

Explanatory meeting on Public Administration Reform

Six Principles in practice

Brussels, 19 September 2022

European Commission

These slides accompany the explanation of the acquis to Albania and North Macedonia and can only be used for that purpose. Their content is subject to further development of the acquis and interpretation by the Court of Justice of the European Union

Principles of Public Administration

- ✓ **Strategic framework for public administration reform**
- ✓ **Policy development and co-ordination**
- ✓ **Public service and human resource management**
- ✓ **Accountability**
- ✓ **Service delivery**
- ✓ **Public financial management**



Strategic framework for public administration reform and digitalization

“Continuous improvement, innovation and digitalisation are ensured through leadership, management, coordination, effective planning and implementation of realistic and targeted actions”.

Key attention points - strategy

Credible and relevant PAR Strategy

Three aspects of the reform:

- 1) legal and institutional framework;*
- 2) implementation and capacity;*
- 3) functioning and performance.*



Some tips & (typical) challenges

- ✓ Importance of prioritising and sequencing
- ✓ Not (just) technical – (almost) always political (windows of opportunity)
- ✓ Involve those affected by the reform early (broker commitment/manage resistance)
- ✓ Having resources and capacity for reform
- ✓ Needs some experimentation / failure culture
- ✓ Innovation and (culture) change
- ✓ Green and digital transitions
- ✓ Moving beyond outputs, and achieving outcomes
- ✓ Monitoring and (continued) reflection
- ✓ Multi-level governance, and horizontal coverage (every sector – PAR = not a silo)

Another consideration...

Navigating between ...

... Hierarchies

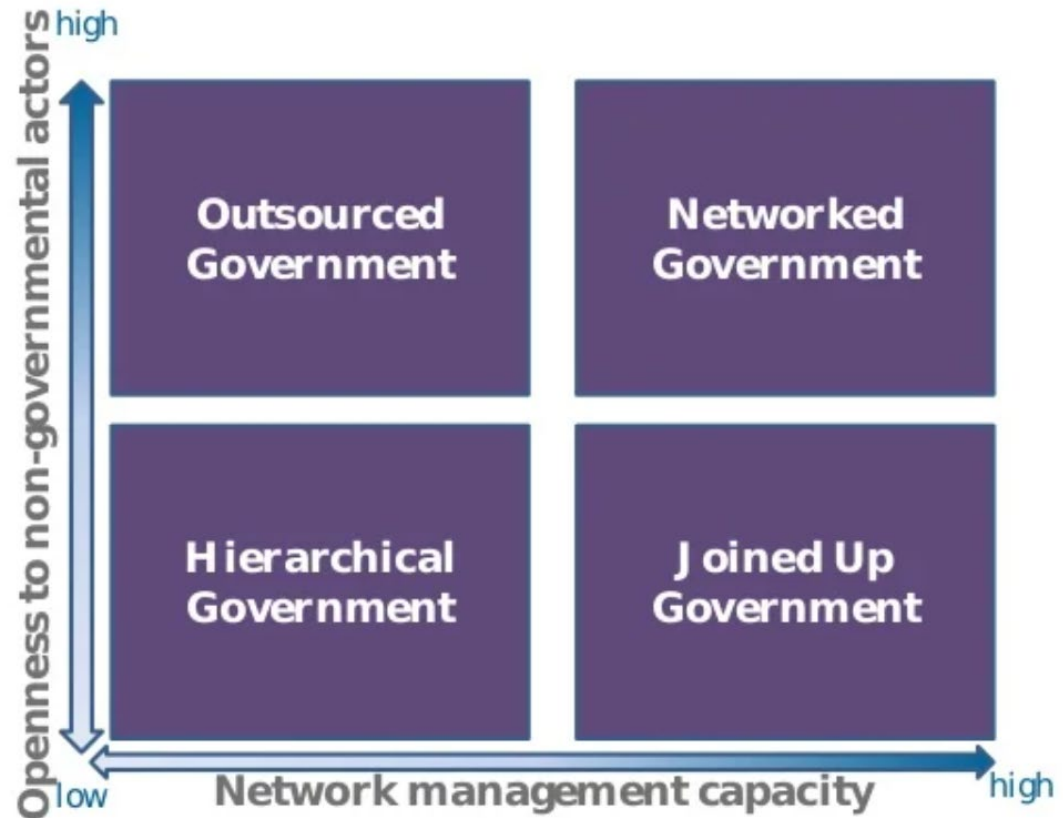
... Markets

... Networks



Civil services need to be able to manage increasingly complex problems and societal expectations.

Developing the right partnerships with external actors will be of increasing importance. Navigating between hierarchies, markets and networks will be key to state effectiveness.



OECD (2017), Skills for a High Performing Civil Service, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/9789264280724-en>.



Policy development and Coordination

Policy planning and budgets are harmonised; policy objectives are clearly defined, monitored and evaluated. Public policies are developed through an open process, based on sound evidence and analysis, coherent and well-coordinated across the whole of government.

Key attention points

- Harmonisation of policy planning and budgets;
- Definition, monitoring and evaluation of policy objectives;
- Transparent, evidence based and well-coordinated process of public policies development.

Typical challenges

- Most policies are not single sector anymore (complex), needs good communication, coordination, cooperation or even arbitration (“teach silos to dance”)
- Credible policy planning, to make it predictable and less adhoc when possible, considering fiscal impact of policies (limit emergency procedures)
- Use of evidence and quality of impact assessment (learn how to talk to scientists)

Typical challenges

- Engaging all external and internal stakeholders (including those without a voice) and the general public (substantive, not pro forma)
- Policy monitoring is not easy, needs a strong effort (focus on learning), collect and work with data
- Parliament might also need more capacity to effectively scrutinise the government policy-making system and ensure overall policy and legislative coherence.



Public service and human resources management

The public service is an attractive employer. Public servants act with professionalism, integrity and neutrality. They are recruited and promoted based on merit and equal opportunities and have the right competencies to deliver their tasks effectively

Key attention points

- Public service as an attractive employer;
- Professionalism and integrity in public service;
- Merit-based and skills-based recruitment, pay and promotion of public servants;

Typical challenges

- Even if there is a formal system for **merit-based recruitment** (and promotion and dismissal) in place, it is often undermined, thereby losing credibility
- **Inflated staff levels** without rationale and skills missing at the same time (people with wrong profile hired for the wrong reason in the wrong place).
- Competence, stability, and professional autonomy / diversity of **top management**
- The **HR function** is more administrative than strategic, and not always supported by a good (central) HR system; **staff surveys** help to test the pulse
- **Professional development** unsystematic
- Consistency of **pay levels, promotion system**

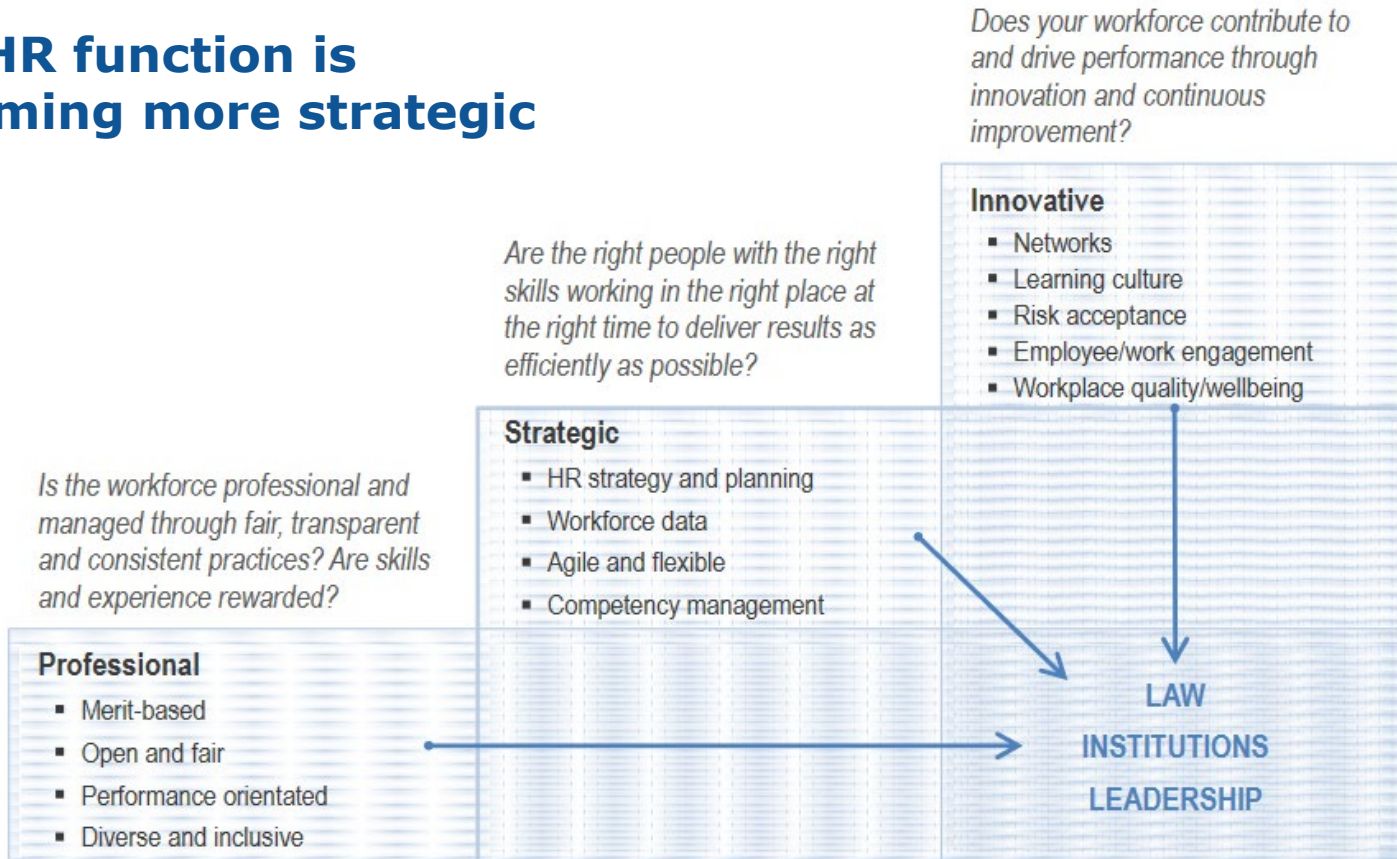
Typical challenges

*Attracting and retaining talent in the civil service tends to be an **increasing challenge** across most countries – needs some ingenuity – pay matters of course, but trust, integrity, good work environment and professionalism helps, too.*

What is your culture? (Foster integrity, service orientation and team collaboration)



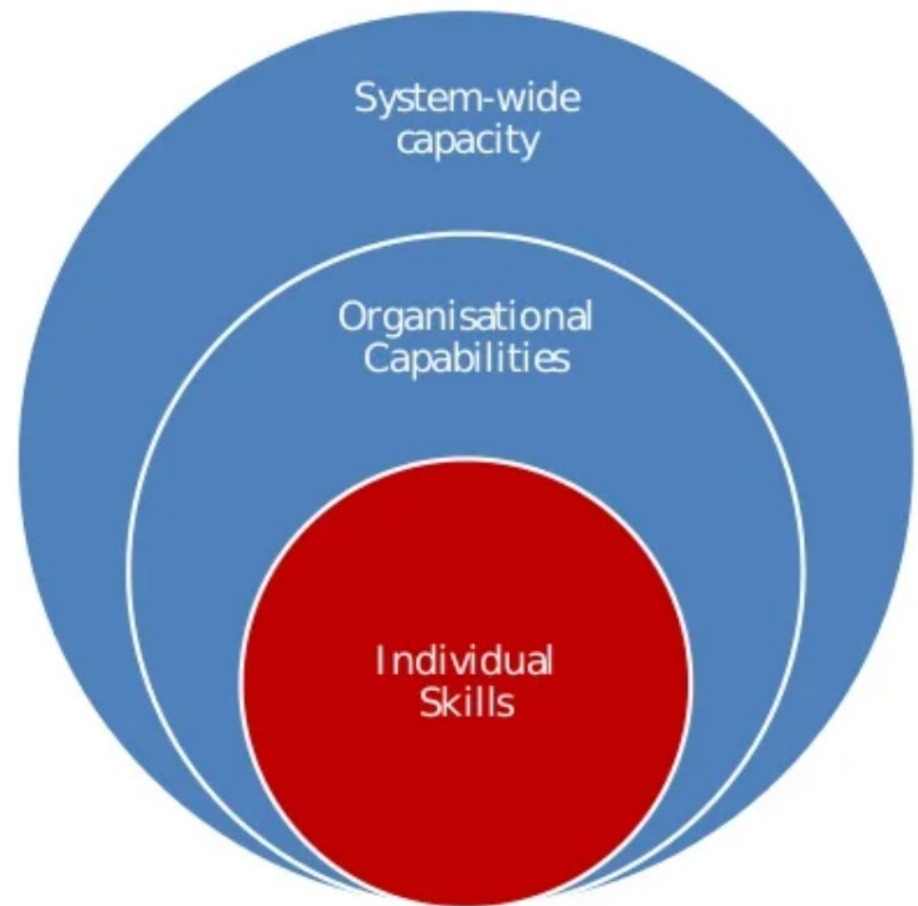
The HR function is becoming more strategic



Source: OECD (2017b), *Fostering Innovation in the Public Sector*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264270879-en>.

Skilled civil service workers are important, but they need to be able to operate in a well organised organisational environment where they can use their skills.

The various organisational entities need to be well coordinated and be able and willing to cooperate in order to be able to be effective.





Organisation, Accountability and Oversight

Public administration is organised in an efficient and effective way, and across levels of government. Public administration bodies apply clearly defined internal and external accountability mechanisms, are open and transparent, and are overseen by strong oversight bodies that protect citizens' rights and the public interest.

Key attention points

- Efficient and effective organisation across all levels of government (good cooperation and no overlaps)
- Coherence between the responsibilities and functions and the allocated resources
- Internal and external accountability mechanisms

Typical challenges 1

- **Number** of ministries & agencies, and **overlapping competences** (might need functional reviews)
- Lack of **coherent accountability** lines between supervisory and subordinate bodies.
- Too **complicated organisational structures and process** (streamlining, simplification)
- **Delegation** of authority/responsibility (control culture)
- Balance of **distribution of resources and responsibilities** across all levels of government
- **Knowledge management, Cross-service cooperation** (collaborative capacity). With limited resources, it is useful to look at competence and service centres that help others (example PL, CZ, ES)

Typical challenges 2

- **% of implementation and quality** of ombudsman, supreme audit institution, or parliament recommendations.
- **Right to good administration?** Capacity of administrative courts and appeals panels, delays in redress.
- **Risk of corruption = opportunity** (discretionary power + public resources) **minus constraints** (legal and normative)

Service Delivery

Public administration places the users at the centre and delivers high-quality and easily-accessible services online and offline to all citizens and businesses.

Key attention points

- A citizen-oriented public administration;
- Public services easily-accessible (offline and online) and of high quality for all citizens and businesses;
- Beware cyber security

Typical challenges

- “**Don’t digitize the bureaucracy**” – integrate and streamline processes (administrative simplification first)
- People struggle to **access services** (take up of e-services)
- Growing pain: **cyber attacks** (fall back options? Security infrastructure?)



Public financial management

Public administration plans and manages public finances to ensure they are transparent and sustainable and allow the delivery of policy objectives, with control, procurement and oversight arrangements in place to ensure economic, efficient and effective use of public resources.

Note: Public procurement (5) and Public Financial control (32) are separate chapters, so we don't deal with it here.

PFM - Key elements 1

- Robust and sound public financial management (PFM) systems for all elements of the budget cycle, including for revenue administration
- Credible and relevant PFM reform programme to strengthen the key PFM elements;

PFM - Key elements 2

- The budget preparation and implementation in line with the medium-term framework and fiscal sustainability;
- The domestic revenue system is fair, efficient and effective
- Identifying, monitoring and mitigating fiscal risks
- Build on relevant assessments: SIGMA, PIMA, PEFA, TADAT

Typical challenges 1

- Insufficient budget planning that might lead to the excessive budget imbalances;
- The budget execution often lacks transparency and comprehensive reporting (public trust)
- Low capacities to assess, monitor and mitigate fiscal risks

Typical challenges 2

- Insufficient public investment management skills, lack of institutional capacities and coordination
- Revenue administrations (including in the EU MSs) are under pressure to deliver more with less, while ensuring at the same time an effective deterrent for non-compliance;



Some inspiration:

- **EUPACK**
- **Toolbox**
- **EUPAN**



2020 OVERVIEW



Quality of Public Administration

A Toolbox for Practitioners
2017 edition

ABRIDGED VERSION



<https://www.eupan.eu>

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