
# Making Public Investment More Efficient

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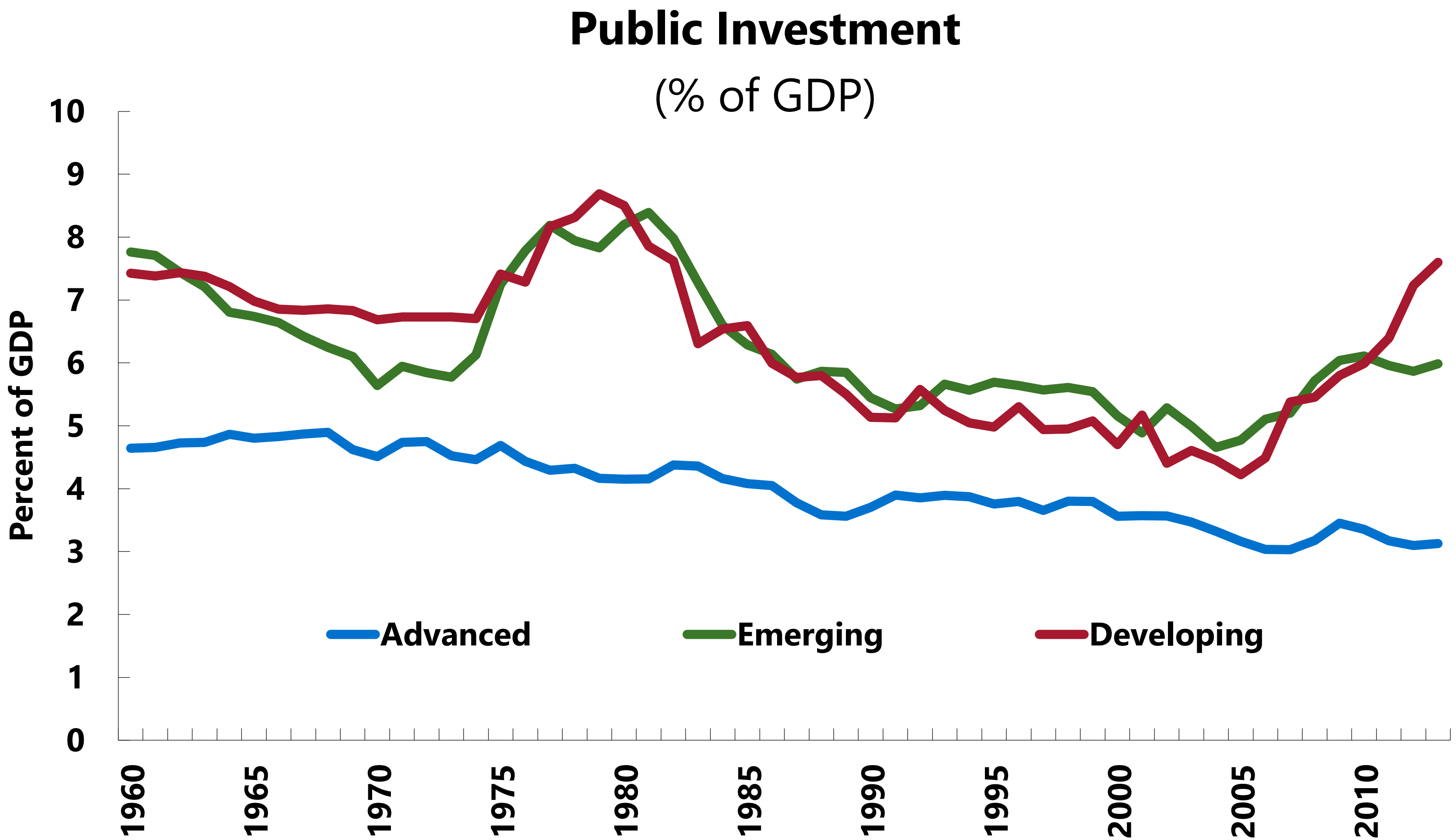
# Trends in Public Investment

***After a quarter century of decline, public investment has begun to recover in emerging market and developing countries***

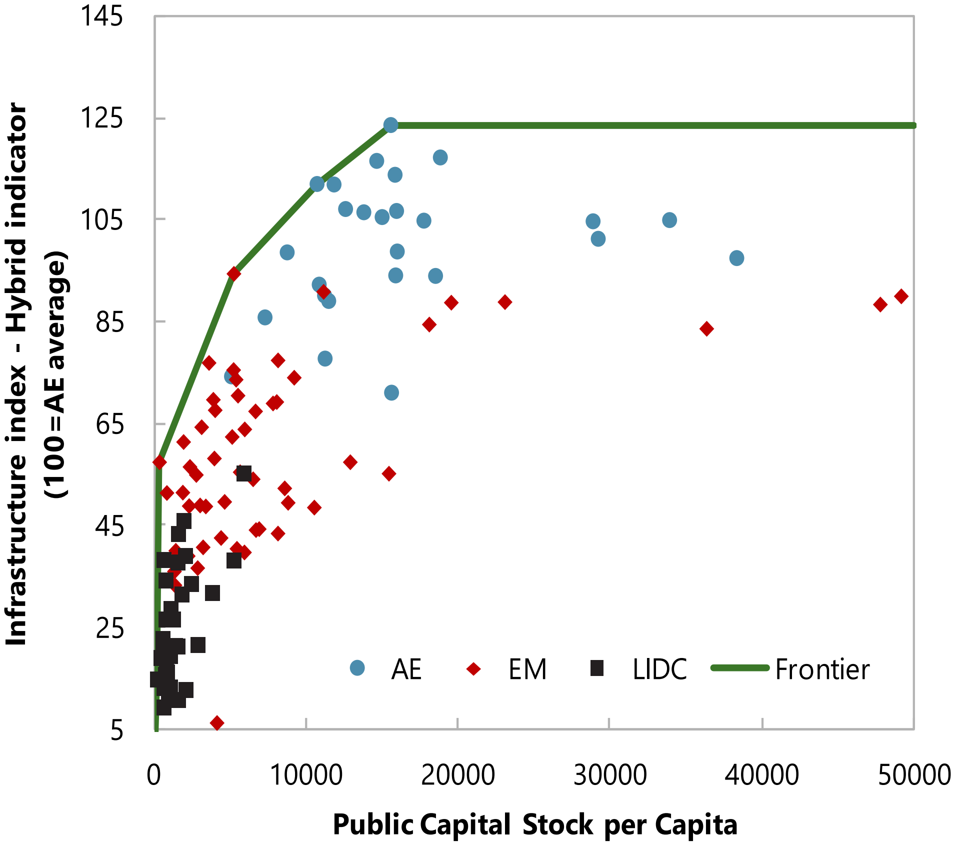


# Efficiency of Public Investment

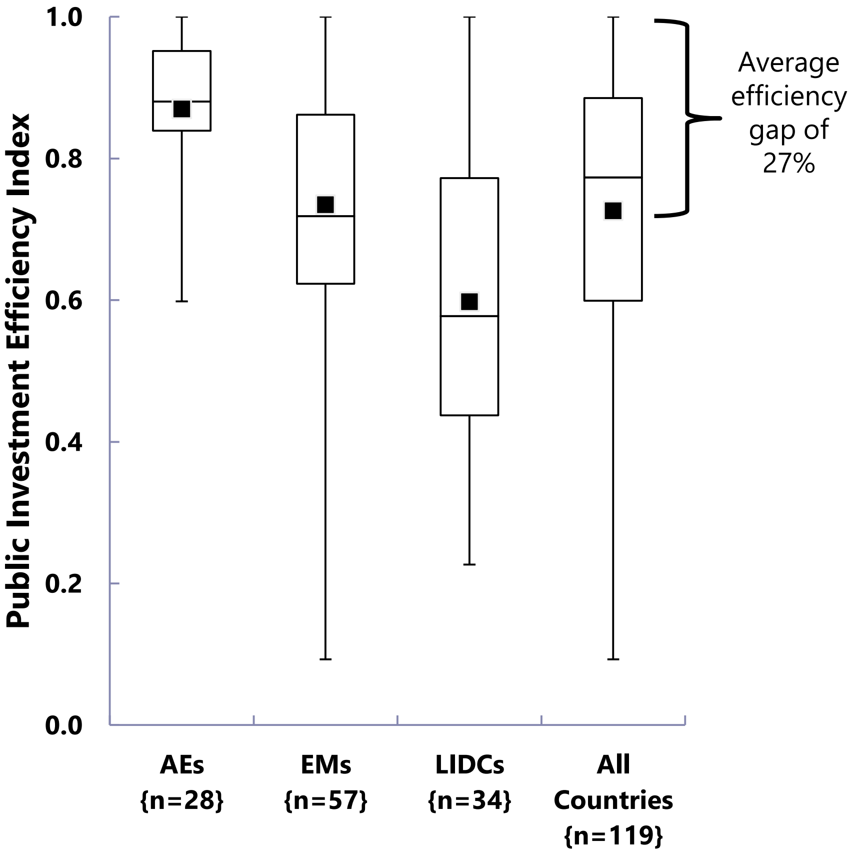
***Sizeable public investment efficiency gaps both across and within income groups***

***Average country is 27% below efficiency frontier with largest efficiency gaps among LIDCs***

**Public Investment vs. Infrastructure Quality**




**Variation in Public Investment Efficiency**



# The Public Investment Management Cycle

## Planning

1. Fiscal rules
2. National & Sectoral Plans
3. Central-Local Coordination
4. Management of PPPs
5. Regulation of Infra. Corps.

## Allocating

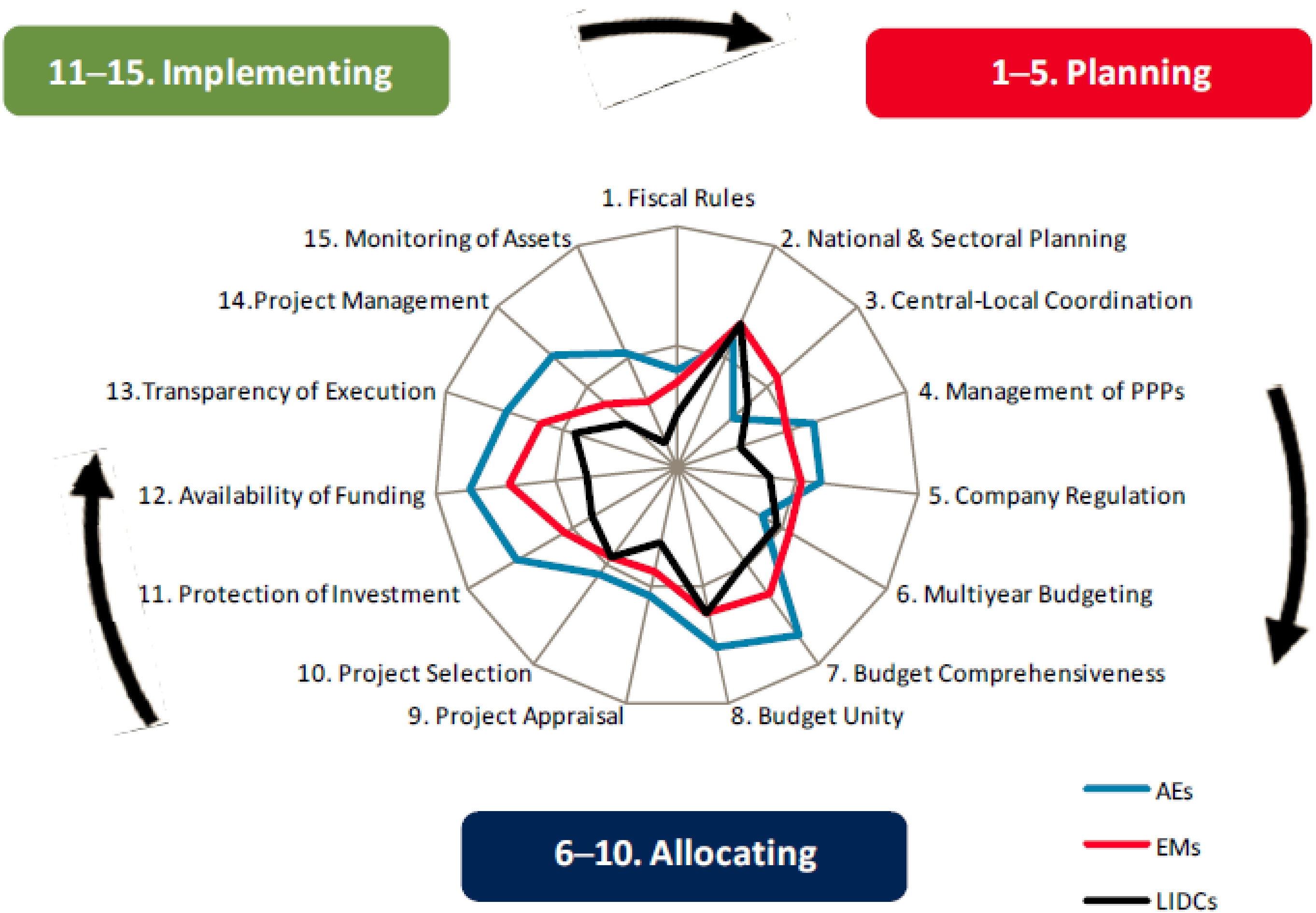
6. Multi-year budgeting
7. Budget Comprehensiveness
8. Budget Unity
9. Project Appraisal
10. Project Selection

## Implementing

11. Protection of Investment
12. Availability of Funding
13. Transparency of Execution
14. Project Management
15. Monitoring of Assets

# Evaluating Public Investment Management

## PIMA Score by Institution

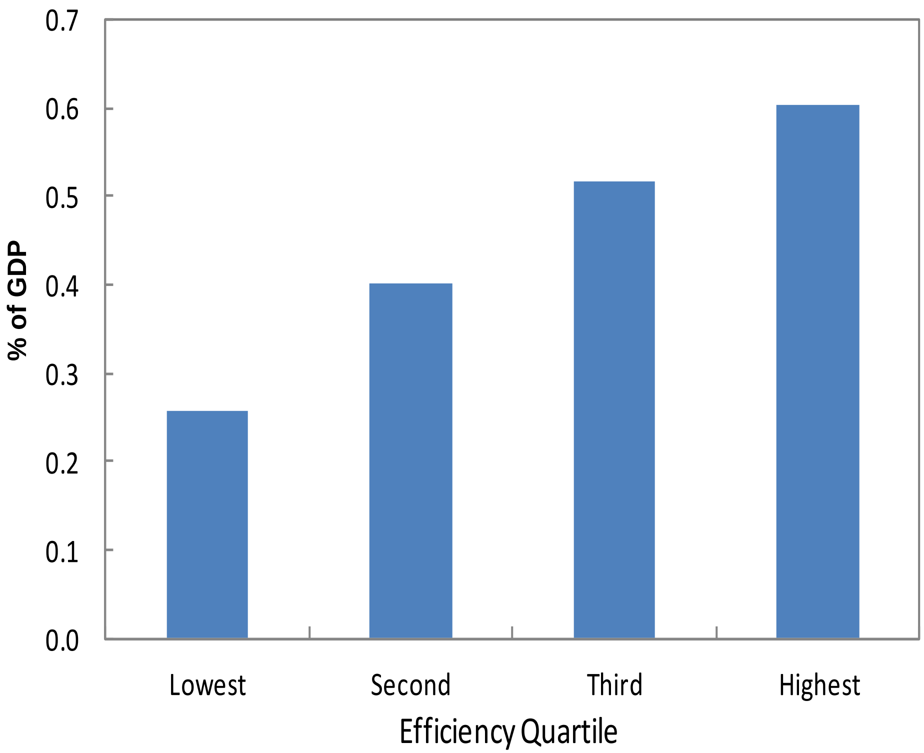


# Public Investment, Efficiency, & Growth

***More efficient public investors get around twice the growth "bang" for their buck than less efficient public investors***

**Public Investment, Efficiency, and Economic Output**

**Output impact after 4 years of a 1% of GDP increase in public investment**




**Profile of output impact of a 1% of GDP increase in public investment**