

**Table 1. PIMA Summary Assessment for Pakistan**

Phase/Institution		Institutional Strength	Effectiveness	Reform priority	
A. Planning	1	<b>Fiscal targets and rules</b>	<b>HIGH.</b> The law contains fiscal and debt targets. A medium-term fiscal framework is required to guide the budget process.	<b>LOW.</b> Fiscal rules have had little impact in containing expenditure in last 10 years and debt limit has often been breached.	High
	2	<b>National and sectoral planning</b>	<b>LOW.</b> Five-year planning stopped in 2018 and existing plans are not costed and lack measurable outcomes.	<b>LOW.</b> There is a missing link from goals to plans so it is not possible to know how PSDP projects are helping to attain national goals.	High
	3	<b>Coordination between entities</b>	<b>MEDIUM.</b> A strong coordination mechanism exists between federal and provincial governments. Requirements to report on contingent liabilities still under development.	<b>MEDIUM.</b> The coordination mechanism works well in practice though volatility persists. Work is under way to improve central oversight of PPPs and SOEs.	Low
	4	<b>Project appraisal</b>	<b>MEDIUM.</b> Rigorous appraisal required for budget funded projects with central support. Appraisals not published / externally reviewed.	<b>MEDIUM.</b> Projects are returned for improvement, but full processes are not yet operational.	Medium
	5	<b>Alternative infrastructure financing</b>	<b>MEDIUM.</b> Regulations support competition in major markets. Multiple PPP frameworks are in place. Centralized monitoring for SOEs was recently regulated.	<b>MEDIUM.</b> Competition is functional in some markets. PPP frameworks are incomplete. Comprehensive SOE oversight is not yet in place.	High
B. Allocation	6	<b>Multi-year budgeting</b>	<b>MEDIUM.</b> Budget documents project three year and total costs of PSDP projects, but no multi-year ceiling is set for ministries/sectors.	<b>MEDIUM.</b> Multiyear projections are close to future allocations. Tracking evolution of costs of major projects is difficult.	Medium
	7	<b>Budget comprehensiveness and unity</b>	<b>LOW.</b> Current and development budgets prepared by separate ministries. Law does not require autonomous bodies to report their own source funded projects.	<b>MEDIUM.</b> Some autonomous bodies undertake significant investments from their own resources outside the budget, but work is under way to report them.	Medium
	8	<b>Budgeting for investment</b>	<b>MEDIUM.</b> Appropriations are annual. No transfers from development to current budget. A mechanism exists to prioritize ongoing projects.	<b>MEDIUM.</b> Commitments are not recorded. Ongoing projects receive significantly less funding than needed to complete on time.	High
	9	<b>Maintenance funding</b>	<b>MEDIUM.</b> With some exceptions, standard methodologies for estimating maintenance needs are pending, although those expenses must be identified in the budget.	<b>LOW.</b> In practice routine and capital maintenance levels shown in the budget are considered inadequate to retain asset values.	Low
	10	<b>Project selection</b>	<b>MEDIUM.</b> Major projects are reviewed centrally for selection. No published selection criteria. Pipeline of approved projects exists.	<b>MEDIUM.</b> Review and selection processes are adhered to. Projects may be added to the draft PSDP by Cabinet and Parliament.	High
C. Implementation	11	<b>Procurement</b>	<b>MEDIUM.</b> Must be open transparent and competitive for most large projects with a mechanism for independent complaints, but no single database of procurement.	<b>MEDIUM.</b> Is mostly open transparent and competitive. Adequate monitoring and analysis do not take place. Complaints process has mixed results.	Low
	12	<b>Availability of funding</b>	<b>HIGH.</b> Cash forecasts produced monthly. Cash is available consistent with releases. Donor accounts are in the treasury single account.	<b>MEDIUM.</b> Cash is provided as expected, but releases are used to control expenditures. Data on donor project accounts is available.	Medium
	13	<b>Portfolio management and oversight</b>	<b>MEDIUM.</b> A well-structured monitoring system is established. Reallocation of funds is loosely regulated. Standardized ex post reviews include lessons learned.	<b>MEDIUM.</b> Systematic cost overruns and delays are reported. Reallocation of funds is a common, though execution is modest. Few projects did ex post reporting.	Medium
	14	<b>Management of project implementation</b>	<b>HIGH.</b> Implementation plans are required. Processes for major project adjustments and ex-post external auditing are in place.	<b>HIGH.</b> Implementation plans done before project approvals. Project adjustments are scrutinized. Performance audits are conducted by the Auditor General.	Low
	15	<b>Monitoring of public assets</b>	<b>MEDIUM.</b> Ministries required to maintain asset registers, but no requirement for showing fixed assets or depreciation in financial statements.	<b>LOW.</b> Requirement to maintain asset registers not enforced. Outlays on fixed assets but not depreciation shown in financial statements.	Medium

**Table 2. C-PIMA Summary Assessment for Pakistan**

Phase/Institution		Institutional Strength	Reform priority	
PIMA Climate Change	C1	<b>Climate-aware planning</b>	<b>LOW.</b> Pakistan's public investment planning for climate change lacks centralized guidance and a multi-year investment strategy. Urban planning and building codes do not address climate-related objectives and risks.	<b>Medium</b>
	C2	<b>Coordination between entities</b>	<b>HIGH.</b> Climate change investments are coordinated centrally and nationally through the National Climate Change Policy framework. The oversight framework for public corporations does not ensure climate alignment, though some regulators address climate.	<b>Low</b>
	C3	<b>Project appraisal and selection</b>	<b>LOW.</b> Project appraisal and selection criteria do not reference climate change. There is no framework to assess the climate sensitivity of PPPs.	<b>High</b>
	C4	<b>Budgeting and portfolio management</b>	<b>MEDIUM.</b> While some climate-related investments are identifiable, there is no systematic approach to identifying them yet, but this is being addressed by the ongoing tagging exercise. Ex-post audits are conducted by Auditor General of Pakistan, but asset management and maintenance policies do not address climate-related risks.	<b>High</b>
	C5	<b>Risk management</b>	<b>MEDIUM.</b> The government publishes a disaster risk management strategy, but with limited climate change analysis. Ex-ante financing mechanisms exist that cover climate-related risks. However, current fiscal risk analysis does not include analysis of climate-related risks.	<b>Medium</b>