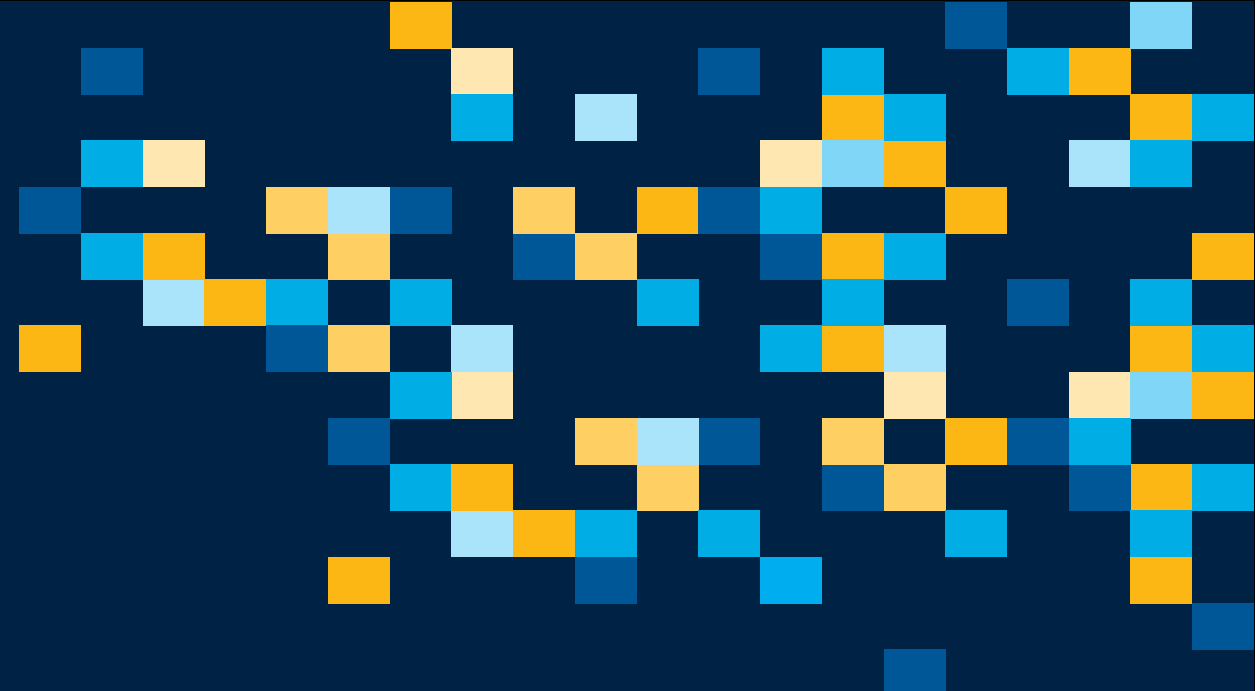




THE WORLD BANK
Europe & Central Asia • Governance



Making it happen: Public Investment Management Enablers in the Western Balkans

Peer Learning Workshop
Public Sector Staffing and Digitalization
for Public Infrastructure Investment Results

Vienna
December 3-5, 2025



Funded by the European Union

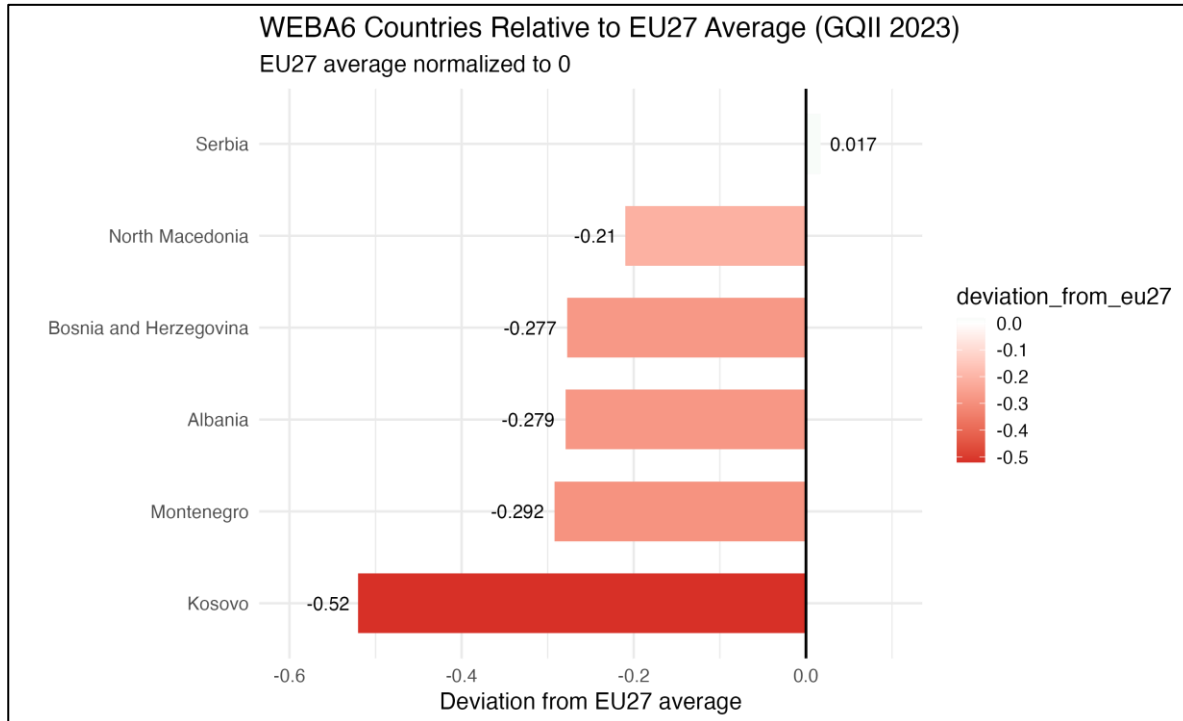
Outline and key messages

- WeBA countries are trailing behind best performing countries on achieving key PIM outcomes
- While still evolving, PIM frameworks have improved, indicating there are also implementation gaps
- To understand why PIM outcomes are not being achieved, we need to unpack the implementation gap
- Focus on three implementation enablers: i) Organizational arrangements (PIM units); ii) HRM, staffing, and skills; and iii) Digitalization

PIM Outcome 1: Quality of infrastructure

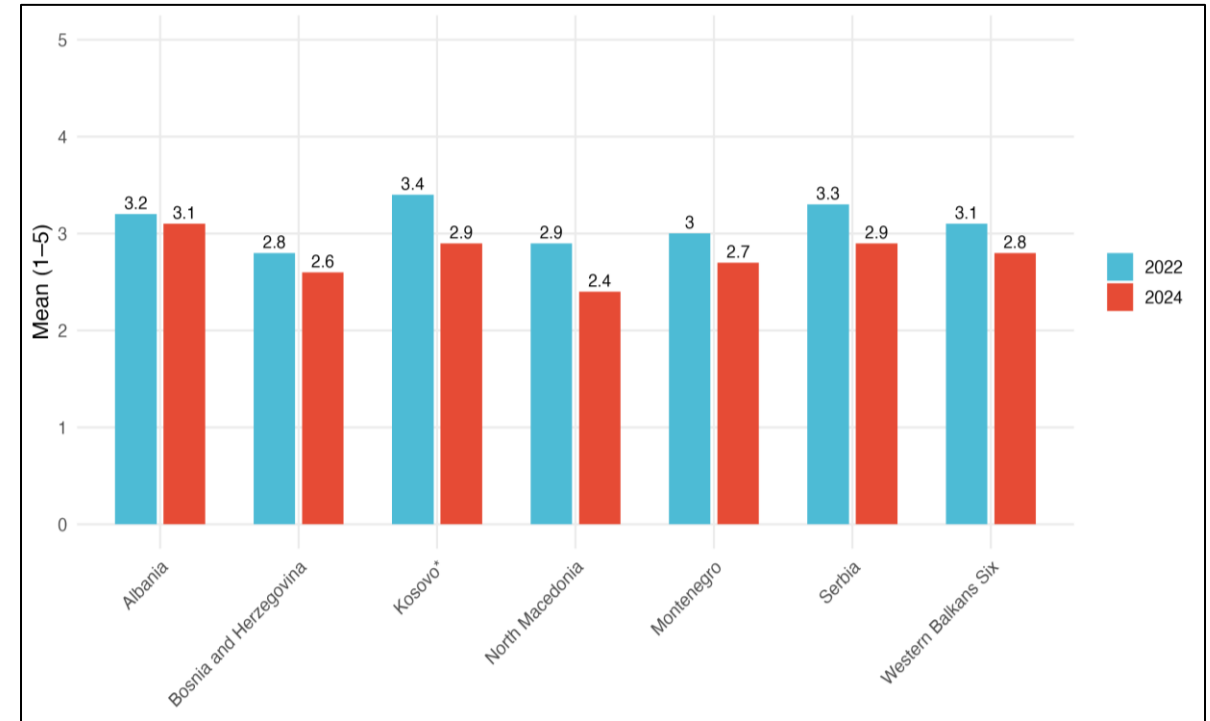
Quality of infrastructure measured as the perceived quality among businesses and citizens through surveys (WeF, QII and others)

Except for Serbia, Weba countries fall short of EU27 quality of infrastructure



Source: QII 2023

Dissatisfaction with infrastructure quality is generally increasing in the region

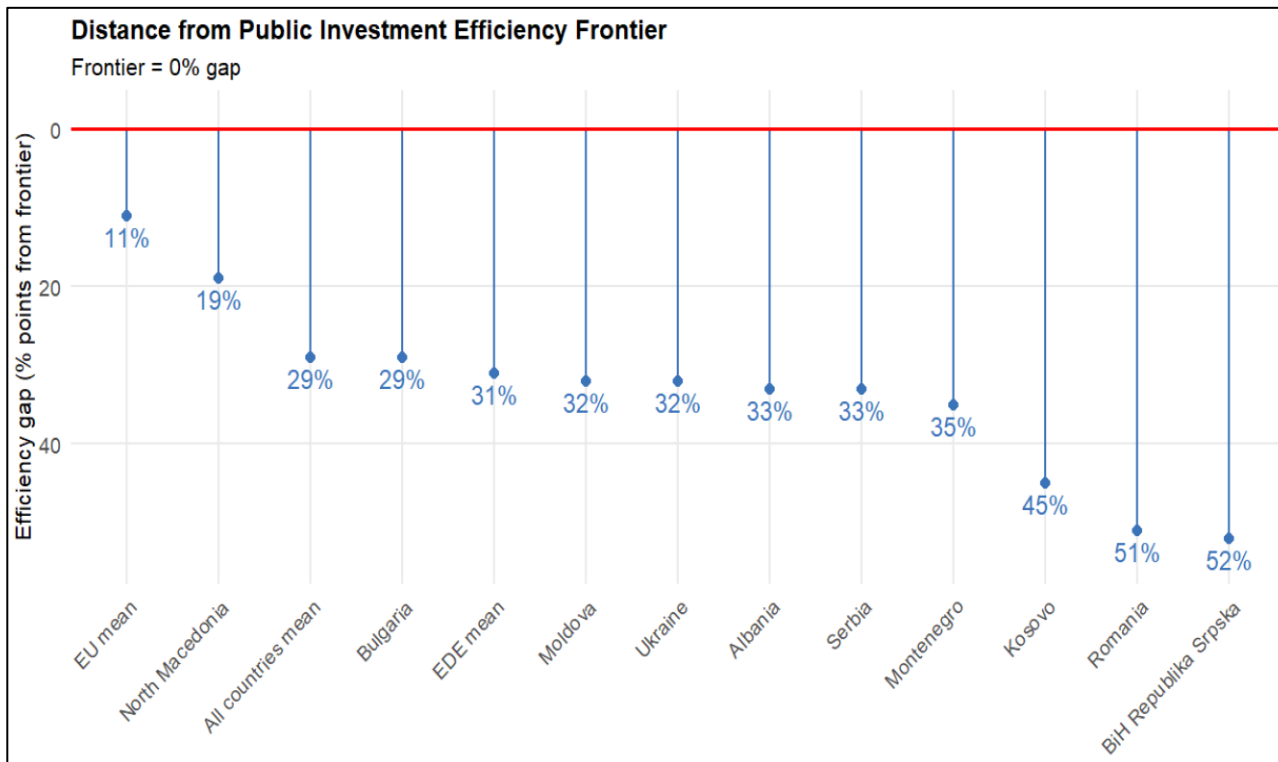


Source: Balkan Barometer, 2022-2024. Note: 5 = most dissatisfied

PIM Outcome 2: Efficiency of public investment

Efficiency of public investment is defined as the ability to improve the volume and quality of infrastructure assets for a given level of spending.

Most WeBA PIM systems generate poor returns on investment



Source: IMF PIMA assessments

- Efficiency gaps mean that countries have an untapped potential to achieve better outcomes without increasing investment spending
- Much of the efficiency gaps can be closed by improving the PIM “institutions” – regulation, procedures, systems – and improving implementation

PIM outcome 3: Green and climate-smart investment

Climate smart public investment mitigates climate-related effects and/or helps adapt to the impacts that are resulting from already-occurring climate change.

Climate informed PIM is nascent in most WeBA countries

Status and key challenges

- Pockets of progress on climate-informed prioritization, appraisal and funding (green bonds)
- Limited alignment between climate strategies and sectoral plans
- Notable absence of specific guidelines for incorporating climate risks into project appraisals
- Monitoring climate impacts during project implementation is generally lacking
- Dedicated funding for climate-resilient investments is scarce

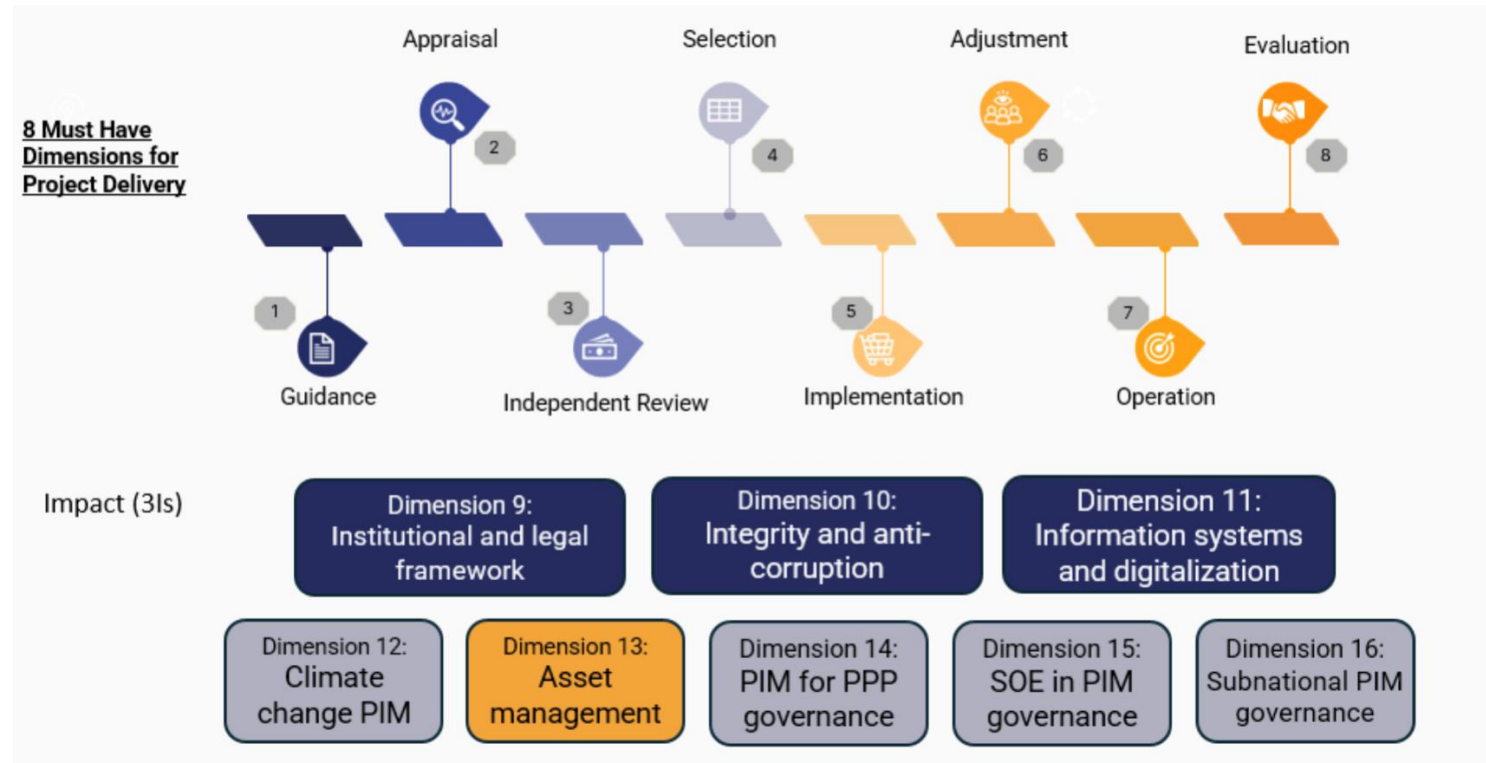
	Priority in Planning Framework	Pre-appraisal: Projects Screened for Climate Risks and Impacts	Guidelines and Methodologies in Place for Climate-Informed Appraisal	Climate-Informed Prioritization	Climate Considered in Implementation Monitoring	Dedicated Budget or Funding Mechanism for Climate-Informed PIM
Albania	Yes, in place	Partially in place	Partially in place	Partially in place	Not in place	Not in place
BIH	Not in place	Partially in place	Partially in place	Partially in place	Not in place	Not in place
Kosovo	Partially in place	Partially in place	Partially in place	Partially in place	Not in place	Not in place
MNE	Not in place	Not in place	Not in place	Not in place	Not in place	Not in place
North M.	Partially in place	Not in place	Not in place	Not in place	Not in place	Not in place
Serbia	Yes, in place	Partially in place	Not in place	Yes, in place	Not in place	Yes, in place

Source: Climate-Informed Public Investment Management and Infrastructure Governance, World Bank 2025

Yes, in place	Partially in place	Not in place
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The “must have” functions of good practice PIM systems

The Bank’s Infragov 2.0 standardizes and enhances the previous “eight-must-have framework



WeBA PIM frameworks and practices

- PIM frameworks vary in comprehensiveness and maturity
- Some progress in pre-screening, and implementation monitoring.
- Weakness remain in key pre-implementation procedures (Pre-screening, appraisal, independent review)

- Legislative prescriptions regarding PIM still need to be fully implemented across the countries
- Indications of implementation gaps across PIM stages, e.g., independent review, prioritization, monitoring

Comprehensiveness and maturity of PIM policy frameworks

	Planning Framework	Pre-Screening	Appraisal	Independent Review	Prioritization and Selection	Implementation Monitoring
Albania	Yellow	Green	Yellow	Green	Green	Green
BiH	Yellow	Yellow	Yellow	Yellow	Yellow	Pink
Kosovo	Green	Green	Yellow	Yellow	Green	Green
Montenegro	Yellow	Pink	Yellow	Yellow	Yellow	Green
N. Macedonia	Yellow	Pink	Pink	Pink	Pink	Pink
Serbia	Yellow	Green	Yellow	Pink	Yellow	Green

Robustness of PIM practices

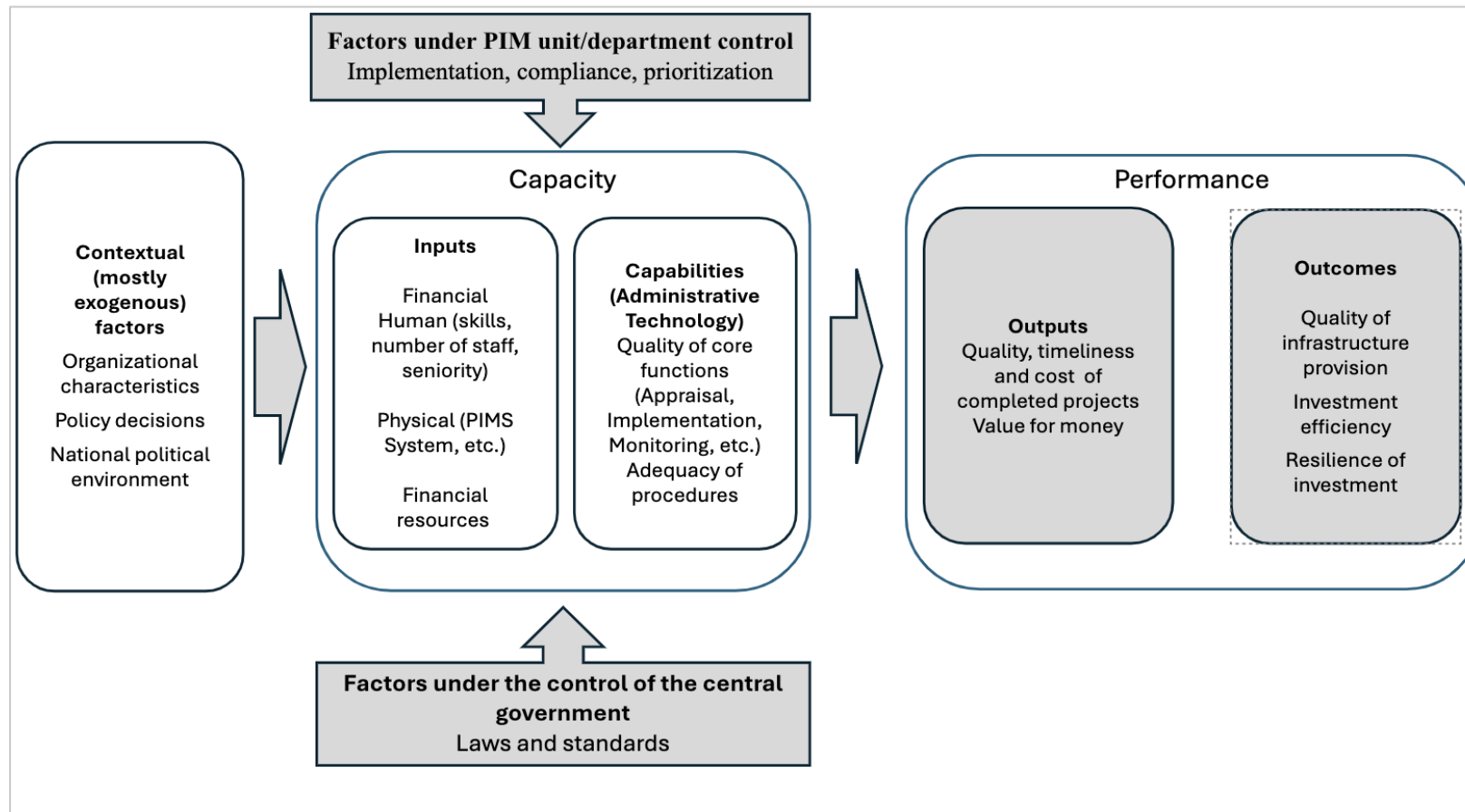
	Planning Framework	Pre-Screening	Appraisal	Independent Review	Prioritization and Selection	Implementation Monitoring
Albania	Yellow	Green	Yellow	Yellow	Yellow	Yellow
BiH	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow
Kosovo	Yellow	Pink	Pink	Pink	Pink	Pink
Montenegro	Yellow	Pink	Yellow	Yellow	Yellow	Yellow
North Macedonia	Yellow	Pink	Pink	Pink	Pink	Pink
Serbia	Pink	Yellow	Yellow	Pink	Pink	Green

Source: Climate-Informed Public Investment Management and Infrastructure Governance, World Bank 2025

Yes, in place	Partially in place	Not in place
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How do we close the implementation gap?

The role of PIM capacity



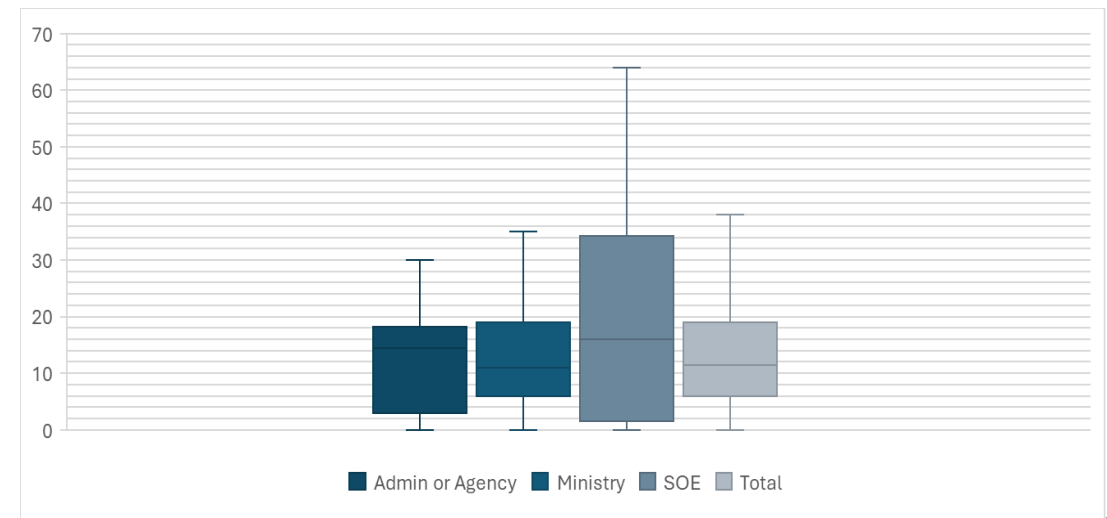
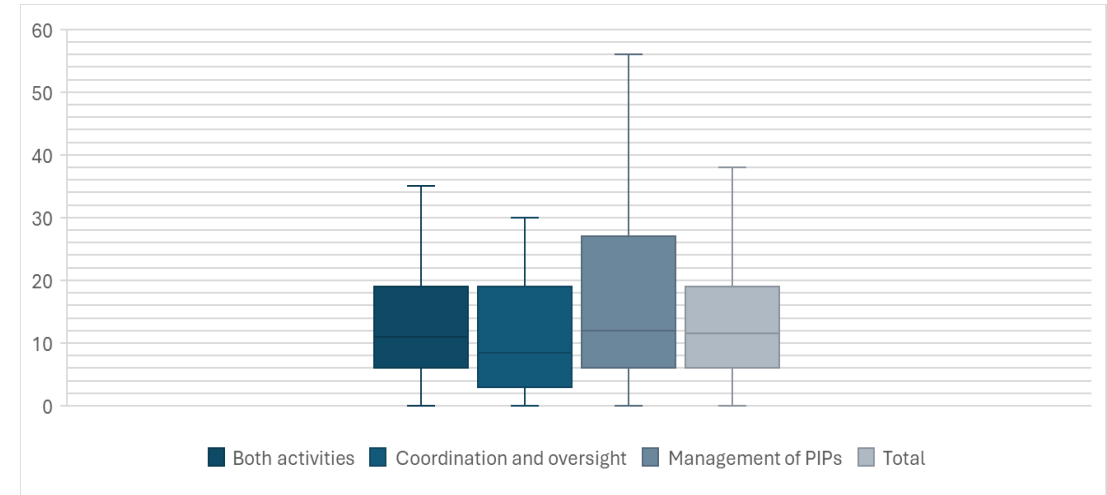
- Need for increased focus on improving PIM capacity – the combination of inputs and capabilities to transform these inputs into outputs or outcomes
- Focus on key PIM enablers:
 - Organizational arrangements (PIM units)
 - HRM, staffing, and skills
 - Digitalization

Organizing for PIM in WeBA: Status and challenges



- PIM related units/departments are generally small, with most having between 10–20 staff
- Significant staffing and some technical skills shortages exist across all PIM functions.
- Most units report medium to high education levels, but technical skills and on-the-job experience remain a challenge.
- Training and capacity-building are inconsistent; many units lack regular training plans and recent sessions.
- Multiple organization models in place with many ministries having more than one unit/team dealing with PIM
- Not all countries have one designated PIM coordination and oversight unit

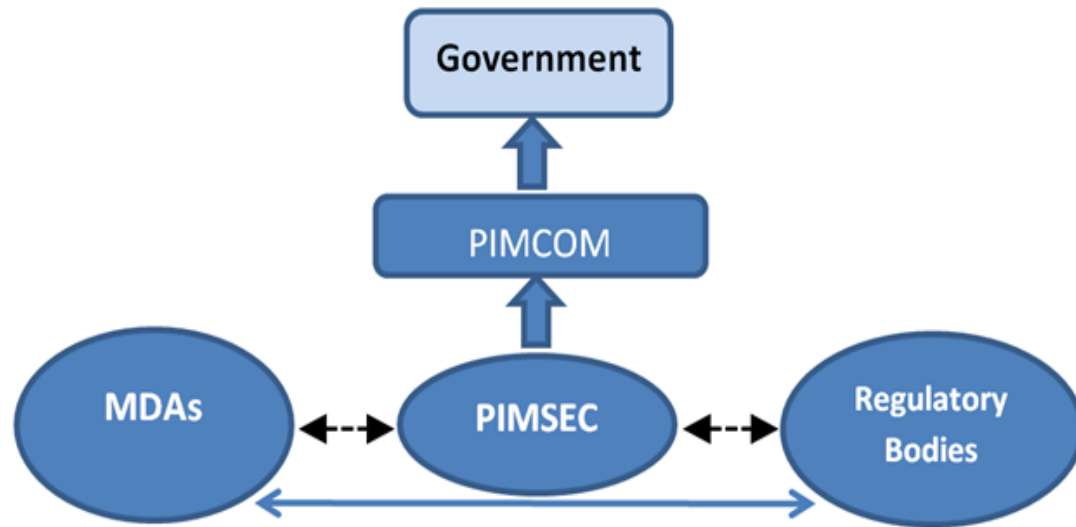
Distribution of staff per PIM Unit and per type of activity



Source: PIM Capacity Assessment Survey, World Bank 2024

PIM Coordination Units: rationale and good practices

Good practice PIM System concept



Dedicated PIM Coordination Units can...

- Consolidate scarce PIM capacity and skills
- Foster the creation of centers of excellence
- Strengthen project oversight, including review and monitoring functions
- Strengthen focus and attention to PIM as a cross-cutting policy area

Internationally, PIM Coordination Units focus on advice, scrutiny and procedures

Role/Country	France	Ireland	New Zealand	UK	Korea
Name of PIM Unit	General Secretariat for Investment	Central Expenditure Evaluation Unit	Investment Management & Asset Performance Team	Infrastructure and Projects Authority	PIMAC
Reporting Line	Prime Minister	Minister of Public Expenditure & Reform	Minister of Finance	Minister of Finance & Cabinet Office	Minister of Economy & Finance
Advisory	✓	✓	✓	✓	✓
Independent Scrutiny	✓	✓	Facilitates/ Oversees	Facilitates/ Oversees	✓
Independent Evaluation	✗	✗	✗	✗	✓
Methods & Procedures	✓	✓	✓	✓	✓
Portfolio Monitoring	✓	✗	✓	✓	✗

Key lessons from WeBa and other international experience on establishing PIM Units

Aim to add value to the PIM cycle in ways that are tangible to MDAs and other stakeholders.

Ensure the unit has a strong authorizing environment

Placing the PIMOCU “remotely” or disconnected from the Budget Department could potentially leave it without influence, and unable to command adequate financial and human resources

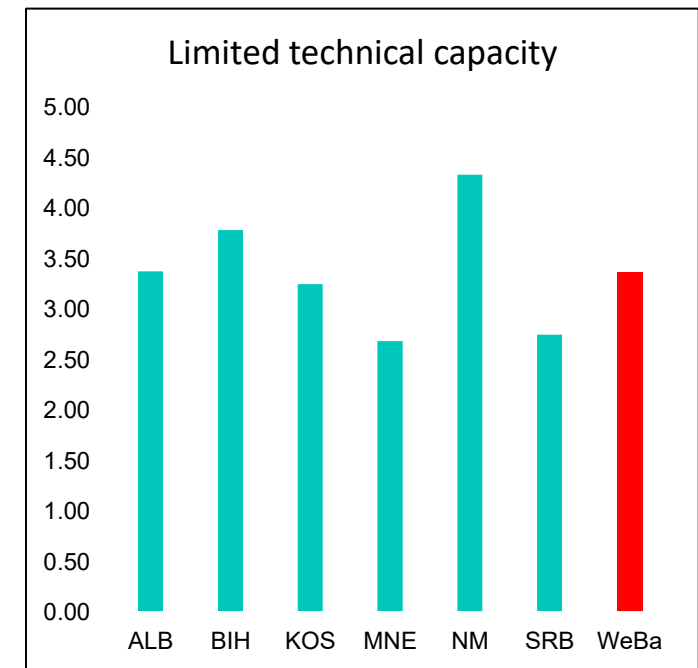
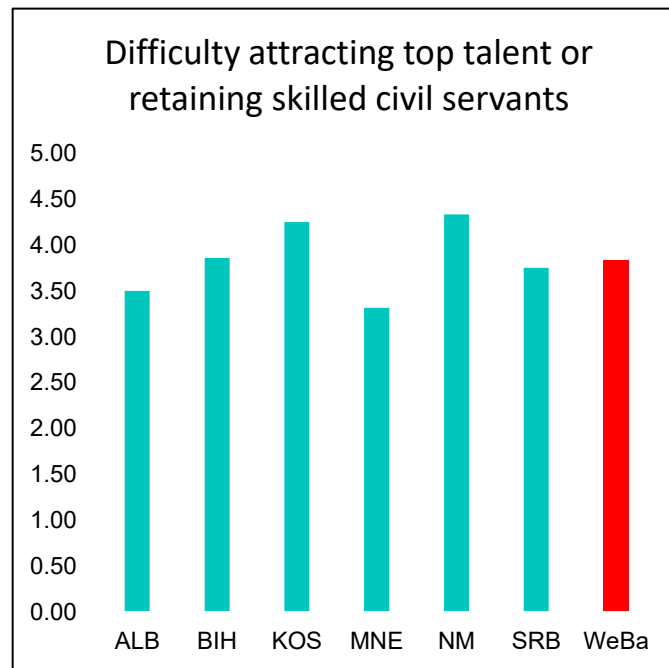
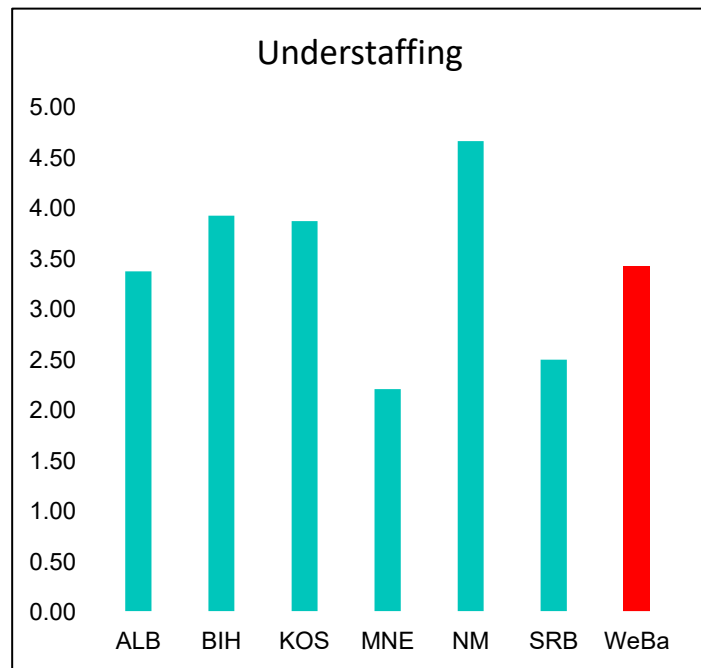
Avoid coordination issues and unhealthy rivalries.

Develop the scope of work of PIM Units only gradually to avoid overreaching.

The use of project management software, databases, and integrated IT systems (like PIMIS) is necessary for efficiency, transparency, and data-driven decision-making.

HRM, staffing and skills

The three top scorers of perceived PIM capacity constraints in WeBA



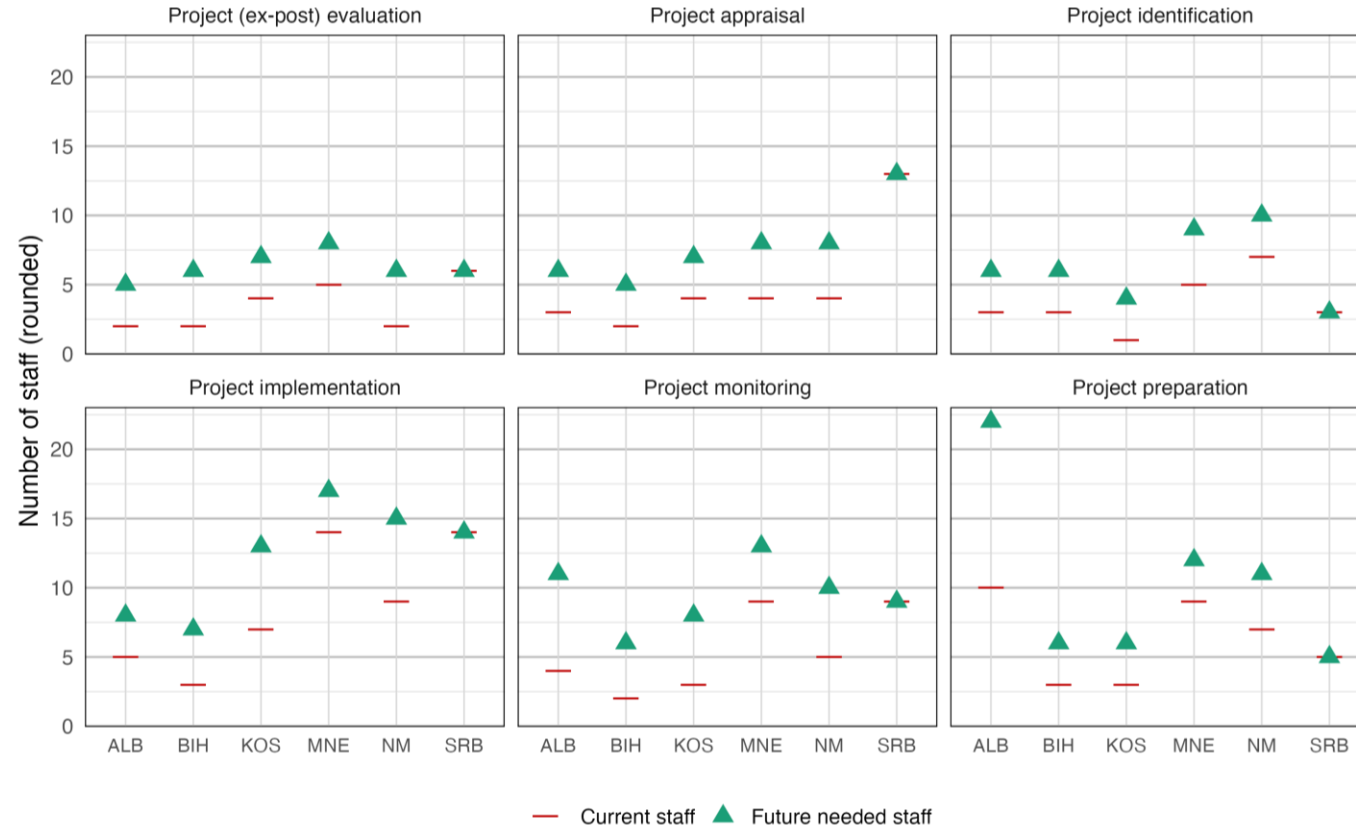
Source: PIM Capacity Assessment Survey, World Bank 2024

WeBA countries report widespread understaffing on PIM

- All countries have reported large staffing gaps across PIM tasks and types of institutions.
- Preparation, monitoring, and ex-post evaluation are the most understaffed functions.
- Albania, Bosnia and Herzegovina, and Kosovo indicate the most acute capacity shortages.
- Total staffing would need to increase by around 70% to meet current PIM demands.

Dedicated Staff and Additional Capacity Needs by Task and Country

Point = current staff | Arrow = additional staff required



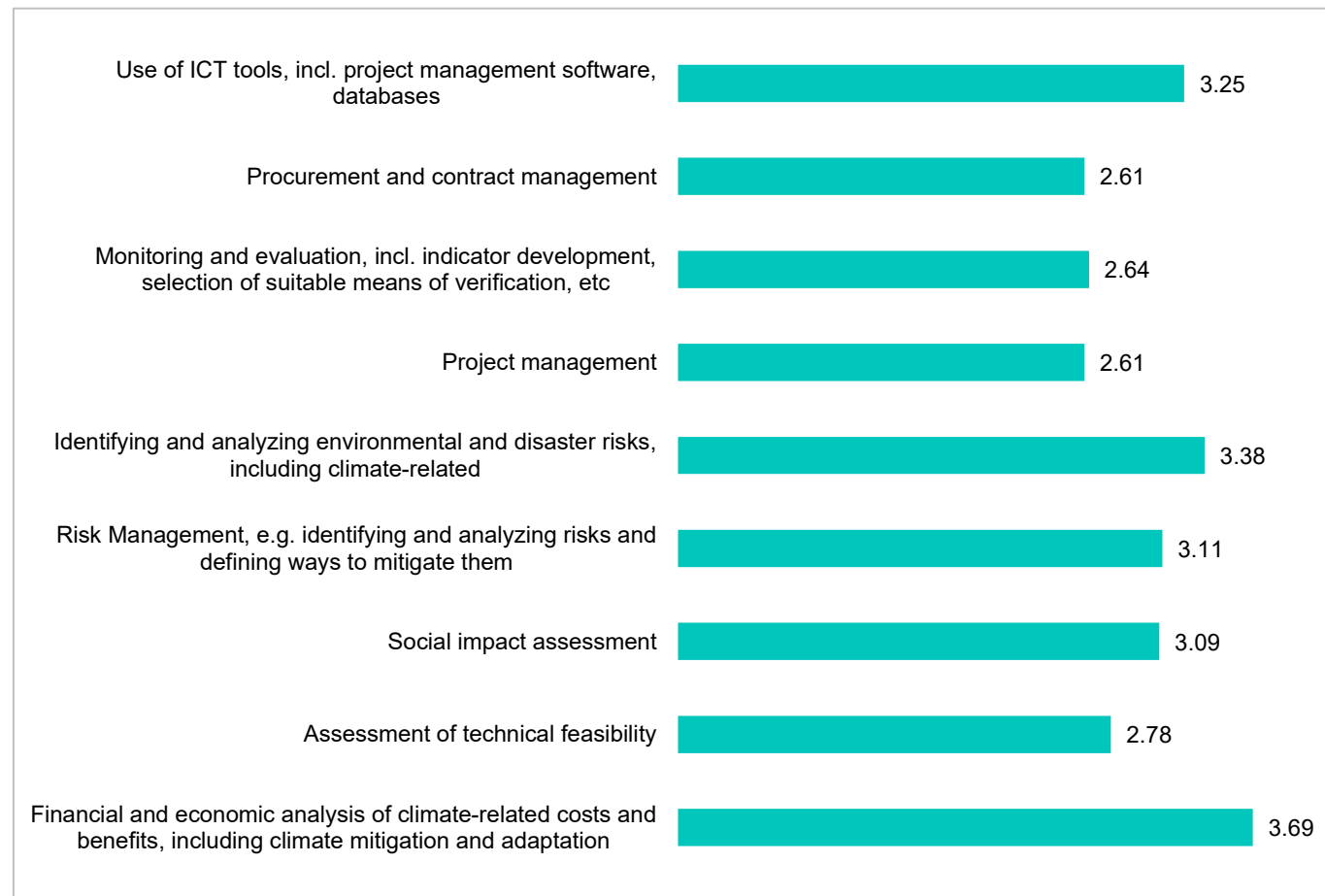
Current vs future needed PIM staff (Total, by institution)



Technical skills across PIM tasks

- Respondents indicate downstream areas as well as technical feasibility as the weakest in terms of technical skills
- More confidence on skills in financial and economic appraisal

Technical skills self-assessment in direct management of PIPs, per task (scale of 1-5 with 5= highest skills)



Source: PIM Capacity Assessment Survey, World Bank 2024

Requirements of the HRM system as a core enabler of PIM functions

Accurate and comprehensive **HR data**

Reliable and accurate **competency framework**

Job classification that reconciles differentiation of jobs with standardization for robust use

Strategic **workforce analysis and planning**

Meritocratic and effective **recruitment**

Performance management that aligns efforts with objectives

Learning & development that transposes organizational needs into staff capabilities

Career management that effectively matches jobs with the right people

Competitive, fair and fit-for-purpose **remuneration policy**



When HRM systems support the PIM function, organizations can

- Identify and define what job roles and corresponding profiles (e.g., competencies, education, seniority) are required to deliver PIM functions.
- Plan and support organizations to identify and address workforce gaps (competencies, headcount) for effective PIM
- Adequately assess, identify and recruit employees who can perform in each PIM-related role.
- Continuously adapt and/or upgrade the workforce to emerging technologies, practices and organizational needs.
- Attract and retain employees with the right competencies to deliver PIM functions.
- Motivate and empower employees to focus on delivering results.

HRM structural challenges in WeBa preventing effective PIM



Problem in HR capabilities for PIM	Menu of options for reform	Where are these used?
Recruitment does not lead to adequate staffing outcomes	<ul style="list-style-type: none"> • Define specialized jobs in the job classification • Introduce a competency framework (CF) to standardize recruitment requirements • Digitize recruitment process and adapt assessments to specialized jobs 	<p>France classifies the civil service into 29 functional domains; a CF sets basic standards for recruitment.</p> <p>Latvia classifies public jobs into 57 job groups.</p> <p>Ireland, EC, RO combine centralized recruitment based on CF with specific technical assessments.</p>
PIM expertise is not being built and/or retained in-house	<ul style="list-style-type: none"> • Improve wage competitiveness of specialized PIM jobs • Develop customized L&D programs and career paths for PIM 	<p>Belgium, US, Czechia, Latvia offer market premiums for specialized jobs.</p> <p>UK has set up groups of “functions” and academies to develop staff in specialized jobs.</p>
Staff underperform in delivery of PIM functions	<ul style="list-style-type: none"> • Regulate performance expectations and standards for PIM jobs • Reward top performers and/or institutions with performance pay schemes 	<p>France set minimum competency standards for all civil service jobs.</p> <p>Canada, UK, Australia link PRP with organizational performance.</p>
Top management is not professionalized and held accountable for delivery of PIM function	<ul style="list-style-type: none"> • Link individual performance and accountability with PIM metrics • Introduce specialized recruitment that introduces competency as a criteria before political vetting 	<p>UK, US, Canada, Netherlands evaluate SCS on financial management results (inter alia).</p>

Digital PIM in WeBA

Mixed progress on digitalization

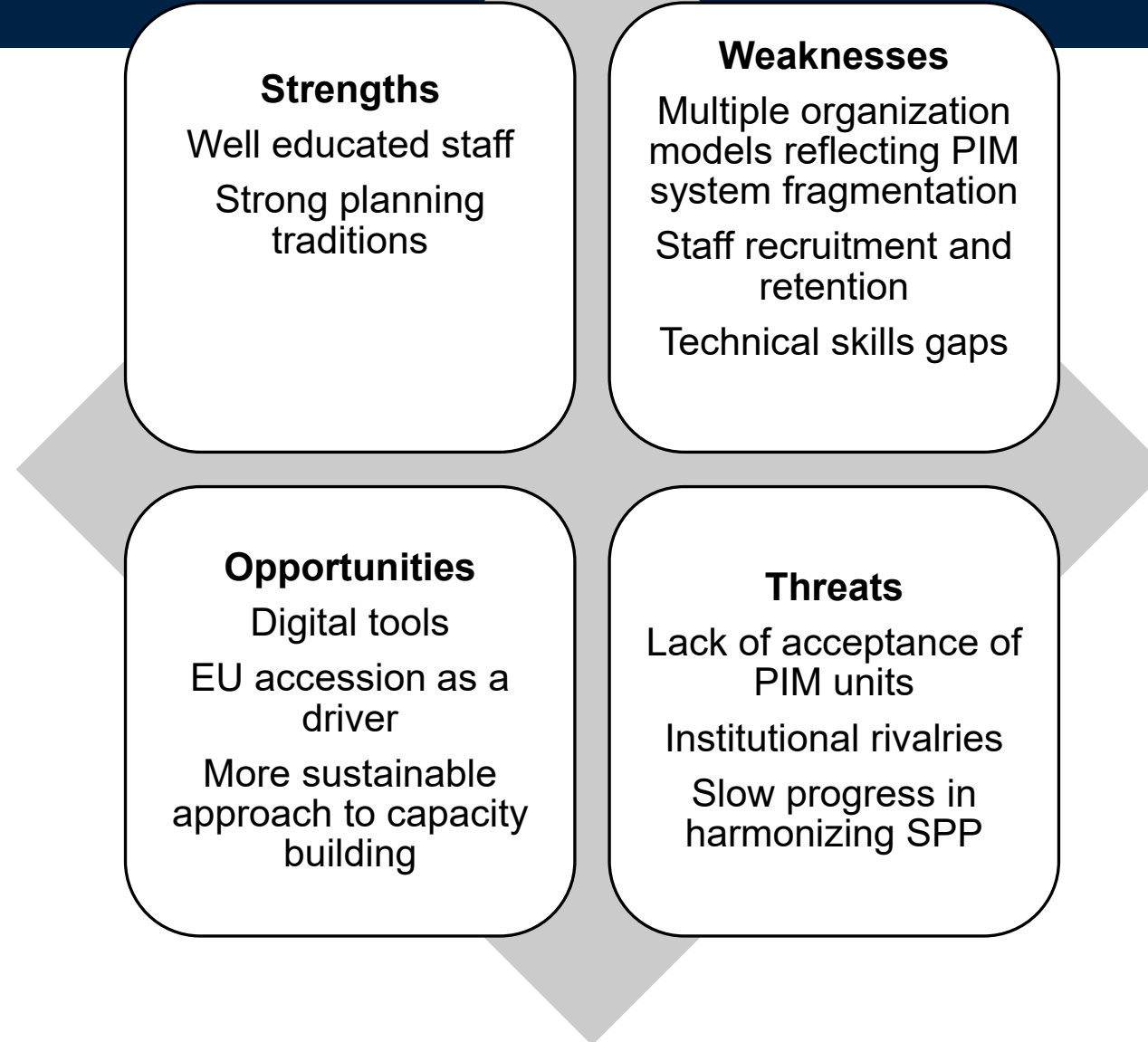
Country	PIM information system (PIMIS in place?)	Type of PIMIS software	PIMIS functional capabilities	Does PIMIS exchange data with other systems?	Publishing of PIMIS project database, results?
Albania	In place	Custom Software	R + PIM + Monitoring	Yes	No
Bosnia and Herzegovina	In place	Custom Software	R + PIM + Monitoring	Yes (via interfaces)	No
Kosovo	Partially	Unknown	Unknown	No	No
Montenegro	no	Unknown	Unknown	No	No
North Macedonia	no	Unknown	Unknown	No	No
Serbia	In progress	Custom Software	R + PIM + Monitoring	Yes (via interfaces)	No

- Two countries in the region did not yet implement a PIMIS, while two others are still working on it
- Digitalization is both an enabler of PIM outcomes, and a reflection of country PIM outcomes ownership
- Functional PIM digitalization demands particular functionality, including often inter-linkages with other core public sector financial management information systems
- PIM digitalization could benefit from being more end-user and outcome focused, and agile in the way it is delivered

Note: R = only registry; R + PIM = registry and PIM cycle; R P M = Register, PIM Cycle, Project Monitoring

Source: Adapted from Govtech Maturity Index, World Bank 2024

Enabling PIM in Weba: Strengths, Weaknesses, Opportunities, Threats



Thank you



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