



# Overview of public investment management practices and reforms in the EU

*Towards more effective public spending: EU-Aligned Reforms in Public Investment Management and Spending Reviews*

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*\* Disclaimer: The views expressed in the slides and during my speech are my own and cannot necessarily be attributed to the European Commission.*

# Outline

1. Rationale for a Public Investment Management (PIM) workstream at the European Commission (COM)
2. Overview of practices in the EU
3. Conclusions

# The European Commission approach

## Context

DG ECFIN is responsible for **macroeconomic and fiscal policy surveillance**, while *DG REGIO* is responsible for managing *Cohesion Policy*

New **EU Economic Governance Framework (2024)** with the medium-term fiscal structural plans at its core, has renewed emphasis on structural reforms and investments

## WHAT

- Analysis for the preparatory committees of the Economic and Financial Affairs European Council (ECOFIN), which *inter alia* monitors budgetary policies in the EU Member States
- Part of the regular EU macroeconomic surveillance tools, angle: **sound fiscal policy at the national level** (incl. spending reviews, green budgeting, climate-related fiscal risks)

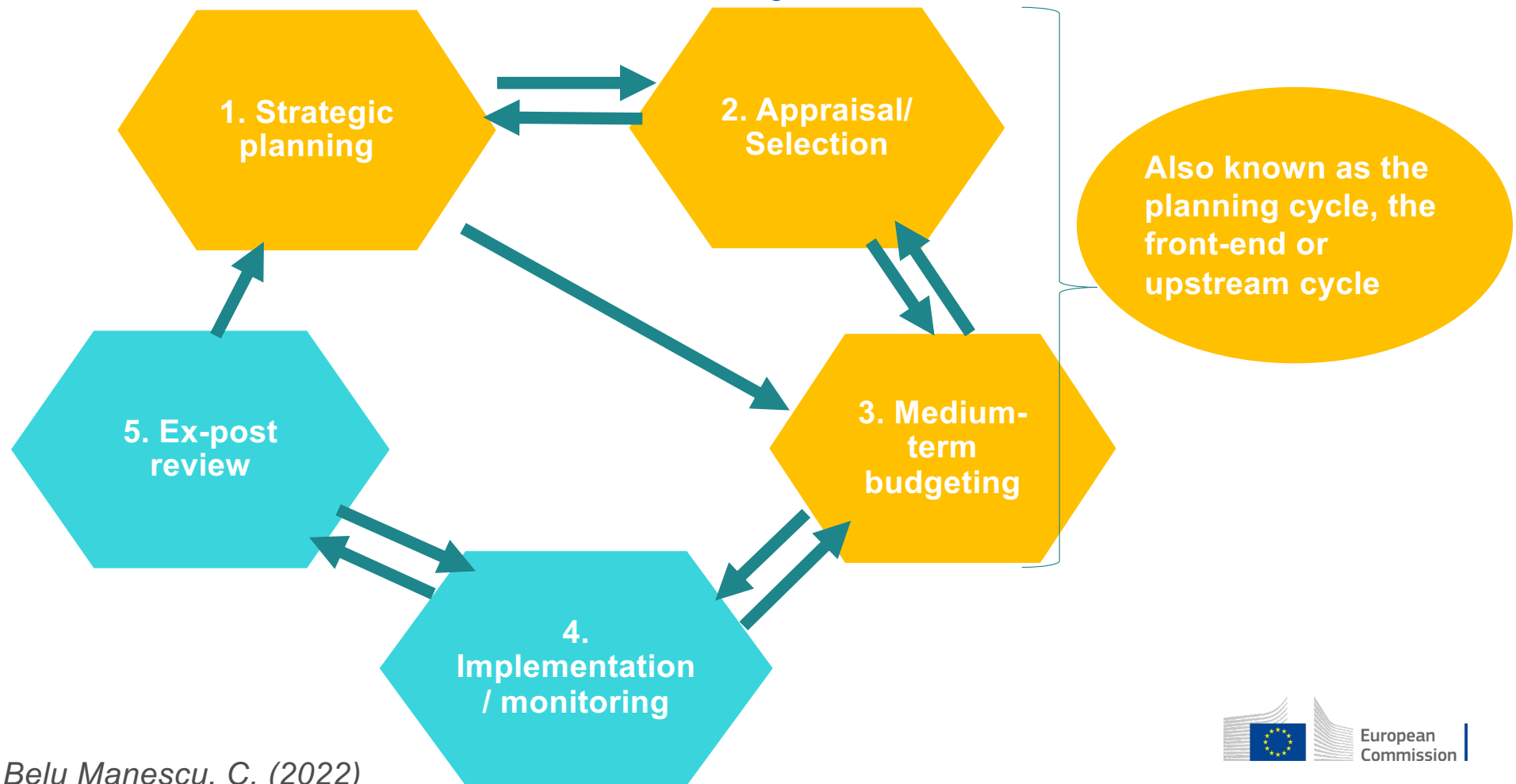
# The European Commission approach

## HOW

- Identify **key concepts** along the investment cycle for mutual understanding:
  - Belu Manescu, C., 2022, "[New Evidence on the Quality of Public Investment Management in the EU](#)", *European Economy Discussion Paper* no.177, European Commission.
  - Zerjav, Holsten [to complete]
  - Belu Manescu et al. (2026) PIM paper [to complete]
- Data repository: **run surveys with all Member States**
- Manage an informal EU network of **national experts on public investment management**
- Provide theoretical support for COM **technical assistance on PIM**

# *National practices for public investment management*

# The investment cycle



Source: Belu Manescu, C. (2022)

# COM Survey: concepts and findings (1 of 2)

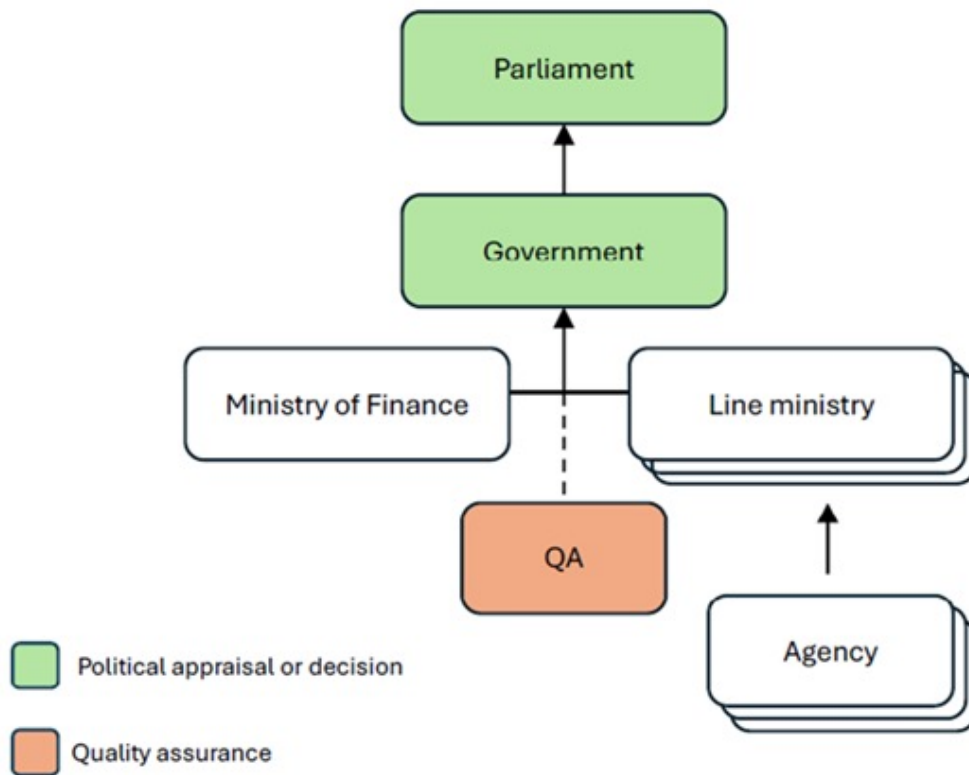
Stage	Key concepts	Findings
<b>Strategic investment planning</b>	Broad objectives; deliverables; costings; link to budgeting and capital estimates;	<ul style="list-style-type: none"> <li>• Most EU Member States have strategic planning in place, but their coverage and link to budgeting and capital estimates vary significantly</li> </ul>
<b>Appraisal/ selection</b>	Standardised procedures; central guidance; central review; independent reviews;	<ul style="list-style-type: none"> <li>• Standardised procedures are common, while independent reviews are in place only in some countries for large projects</li> <li>• Central guidance and central review of projects are in place in about half the Member States only</li> </ul>
<b>Medium-term budgeting</b>	Forward capital estimates; medium-term capital ceilings and binding multi annual commitment appropriations; maintenance costs	<ul style="list-style-type: none"> <li>• While forward capital estimates are common, multi-annual commitment appropriations are rare;</li> <li>• Transparency on investment budgets beyond concerned ministries is weak.</li> <li>• Maintenance is often not allocated to the budget</li> </ul>

# COM Survey: concepts and findings (2 of 2)

Stage	Key concepts	Findings
<b>Monitoring/ implementation</b>	By the implementing agency and line ministry, but also centrally; reports published centrally	<ul style="list-style-type: none"><li>• Summary implementation reports published centrally and electronic monitoring systems in some countries only</li></ul>
<b>Ex-post review</b>	Immediate completion reports and ex-post performance reviews; reviews of the system Asset registers	<ul style="list-style-type: none"><li>• Ex-post performance reviews on a sampling basis, rarely for all projects above a certain size</li><li>• Reviews of the system tend to be rare</li><li>• Asset registers in place in only a few countries/sectors</li></ul>

**EU-specific challenges: different process for managing EU vs non-EU funded investments**

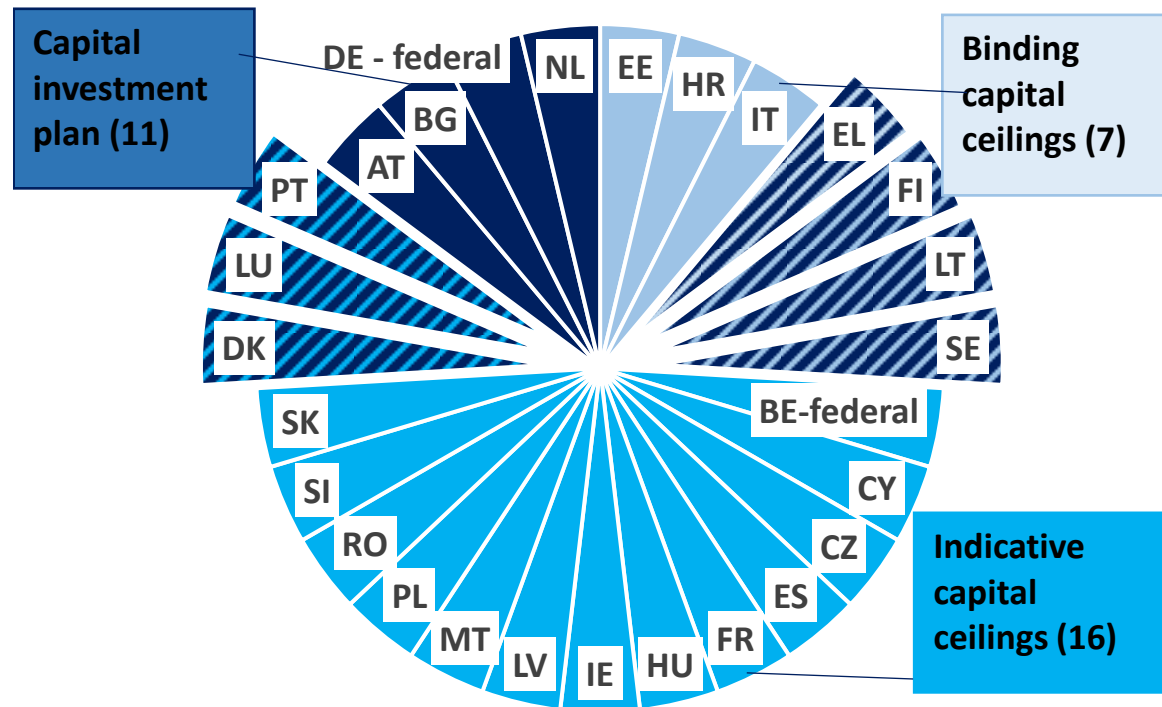
# Appraisal and Selection: Quality assurance



- Strong emphasis on the early planning phase, especially for large projects:
  - Life-cycle costs
  - Realistic costings (cost-control tools)
  - Sound cost-benefit analysis
  - Bringing in an “outside view” to project documentation
  - Sound decision-making process: the “stage-gate” model
- Strong role for the Ministry of Finance for fiscal sustainability

9 Source: Zerjav, V., Volden G. H., and M. Welde (Editors), 2026, “*Governance frameworks for major public projects. International practices and experiences*”, Wiley.

# Overview of PIM capital budgeting practices in the EU



Source: 2025 COM survey. Data for Ireland, France and Poland refers to 2022.

Note: Seven of the countries reporting separate investment plans also report indicative capital ceilings (DK, LU, and PT) or binding capital ceilings (EL, FI, LT, and SE). Belu Manescu, C. (forthcoming).

# Role of Parliament

- Approves the annual budget allocation
- Approves the medium-term financial framework (capital ceilings)
- May approve individual larger projects
- In case of large (e.g., 10%) increase in project costs.

**Good practice:** Denmark, Finland, the Netherlands, and Sweden have detailed investment plans for a 12 to 13 years horizon that are linked to the budgeting framework and show strong involvement by Parliament.

# Recent PIM reforms in the EU

- **Lithuania: integrated planning, appraisal, selection and budgeting**
  - Since 2021, investments of all financing sources are presented in the broad national development plans and the detailing sectoral and subsectoral plans.
- **Slovakia: Integrated appraisal and selection across all sectors**
- **Greece: integrated planning and streamlined payments system**
  - Since 2021, the planning of nationally financed investments sets medium-term development goals, considering complementarity and synergies with the EU co-funded investments. Further details with sector-specific goals are laid out and implementation based on a single and uniform monitoring and control system.
- Source: Belu Manescu et al. (2026) "[Lessons Learnt from Public Investment Management Reforms in Selected EU Member States](#)", *European Economy Discussion Paper 243*.

# Conclusions

- **Renewed focus on investments and medium-term fiscal planning** in the new EU Economic Governance Framework (2024, the [preventive arm Regulation](#)).
- In the EU, **practices tend to vary with sector, size and source of financing**
  - Larger projects – usually in transportation - tend to be subject to stricter rules
  - EU-financed projects tend to follow stricter rules than nationally-financed investmentsKey elements of further integration refer to **planning** (long-term and integrated), **appraisal, monitoring** and **ex-post review**.
- **Room for peer-learning**, in particular terms of planning, appraisal and selection, and budgeting

# Thank you



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# References

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- Pojar, S., and J., Bärnreuther ,(2025), “*Green Budgeting in the EU: How to Align the Various Green Workstreams for a Coherent Approach and Improved Policy Making?*”, European Economy Discussion Paper 230

[Homepage: Green Budgeting in the EU](#)

- Salmon-Genel, M., (2025), “*Assessing the Macro-Fiscal Risks from Climate Change: Concepts, Methodological Approaches, and Insights from Country Practices*”, European Economy Discussion Paper 224.
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