy. PDM-OT and building regulations must be reviewed. There are climate risk guidelines for the formulation of new projects.	Medium
	C2	Coordination between entities	**LOW.** There is a lack of monitoring and coordination of climate investments, and the lead entity, MARN, has no mandate for coordination. Coordination hampered by the absence of central supervision of public corporations.	High
	C3	Project appraisal and selection	**MEDIUM.** There is climate analysis in the assessment of projects, but no assessment results are published. The PPP and Concessions Framework does not take into consideration climate risks. The selection of projects does not take into consideration climatic factors for prioritization.	Medium
	C4	Budgeting and portfolio management	**LOW.** There is a climate budget classifier, but it is not used. There is no ex-post review addressing climatic factors. There are no registration rules that take into consideration climate risks.	Medium
	C5	Risk management	**MEDIUM.** There is no proactive disaster risk management strategy associated with public assets. There are ex-ante financial instruments to manage infrastructure exposure to climate risk. Fiscal risk analysis does not address infrastructure.	Medium