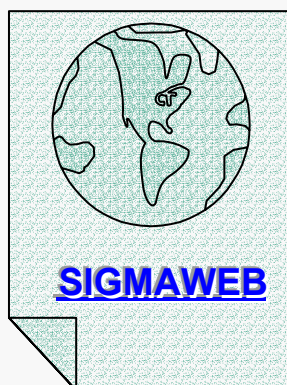


**Next Update**  
**January 2004**  
will focus on Accountability Structures

A joint initiative of the OECD and the European Union, principally financed by the EU

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## Important Sigma Contribution to EU Enlargement Process

On 5 November the European Commission adopted monitoring reports which evaluated the readiness of the ten acceding countries for EU entry on 1 May 2004 (the ten acceding countries are: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia). The summary Comprehensive Monitoring Report and individual Country Monitoring Reports show the tremendous progress made by all ten countries, which have now reached a very high level of alignment with the *acquis*. Although in a number of areas there is still work to be done, the Commission is confident that countries will achieve this by accession,

provided the necessary efforts are being made. On releasing these reports, Günther Verheugen, the European Commissioner for Enlargement, remarked that “the decisive questions are whether our institutions, common policies and internal market can function properly after accession and whether the few remaining issues can be solved before 1<sup>st</sup> May 2004. On both, my answer is a clear and unambiguous yes.”

On the same day the Commission also released the 2003 Regular Reports on the remaining three candidate countries — Bulgaria, Romania and Turkey — noting significant progress in their preparations for accession. Bulgaria and Romania must continue these efforts towards the target date of 2007 for EU entry. As for Turkey, the Commission is impressed with the determination of the Turkish Government in accelerating the pace of reforms in view of achieving compliance with the Copenhagen political criteria, but important challenges remain as the practical effects of implementing several of the reforms still remain to be seen.

As in previous years, the Commission has benefited in the preparation of its reports from the input of Sigma in its areas of expertise. This concerns in particular the areas of public service and the administrative framework, external audit and financial control, and public procurement, but as concerns Bulgaria and Romania also public expenditure management and policy-making and co-ordination. For the first time, in 2003 Sigma also assessed ethics compliance in public administrations. I would like to thank everyone at Sigma for their highly valuable assessments.

The 2003 Country Monitoring Reports and Regular Reports clearly underline the importance of an effective and reliable administration and an independent and efficient judiciary. This necessitates horizontal management systems, policy strategy and co-ordination and the efficient and transparent allocation and management of resources. The Commission will continue to support the efforts of the acceding and candidate countries in reforming their administration to this end, and Sigma is well positioned to make important contributions.

The next months will see continued reform activities in Central and Eastern Europe, with all acceding countries preparing their administrations for membership in the European Union. At this exciting moment in the history of Europe, it is important to make everyone aware of the progress achieved by candidate countries, to encourage dialogue between policy-makers and practitioners, and to facilitate exchange of information. I am therefore very pleased to welcome Sigma’s new web site and online newsletter.

**Matthias Ruete**  
Director  
Co-ordination of Negotiations  
& Pre-Accession  
Bulgaria, Romania, Turkey  
EC/ DG-Enlargement



## Thessaloniki Agenda Guides the Western Balkans

The Western Balkans Summit held in Thessaloniki in June 2003 provided an important new impetus to the Stabilisation and Association process. For several years this process has been the foundation of the European Union's policy towards the Western Balkan countries.

In Thessaloniki the countries' perspective of becoming members of the European Union was once again reaffirmed. It was also made clear that the pace at which they can progress towards the EU is in their own hands — they must fulfil the same criteria as all other countries aspiring to join the Union.

The countries of the region made a serious commitment to work towards this goal.

It was agreed that the Stabilisation and Association process would be reinforced by borrowing certain elements from the enlargement process. The task now is to ensure that progress already made is irreversible and constitutes the foundation for further steps forward.

The Summit endorsed the Thessaloniki Agenda, which places particular emphasis on enhancing support for institution-building and for the rule of law in the five countries. In this respect, the work carried out by Sigma for the Commission plays an important role. Building on its experience in economic transition in the context of EU enlargement, Sigma is in a unique position to provide comparable guidance to the countries of the Western Balkans in line with the intentions of the Thessaloniki Agenda.

Sigma's 2002 reports, prepared at the Commission's request, were elaborated in wide-ranging areas, such as civil service, legal framework, tax, audit, public expenditure, administrative reform and public procurement. All of these reports have served as an important basis for our work. The Commission now looks forward to receiving the 2003 assessment reports on public administration reform in Western Balkan countries. These reports will both underpin our analysis and monitoring of progress in the Stabilisation and Association process and support assistance programmers and task managers in their work.

We welcome the launch of Sigma's new electronic newsletter *Update* and the increased awareness about Sigma activities which will entail. And we look forward to the future results of Sigma's work.

**Reinhard Priebe**  
Director  
Directorate D — Western Balkans  
EC/ DG-External Relations



## Public Administration Reform for Europe — Building a Professional Community

It seemed strange at first sight. To promote economic development and the private sector, we set out to reform the public sector; to promote democracy and the rule of law, we set out to reform the bureaucracy. And yet that is what transition has turned out to be about. In transition countries, the State was both the main subject and the main object of reform. As the developer and implementer of public policy, it was the instrument for reforming the economy and society, but it first had to reform itself. Reforming the State has proved to be the most difficult transition task, which no country can claim to have completed. However, most have completed basic reforms and are now moving to consolidation and modernisation.

For the countries of Central, Eastern and Southeastern Europe eager to rejoin the mainstream of European development, reforming the State, and especially public administration, became the defining idea of transition. And for those countries with ambitions to join the European Union, reform of the State was established as the decisive qualifying factor for membership, underpinning all of the “Copenhagen criteria”. Most of these countries are now on the brink of joining, which crowns their truly heroic efforts over the last 14 years. But the latest Commission reports signal that they still have much work to do — work that is in their own interests so that they can make the most of EU membership.

The countries in the Western Balkans are still coming to terms with the traumatic events of the 90s. But the prospect of membership and the EU’s Stabilisation and Association process provide the only available consistent, stable and coherent framework. Drawing on its experience with current candidates, the EU has given highest priority to administrative reform, which underpins regional re-integration as well as economic and democratic development. The NIS countries are also struggling with administrative reform. Lacking the strong motivation of eventual membership of the EU, they are finding it more difficult to achieve the critical mass of resources and political attention. Their efforts are nevertheless supported by a general recognition that administrative reform is necessary for economic development and for the consolidation of democratic systems of government.

Most administrative reform efforts focused initially on the priority of assuring the financing of the State (i.e. tax) and then on the crucial economic functions. However, it is now widely recognised that the State can only function effectively, and with integrity, if it has a constitutional and administrative framework that ensures legal certainty, sound management and effective control of public resource. Reform and consolidation of the “horizontal” systems of administration are now seen as essential goals.

The scope and nature of the administrative reforms in transition countries are unprecedented. Reformers, often lonely voices in their own countries, have been learning by doing. That is why they have been so keen to learn from each other across national frontiers, and to ensure that the lessons learned by the more advanced, acceding countries are transmitted to those that follow.

The Sigma web site and the e-zine are designed to support this process of mutual learning. We hope that it will foster exchange among all those involved in the great work of administrative reform and strengthen them as a professional community.

**Bob Bonwitt**  
Head of Sigma Programme

## Sigma Launches its New Web Site

Sigma is very proud to officially announce the launch of its new web site — **Sigmaweb** — which actually went live at the beginning of October. Our main target audience consists of policy-makers and practitioners in public administration, as the site provides up-to-date information on public administration reform (PAR) in countries of Central and Eastern Europe and the Western Balkans, and aims to encourage dialogue and networking on PAR among these groups. But we hope to also catch the interest of the general public in the ongoing administrative reform being carried out in these countries. Sigmaweb facilitates access to Sigma publications and reports on PAR, and includes links to other sites providing information on public management and administrative reform.

Sigmaweb includes information and the latest news on how accession is proceeding for EU candidate countries and how Western Balkan countries are moving towards the EU via the Stabilisation and Association process. Earlier this month Sigma posted on the site the EU's *Comprehensive Monitoring Report* and individual *Country Monitoring Reports* on eight central and eastern European countries entering the EU in May 2004, as well as the *Regular Reports* on Bulgaria and Romania. To facilitate information-sharing and increase the visibility of the Sigma Programme as a joint EU/OECD initiative, Sigmaweb has set up numerous links to the EU's Europa web site.

We have tried to design as user-friendly a web site as possible. Information and documentation have been organised under 10 main "tabs" to simplify and facilitate navigation. Information entries will of course be continually updated, documentation resources expanded, and additional links set up. We welcome any suggestions for improvement that you may have, and urge you to inform us of any errors that you may notice (our apologies in advance!).

With the continual transformation of the EU landscape, the Sigma web site will also undergo structural changes in the coming months and years. Eight countries in Central and Eastern Europe will become EU members on 1 May 2004, and Bulgaria and Romania hope to join in 2007. In Western Balkan countries, the steady progress of reform will also necessitate a continual renewal of Sigma web site information. Sigma welcomes this challenge, and has set the improvement of communication as one of its major goals for the future.

This first issue of *Update*, our new "e-zine", is devoted to the relaunch of Sigma's communications programme. Subsequent issues will focus on a particular topic of concern to public administration policy-makers and practitioners, with contributions from EC and OECD staff as well as experts from countries in Central and Eastern Europe and the Western Balkans.

Once again, we welcome your suggestions for improvement of **Sigmaweb**, and look forward to hearing from you by e-mail (just click on "e-mail us" at the top right corner of the page, directly underneath the main tabs).



## We've Moved into New Premises



A joint initiative of the OECD and the European Union, principally financed by the EU

The staff at Sigma (minus nine of our colleagues on mission or holiday) gathered for this photo in front of OECD's new premises at La Défense, a modern business and residential centre on the outskirts of Paris. Our mailing address remains unchanged (2 rue André Pascal, 75775 Paris Cedex 16), but our new visiting address is:

Tour Europe  
24<sup>th</sup> floor  
33, place des Corolles  
92049 La Défense

Telephone: (33 1) 45 24 13 17 Fax: (33 1) 45 24 13 00  
e-mail: [sigma.contact@oecd.org](mailto:sigma.contact@oecd.org)

