

**THE INTERNATIONALISATION OF POLICY-MAKING
INSTITUTIONAL AND ORGANISATIONAL OPTIONS TO INTEGRATE DOMESTIC AND
INTERNATIONAL ASPECTS OF POLICY MAKING**

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PREFACE

This publication is the product of the Workshop on the Internationalisation of Policy Making which SIGMA organised in July 1995 at the College of Europe Natolin, near Warsaw. The purpose of the Workshop was to provide an opportunity to senior practitioners from Central and Eastern European countries to discuss the implications of the internationalisation of policies for governmental systems, and to examine structures and processes for the integration of domestic and international aspects of policy making. Drawing on the experience of OECD Member countries, and of different "generations" of Member countries of the European Union, the Workshop enabled the participants to compare different types of coordination mechanisms, and to draw practical advice for the improvement of policy-making systems.

FOREWORD

by Derry Ormond, Head of the Public Management Service, OECD

One of the most important effects of internationalisation on government is to raise the stakes of effective policy making. For example, we observe in OECD countries that establishing a comparative advantage is highly rewarded, and that policy-making dysfunctions are heavily penalised, both directly and in terms of opportunity costs. We are also observing that the international system itself is evolving in response to global, not only European, change, and that, as a result, OECD countries are pushing ahead with reforms in many areas of public management. The implications of those observations for Central and Eastern European countries and others are that entry into, and partnership within the evolving global and Euro-Atlantic systems require thorough and continuous reform of public management.

For Central and Eastern European countries, effective adaptation to internationalisation depends on an understanding (though not necessarily a copying) of Western systems, institutions and laws. It also depends on a major investment in people and knowledge-acquisition because, like Western countries, they must face the structural and administrative adjustments which are needed to deal with increasing interdependence. They need to find adapted solutions to the important problems all governments are facing in the new context: What new roles for the Foreign Affairs Ministry, the Finance Ministry? Where do line ministries fit in the overall process? What is the role of the centre of government? Is there a need for more horizontal structures? New coordination mechanisms?

Most Central and Eastern European countries approach internationalisation issues from the perspective of European integration -- a central policy thrust for many of them. This provides a concrete, empirical focus on issues. But the focus on accession must not distract policy makers from the wider issues governments are facing in relation to the international context. Nor should it prevent them from seeing the opportunities which internationalisation opens, such as the exploration of joint solutions to policy problems governments cannot solve alone (eg, environmental protection, international crime), or intergovernmental exchanges on policy options (public management reform strategies in OECD countries show increasing evidence of cross border flows of reform ideas).

What OECD policy makers are learning about globalisation confirms one of the fundamental tenets of public administration: that *policy making is a politico-administrative system which can, and must be the subject of design, management and adaptation*. This means that Central and Eastern European governments, which, like others, are now routinely confronted with conflicting pressures arising from the growing interpenetration of domestic and international issues, must focus their efforts in key areas:

- *A strategic approach*. Efforts to harmonize policies in the rapidly evolving and multi-faceted contemporary context require a strategic approach based on an overall perspective of the issues and on long-term objectives. A ranking of interests must be established. Priorities must be determined and pursued consistently, in order to reduce the risk of straying off course and pursuing contradictory objectives.
- *A coordinated approach*. It is of the highest importance that governments develop structures (eg, ministries, agencies) which are clearly responsible for well-defined policy areas. Only then can effective coordination mechanisms be established between all the actors involved in policy making and implementation. It is also important that there be a central focus of

coordination for complex policy areas involving many ministries, such as European integration.

- *Improving legislative and regulatory management systems.* Governments must continue to strengthen the institutions and processes that produce and implement legal instruments. This is a fundamental requirement for the development of public institutions that can sustain market economies and provide a base for democratic pluralist systems. It is also needed in order to support the approximation of laws process in preparation for the European internal market.

- *Human resources development.* No government can function well without developing at all levels of the administration a strong capital stock of human resources, with language skills and specialised knowledge in fields such as economics, law and public administration. These efforts must be accompanied by measures to provide senior civil servants with *career continuity*, as well as opportunities to gain *international exposure* and to use their *accumulated experience*.

THE INTERNATIONALISATION OF POLICY MAKING

Jacques FOURNIER

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INTRODUCTION

1. All the countries in the world are now confronted with what is variously called the globalisation or the internationalisation of policies. These words do not mean precisely the same thing, but they do indicate the same trend. Taking the latter, we define it as expressing the growing weight of the international dimension in the conduct of national policies. This dimension affects all fields of public action. It has world-wide ramifications, which justifies the use of the term globalisation too.

2. The countries of central and eastern Europe, like all the other countries in the world, are now having to adapt the planning and pursuit of their public policies to the new situation resulting from the globalisation of the economy and the internationalisation of policies. These problems arise for them in an entirely new fashion as compared with the previous situation, and they are having to deal with them in a very short space of time. It is therefore useful that they should be able to deepen their examination of the subject and compare their experiences with one another and with those of the OECD countries which have had to face the same difficulties.

Trends and factors

3. The phenomenon of internationalisation has technical, economic, cultural and political dimensions. Technical progress in the field of transport, and even more today in the information technologies, have brought a fantastic increase in the possibilities for communication. As a result, the world really has "shrunk". London and Tokyo are as close to one another as two chalets in an alpine village.

4. The liberalisation of trade and investment flows has permitted the constitution of a global economic area within which the strategy of the big multinational corporations is tending to become the main factor in the location of activities. The circulation of ideas, information and products is bringing consumption patterns closer together, and provoking the emergence of a cultural model spreading ever more widely throughout the world, a factor which governments cannot ignore.

5. At the same time as the affirmation of national identities, which remains one of the major trends of the present period, we are witnessing (notably in connection with a number of conflicts in the Middle East, Africa and Europe, and in the action of the international institutions) the emergence of a world political conscience.

The impact on public policy making

6. There is no longer any field in which public action can be conducted without taking into account the international environment. This is primarily true in relation to economic policy, whose effects on growth, exchange rates and employment are directly conditioned by capital movements, the strategy of the multinationals, the action of the international institutions like the World Bank and the IMF, and the decisions taken at the G7 summits.

7. It is also true of social policy, which increasingly has to take account of the requirements of economic competitiveness, either in a passive way, eg, by limiting social expenditure so as not to increase costs, or in an active way by seeking to "export" social standards to competing countries.

8. But the impact of globalisation reaches far beyond such considerations, when it comes to dealing with the major problems on which the future of our planet depends, such as those concerning population growth (Cairo Conference of 1994) and the environment (Rio, 1992), or the cooperation necessary to combat today's social scourges (crime, drugs, AIDS) and control the migration of people.

9. The constraints imposed by this situation on the framing and implementation of governmental policies are not all of the same magnitude. They result either from facts whose reality has to be taken into account by governments, or from legal norms which bind them. In either case, they can be imperative. It should be noted however that:

- first, the pace of the internationalisation of policies has tended to accelerate greatly in recent years. This has resulted in the first place from the "information revolution" we have seen over the past twenty years, and more recently from the breaking down of the barriers between East and West;
- secondly, this phenomenon is particularly marked in Europe by the progressive construction of the European Union.

The specificities of European construction

10. For the 15 countries of the European Union, and for those which are candidates for accession, the European dimension gives the phenomenon of the internationalisation of policies a unique nature. This specificity, which now distinguishes Europe from all the other regions of the world, stems both from the all-embracing nature of the European approach, and from the force of the constraints it imposes on member states.

11. European construction began with the creation of a common market within which competitive mechanisms could work freely. But over the years it gradually emerged that, on the one hand the dynamism of the concept of competition necessarily led to placing all sectors of economic life under the discipline of the Community, and on the other that European construction required the implementation of a certain number of common policies, the scope and degree of constraint of which became progressively wider and deeper, leading to the conclusion of the Maastricht Treaty.

12. In addition, the European construction gave rise to the introduction of legal procedures and mechanisms for the integration of domestic laws and policies into Community laws and Community policies. We are thus passing, and this is an extremely important step, from the stage of simple negotiation leading to the conclusion of agreements, which of course are binding on states, but leave them free to take the measures necessary for their application, to that of integration in a set of institutions which, even though there may be some reluctance to speak of federalism in this connection, have supranational powers of decision.

13. European member states have entered fully into this mechanism. They have agreed to a loss of sovereignty in a number of areas, and therefore have to accept the consequences. They can no longer decide alone on a good many issues. The work of national governments, and their participation in the various bodies of the European Council of Ministers are constantly interacting. Member countries have to transpose into national legislation, or directly apply within their borders, Community directives and regulations. They have had to respect these constraints, which affect all areas of governmental action, and to introduce appropriate structures and procedures.

14. The candidate countries for EU accession are in a different situation, but no more comfortable for all that, because they have to both prepare for difficult negotiations, and start to adapt their legislation and their policies to the situation which will result from those negotiations. They too must equip themselves in order to be able to approach these problems adequately.

The case of central and eastern European countries

15. The problems connected with internationalisation arise in a particularly acute form for the countries of central and eastern Europe. Paradoxically, it is at the very moment when those countries are acceding to a real degree of sovereignty that they must accept certain limitations on its exercise. The issues they must resolve in that process are at the same time numerous, new and urgent.

16. The problems are numerous: the question of accession to the European Union, which these countries are approaching in different ways, is by no means the only one. There is a broader process of internationalisation involved here. It concerns in particular an opening to international trade, building relations with the new World Trade Organisation, strategic questions and relations with NATO, and relations with other developed countries, which might be promoted through the intermediary of the OECD, accession to the Council of Europe, etc.

17. These problems are new to a large extent. The international relations framework for these countries has changed beyond recognition. Geopolitical solidarities, trade flows, economic mechanisms, and places for meeting and decision-making are no longer the same. As a result, as regards public management, there is a greater need to reflect upon these issues, and to put in place the mechanisms required for effective action.

18. Lastly, the problems are urgent. The transition period cannot be extended too long without risk for the security, economic health, and social cohesion of the countries concerned. They very strongly feel the need for stabilising as rapidly as possible their new situation. This implies conducting what may turn out to be particularly complex negotiations within a comparatively short period of time. From this standpoint, again, it is important to set up appropriate decision-making structures and procedures.

I - STRATEGIES

19. For the countries concerned, internationalisation is a constraint, but also an opportunity. It is an evolution imposed from outside, but it may also be a desired one. All the more advantage can be derived from it if the country has already been able to define and implement a strategy aimed at promoting its vital interests. The preparation of such a strategy has to take account of the main characteristics of the internationalisation process.

A global approach

20. The internationalisation process is all-embracing. It involves all the country's activities. This is particularly true of European integration. All policies, all ministries, are involved. Each has interests to defend and vindicate. This first characteristic has several consequences.

- The necessity to take an *overall perspective* of the problems, and to understand that it is not possible to win on all fronts. A ranking of interests must be established, and priorities must be determined.
- The necessity to set *long-term objectives*, without which there is a risk of straying off course and successively pursuing contradictory objectives.
- The necessity to avoid a piecemeal approach. It is necessary to make *packages* within which everything will be done to have some points accepted, while making concessions on others.
- The necessity, if the above conditions are to be fulfilled, to have an effective *coordination and arbitration system*, which in view of the nature, diversity and importance of the issues at stake, must be as close as possible to the centre of government.

An interactive approach

21. Internationalisation is an iterative process: it includes the impact of the international environment on national policies, but does not preclude some influence of national policies on the international environment. The relative weights of these two factors will depend on the balance of forces established between those who exert them: vis-à-vis Europe, it is more favourable to the founding state that participated in the creation of the Common Market in 1958 than to the candidate state which in 1995 is hoping to accede to an already well-established Union. But there is always room for manoeuvring, and strategic planning can expand that room. This requires in particular:

- gathering information, which will be all the more useful if it has been obtained as far as possible upstream of the decisions, and even before taking the very first stances;
- seeking alliances in the other countries concerned; and,
- in the case of an international organisation, having a good knowledge of the decision-making circuits within it.

22. In the case of the European Union, for example, it is necessary to be able to take action, depending on the case, at the level of the Commission, the Council or the Parliament. Above all it is necessary to be able to maintain a sustained and determined action when dealing with the Commission's services, which pursue well-defined goals. This last requirement is sometimes difficult to satisfy because of the changes which take place in the representation of states in European institutions, and in the trade-offs they make between themselves. It is nevertheless absolutely essential.

The temporal dimension

23. Internationalisation proceeds by leaps: there are periods of intense activity, followed by periods of calm. A period of intense activity might be the initial negotiation to settle the conditions for the action of a new institution, or to alter the nature of an existing one: the Treaties of Rome and Maastricht, the Single European Act, for example. Another example is the negotiation of the accession of new member states. This is the moment when the rules of the game are determined, and any errors at this stage are likely to weigh heavily in the future. The importance of what is at stake justifies the setting up of appropriate mechanisms to negotiate this vital step.

24. A "cruising" period often follows, in the course of which it is, in principle, simply a matter of applying the decisions taken. But it is not without importance, for the implementation affects more and more domains, and may always be an occasion for adjustments to the policy previously defined. Here again therefore, as shown by the experience of the western European countries, an appropriate form of organisation is required. It is not necessarily required at the same level: the centre of government will be directly involved in the first case, while its intervention may be less systematic in the second.

Institutional issues and substantive issues

25. The trade-offs to be made and the priorities to be defined concern two series of questions which are connected, but which it is nevertheless useful to distinguish.

- The first is the degree of integration the country considered is prepared to accept or wishes to achieve vis-à-vis the international institution. In the case of the European Union, the two main questions in this regard are the content to be given to the principle of subsidiarity, and the conditions for the adoption of Community decisions (majority or unanimity).
- The second series covers all the substantive issues which have to be dealt with in international relations. In the case of the European Union, it is the content of the common policies, and the way in which they more or less take account of the interests of the country concerned.

26. The choice which underlies the actions of most European countries, whether they are members of the Union or aspire to accede, is to emphasise the second category of considerations, ie, to seek to derive the most benefit from an integration which is not only accepted but desired. From this standpoint, strategic thinking will be concentrated on substantive questions:

- the general economic policy to be pursued to fulfil the conditions necessary for accession or to reach a new stage (the Maastricht criteria);
- demands to be formulated for the defence of the economic sectors most threatened by European construction;
- optimisation of the balance of the financial flows engendered by participation in the Union.

27. The fact remains that the very principle of belonging to the Union, of remaining in it, or of accepting further integration, must be assessed by a country in function of its judgement of how best to assure its vital interests. In the case of the central and eastern European countries, there may thus be a balance to strike between security considerations and economic considerations: what economic constraints is a country prepared to accept in return for better protection?

28. The fact remains also that the preservation of the national identity is no doubt one of the essential conditions for the progress of the European idea. As will be seen below with regard to communication problems, public opinion is not always willing to sacrifice the former for the latter. This entails that states remain vigilant with respect to any extension of supranational powers which is not justified by the general interest of the Community. This is the underlying meaning of the principle of subsidiarity.

Communication issues

29. From the standpoint of the internationalisation of public policies, the communication problems are of very great importance. Understandably, populations are more interested in national affairs than international affairs. What is more, the latter are both complex and opaque. The basic facts are little known and the decision mechanisms do not appear clearly.

30. This situation may lead in time to a reflex of rejection vis-à-vis international institutions held responsible for domestic difficulties. The western European countries experienced this at the time of the ratification of the Maastricht Treaty, and it was observed in 1994 that public opinion in the countries about to enter the Union was far from being firmly in favour of the evolution proposed to them.

31. In this latter case, the risk is all the greater that the path leading to accession will make constraints necessary which, failing any significant improvement in the overall economic situation, will meet increasing opposition as time goes on. These considerations underscore: on the one hand, the importance of determining the time horizon in strategic planning; on the other hand, the need for a vast communication effort, in relation to which each country must establish its objectives, and determine the best ways of achieving them. This gives rise to a number of key questions. What targets for this effort? What information content? What messages must be gotten across? What timetable?

II - ORGANISATION

The "banalisation" of foreign affairs

32. The internationalisation of policies obliges all States to rethink the structures and procedures of government work in order to adapt to the new context. The point of departure is what might be called the "banalisation" of foreign affairs. The ministry of the same name used to have a monopoly in this field, but has now lost it.

33. All ministries now have matters to deal with, and hence powers, in international affairs. They are all the more inclined to use them in that this is a gratifying aspect of their functions which demonstrates the importance of their responsibilities, gives them an added dimension and sometimes permits them to escape from certain internal constraints, in budgetary matters for example.

34. This is more or less true for all central government departments, but also for other entities such as regional authorities or pressure groups. For the western European countries, an initiative undertaken in Brussels more often than not has its counterpart in London, Paris or Rome.

35. This entails the twofold risk: that of inconsistency, and that of a weakening of national positions. The different sectoral approaches may turn out to be contradictory. Keeping them separate from one another does not permit concerted action. Sectoral logics tend to overshadow national logics, and the centre of the government, short-circuited on all sides, gradually loses control of the affairs of the country.

36. To avoid the negative consequences of this trend, new types of organisations need to be set up, and states are in fact doing this. They are underpinned by two main objectives:

- First, and this is no doubt the essential objective, it is a matter of establishing coordination mechanisms between all the actors, which enable the government taken as a whole to fully exercise its responsibilities through maintaining control over international policy.
- But it is also a matter of adapting internal structures to the new facts of the international environment so as to improve the effectiveness of the country concerned, and hence its capacity to influence others. The main trends observed to date are the new positioning of the ministry of foreign affairs, the setting up of new coordination bodies and the greater role of the centre of government. They appear in particular in dealing with European affairs.

Guidance and coordination structures for European affairs

37. If we apply the above considerations to the treatment of European affairs by the different countries of western and eastern Europe, we see comparable trends virtually everywhere. But they do not necessarily lead to identical solutions. Structures for dealing with European affairs appear at three levels.

38. The *first level* is that of line ministries, in which there exist units or bureaus responsible for European affairs. This type of unit does not exist everywhere, except in countries where there are provisions which make it mandatory. But it is found increasingly often. It is sometimes twinned with the service which deals with international affairs as a whole. It is in contact with the coordination body discussed below. The unit itself coordinates the management of European affairs by the different departments of the ministry concerned. It acts upstream, for the preparation of national positions in Community negotiations, and downstream, for the implementation of Community directives.

39. The *second level* is that of ministries which, because of their responsibilities, play a guiding role in the conduct of at least certain aspects of European affairs. These are:

- First, of course, the *ministry of foreign affairs* which, despite the fact that it no longer has a monopoly, nevertheless retains an absolutely essential role in all states. It is no longer the sole or even the principal source of information about what is happening outside the national frontiers, but it remains the natural place for reflection and coordination for all the geopolitical aspects of internationalisation. It is also, thanks to its experience and the location of its services, the body best placed for conducting negotiations and carrying out activities abroad, notably, in the case of present member states, through their representation in Brussels.
- The *ministry of finance or the economy or international economic relations* -- the precise solution may vary from one country to another -- today constitutes a second pole of attraction. This is the ministry which has the main responsibility for the conduct of general economic policy and hence for the realisation of the conditions for the integration with or development of the Community. It is in charge of competition and foreign trade issues, vital aspects of European construction. Lastly, it is responsible for coordinating the actions of the different sectors from the standpoint of their repercussions on the economy.
- In addition to these political and economic poles, there is a tendency for a legal pole to be constituted sometimes, at least in certain countries, around the *ministry of justice*. In Hungary for example, this is the ministry responsible for guiding the entire process of approximation of laws. Elsewhere (in France for example) this role is played by other bodies.

40. The *third level* is that of the body responsible for the government's overall coordination role in European matters. The general tendency is for the constitution of such a body, which has the role of

bringing about a consensus, preparing trade-offs and helping to define priorities. But its location and the scope of its responsibilities vary from one country to another. In France, Poland, Romania, and the United Kingdom, this body is located at the centre of government:

- in France, the SGCI (General Secretariat of the Interministerial Committee on European Economic Cooperation) is closely linked to the services of the Prime Minister and the President of the Republic, and has a monopoly over the instructions given to the permanent representation in Brussels;
- in Poland, the office for European integration is located in the Office of the Council of Ministers which assists the Prime Minister in the exercise of his functions as head of government.
- in Romania, the department for European integration forms part of the prime minister's office, and is responsible for both coordination and for the management of external aid;
- in the United Kingdom, the European Secretariat of the Cabinet Office, a smaller but effective body, works in close liaison with the UKREP (representation in Brussels) through weekly meetings;

41. Elsewhere the coordination body is located in the ministry of foreign affairs. This is the case in Spain (Secretariat of State for the European Communities, which plays the role of mediator rather than arbitrator, and does not have a monopoly over relations with Brussels). This is also the case with the bodies currently being set up in Latvia and the Czech Republic. In Hungary, the coordination body is in the ministry for industry (it was initially attached to the ministry of external economic relations, now abolished). Lastly, in some countries, such as Germany, there is no general coordination body, guidance being ensured either by the ministry of foreign affairs or the ministry for the economy, depending on the nature of the issues.

Composition of the government and European affairs

42. So far we have only dealt with administrative structures, but the management of European affairs may also justify adjustments to the very composition of the government. Two factors should be taken into account in this respect.

- On the one hand, the negotiations and functioning of the European system are highly time consuming, in particular for personalities of ministerial rank. This may lead to the designation of a minister specially responsible for these matters.
- On the other hand, the creation of a full-fledged ministry of European affairs is not necessarily a good idea. The European approach, as we have seen, is both global and cross-sectoral. A ministry dealing with all European matters would attract all the most important issues, and encroach on the domains of other ministries as well as those of the prime minister.

43. A sensible solution is no doubt an intermediate one. It may consist of having a minister, but not a ministry, of European affairs, ie, a political personality, supported by the coordination structure discussed above, working in close liaison with the prime minister, the ministry of foreign affairs and the ministry for the economy, but not having his/her own services. This is broadly the French solution. Alternatively, it would also be possible for the ministers most concerned by European affairs (foreign affairs,

finance/economy) to be assisted by a secretary of state or a junior minister for European affairs. This is the United Kingdom solution.

Other actors

44. The organisation of the state for dealing with international affairs is not restricted to the aspects concerning the government and central administrations. Three additional dimensions need to be introduced, which can only be mentioned very briefly in this paper. They concern respectively:

- The participation of national parliaments in the management of international affairs. This is necessary for reasons not only of principle, but also of expediency. The parliament will be associated in one way or another with discussions that will affect its legislative activities and the broad orientations of the country. As regards European affairs, this association may also be an important factor for a better understanding and better acceptance of Community disciplines. The arrangements made in Spain in this respect (joint committee for the European Communities, common to both chambers) appears interesting.
- The role that decentralised authorities may play. This question arises in particular in federal states like Germany, and in highly decentralised states like Spain.
- The action to be carried out *in situ* with the international institutions and notably the European institutions (Commission, Parliament, Court of Justice). This question is different in nature from the above two, but it is very important. In order to influence the action of European authorities, it is necessary to understand the legal mechanisms, the sociological behaviours, and the criteria under which policy choices are made. The investment made by states to increase the effectiveness of their action at this level, notably through their permanent representation in Brussels, is certainly one of the most useful that can be made in this domain.

The degree and effectiveness of coordination

45. All the structures created by the government will be of little benefit if they do not enable it to achieve at least part of its policy coordination objectives, and if they do not increase its capacity for effective action. The policy coordination scale developed by Professor Les Metcalfe (cf. *International policy coordination and public management reform*, IRAS, vol. 60, 1994, pp. 271-290) is a useful tool for assessing the degree of attainment of the first objective. It was applied by its author to the conduct of European affairs in the 12 states which comprised the Community before the recent accessions. It could be interesting to use it also to try to evaluate the solutions adopted in central and eastern European countries.

46. On the basis of the above considerations, governments need to answer certain key questions, including:

- the role of the different ministries, information circuits and communication, the existence of coordination mechanisms;
- the role of the head of government, the minister for the economy, the minister of foreign affairs;

- the existence of a general coordination body, its location, its role;
- adjustments to the overall structure of the government;
- the overall performance of the system.

III - LEGAL AND REGULATORY ASPECTS

International law and domestic law

47. The internationalisation of public policies is leading governments, more often than in the past, to act on the international level. This results in an increase in the number, and enlargement of the scope of international agreements, both bilateral and multilateral. This trend raises in new terms the problem of the relationship between domestic law and international law. On this point the tendency common to all European countries is to affirm more clearly than in the past the supremacy of international law over domestic law. In one way or another, the majority of modern constitutions give treaties an authority superior to that of laws, and the courts apply this ranking to the cases brought before them.

48. Comparable arrangements are found in the constitutions of the central and eastern European countries. According to Michel Lesage (article to be published) "the formulae employed range from the primacy of ratified treaties over domestic law (Bulgaria, Croatia, Estonia), to the simple affirmation that the treaties ratified in accordance with the law form part of domestic law (Romania, Lithuania), via the principle of direct application of treaties which have been ratified and promulgated (Slovenia), or the Hungarian formulation according to which 'the Hungarian legal system... guarantees harmony between its engagements contracted in the field of international law and domestic law'". Nevertheless, "several constitutions reserve the primacy of treaties over laws to the treaties concerned with human rights (Czech Republic, Slovakia, Slovenia)".

Community law

49. Here again, taking the specificities of European construction into account adds a new dimension to the analysis. For members of the European Union, Community law is in fact much more intrusive than traditional international law. The fact is that not only the original Community law, ie, the Treaties themselves, is imposed on domestic law, but also what is known as derived law, or secondary legislation, ie, all the directives and regulations issued by the Community's bodies.

50. Texts of this type are numerous (as of 31 December 1993, there were 1.150 regulations or directives applicable to member states). What is more, because they emanate from either the Commission or, more often the Council, unlike the Treaties themselves they have not been submitted to parliaments for ratification. This constitutes a marked derogation to the traditional supremacy of parliaments. It has nevertheless been accepted in all member States, including the United Kingdom where the *European Communities Act* of 1972 introduced a fundamental change to the legal system, which placed the law at the summit of the hierarchy of legal norms.

The implementation of Community law

51. This situation has led states to introduce new procedures intended, upstream, to enable them to influence the production of Community legal texts, and, downstream, to enable them to transpose this production into their domestic law.

52. Upstream, it is a matter of orienting future Community legal texts as far as possible in a direction favourable to national interests. To obtain this result, various actions are combined, ie, those of national administrations with Commission services, those of members of the government in the various bodies of the Community's Council of Ministers, and possibly those of socio-professional pressure groups. The association of parliament with this reflection and action, more or less well achieved depending on the country, may also contribute to this result.

53. Downstream, it is a matter of transposing (faithfully and in a timely way) Community directives into domestic law. The effort made on this point in the different countries seems to have borne fruit, since, still as of 31 December 1993, depending on the country, between 88 and 95 per cent of the Community texts applicable had been transposed into domestic law. The accomplishment of these tasks implies setting up the corresponding structures. In France the "Community legal watch" is maintained by the Council of State and the SGCI complementing one another. In the United Kingdom a division of the Treasury Solicitor is the main centre of Community legal expertise.

The approximation of laws

54. In the countries that are candidates for accession the problems arise in a different way, but not unconnected with what has been said above. In these countries Community law is not directly applicable, but the objective of integration they have set for themselves, and the agreements which some of them have already concluded obliges them to take Community law into consideration. It is the process of approximating legislations, as provided for in the Europe agreements already concluded or to be concluded in the coming months.

55. This harmonisation concerns both existing and future legislation. It applies to a number of important fields: customs, corporations, taxation, intellectual property, worker protection, financial services, competition, human, animal and plant health, consumer protection, technical standards, transport and the environment. It clearly calls for considerable work. The first measure to take, and it seems to have been taken in the majority of countries, is to submit the flow of new measures to control mechanisms in order to ensure that they are compatible with Community legislation. Such a procedure was introduced in Poland for example (obligatory submission for an opinion from the Office for European integration) and in Hungary (under the aegis of the ministry of justice). It remains to be seen what kind of delay is involved, and the quality of the control exercised over these procedures.

56. There remains the much larger problem of bringing the existing stock of domestic texts into conformity with European legislation. This task is inseparable from the overall process of transition to the market economy embarked upon by the different countries, and constitutes its legal component. The task can be performed only gradually, in successive stages which it is useful to programme in advance. Thus the Hungarian government has just adopted a programme of this type, fixing the list of fields in which harmonisation should be brought about within the next two five-year periods. It has drawn from it a precise plan of action for 1995, and instructed the ministry of justice to report periodically on the progress of the programme.

57. As for the substance of the work to be done, it is not easy. How to connect the legal categories of domestic law with those of Community law, which do not necessarily coincide? What margin of adaptation or derogation can then be accepted in domestic law with respect to Community law? Should certain evolutions in Community law be anticipated, and if so: how? These are some of the questions to which answers must be found. These questions should lead governments to examine arrangements regarding relations between international law and domestic law; arrangements made to harmonize or approximate legislation; and the state of progress and the difficulties encountered.

IV - HUMAN RESOURCES

General orientations

58. Good management of the process of internationalisation of policies implies that governments must mobilise the corresponding human resources. This requirement obviously covers the people called upon to intervene in these matters in the government, political organisations and administrations, but it goes far beyond this. It is the entire civil society which finds itself concerned by the internationalisation process. Socio-professional organisations, associations, the education system and the media all have to be able to understand this phenomenon, and to contribute to its mastering.

59. The skills and qualifications to be developed are those most directly connected with the different aspects of the internationalisation process. They concern in particular:

- the economic sciences, anything concerned with the analysis of trends in international trade and the globalisation of the world economy; and,
- several branches of law, ie, corporate and competition law, national and international public law, and, at the interface of all these disciplines, Community law.

It is therefore not surprising that economists and jurists are the specialists most in demand. But language skills also play an important role and warrant particular attention.

60. Lastly, we must stress the importance of *continuity and experience* in order to develop and maintain a strong capital stock of human resources. International affairs is a field in which progress can only be slow, and where it is not advisable to improvise. It is essential for governments to constitute gradually at all levels of administration concerned by the internationalisation process a network of senior civil servants accustomed to dealing with these problems, and to negotiating with foreign counterparts and international institutions.

61. The application of these general orientations to the case of dealing with Community affairs gives rise to a certain number of questions, including:

- orientations taken or to be taken in the education system in order to introduce or develop disciplines connected with the internationalisation process and European construction;
- arrangements made or to be made to respond to this concern at the initial training stage of future public servants;

- action taken or to be taken regarding continuing training for public servants;
- postings, secondments, and the use of specialists in the administration -- what career paths are offered to them;
- action taken or to be taken in the field of language training;
- assessment and evaluation of the results of international cooperation in these different fields.

NATIONAL PREPARATION FOR INTERNATIONAL POLICY MAKING

**Capacities for Managing National Policy Coordination
in the Context of European Integration**

Les METCALFE

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INTRODUCTION

1. National governments are increasingly involved in international policy making. Openness to the international environment and the growth of global interdependence are creating new challenges which call for new responses. What is needed to enable national governments to cope effectively with increasing internationalisation and globalisation is more than the extension of traditional methods of dealing with intergovernmental relations. It involves ongoing participation in numerous specialised international organisations as part of a general trend towards the internationalisation of governance. In addition, it includes participation in systems of regional integration, such as the European Union. Each of these factors makes particularly heavy demands on the time and attention of national politicians and officials, because important national interests are at stake. These demands cannot be met effectively by the usual methods of diplomacy and established means of conducting foreign affairs. They require new responses appropriate to a different set of circumstances and needs. The internal management of external relations by national governments needs to be re-thought and re-designed.

2. The need for a new approach to international policy preparation is especially important when considering the relations between national governments and the institutions of the European Union. The development of the EU until now, and its prospective future evolution, point to increasing rather than diminishing workloads for national governments. The processes of deepening and widening European integration increasingly require a fundamental re-examination of the ways in which national governments organise and manage their external relations. While the EU is not unique in the obligations it creates for national governments, the importance and the complexity of the issues it deals with -- and their domestic political sensitivity -- put a premium on thorough national preparation for European policy making. National preparation for participation in European policy making is a more severe test of governmental capacities than any other aspect of international relations.

3. Because of its direct practical relevance and its wider implications for the national management of international relations, this paper will concentrate on how national governments "get their acts together" to represent their interests in the various arenas in which European policies are formulated and decided. The material presented below is both empirical and analytical. Empirically, the focus is on how member states of the EU prepare their national policy positions in order to negotiate at the European level. Consideration of the different contexts and requirements of accession negotiations and negotiation as members is included. Analytically, the main purpose is to set out a systematic and standardised approach to assessing national governmental capacities for international policy preparation. A method of analysing policy coordination capacities is explained. This method enables comparisons to be made among governments and facilitates the process of learning from each other's experience. Particular attention will be given to the need for effective means of managing policy coordination among the ministries which participate directly and indirectly in the European policy process.

External and Internal Constraints

4. National participation in European policy making is subject to two sets of constraints, one external and the other internal. The design of management processes at the interface must take account of both. Externally, the EU environment generates a common set of requirements which all countries must somehow respond to in a more or less standardised way, eg, by creating a Permanent Representation and deciding which minister or ministry is the most appropriate national representative in Council or Commission

meetings. Internally, each country must develop an intragovernmental system of policy preparation and coordination adapted to its own circumstances and needs, including the constitutional framework and the distribution of governmental power and authority.

5. The distinctive features and the heavy demands of the European policy process require specific preparation and dedicated coordination processes within national governments, in order to ensure that ministers and officials arrived well-prepared and fully briefed at the right time, at the right place, for the right meetings. But it is worth observing at the outset that a system for representing national interests at the European level or, for that matter, in other international fora, is built on and depends on the general system of domestic policy coordination. If there are weaknesses or shortcomings in the domestic system, it is very likely that they will be exposed in international negotiations - perhaps at considerable economic and political cost. Conversely, deliberate attempts to improve and upgrade national policy coordination capacities with a view to more effective management of external relations is likely to have the added benefit of pointing the way towards strengthening domestic policy coordination capacities.

6. Viewed from a national perspective, the European Union is both a focus of hopes and a source of fears. Hopes are pinned on the positive expectations of economic gain and progress in other directions through mutual assistance. But, there are no guaranteed benefits. To give one important example, the expected improvements in economic performance from the 1992 programme to complete the Internal Market have not yet materialised, as current concerns with high levels of unemployment show. Fears are aroused by the shift of sovereignty and decision-making authority to the international level. This is often assumed to mean an equivalent loss of control and power at the national level, and is seen as a threat to national independence and identity. However, there is no *a priori* reason to suppose that internationalisation in general, or European integration in particular, is a zero-sum game. National governments do not simply hand over responsibility to the European institutions. They become participants in a peculiarly complex international policy process. Within that process, there is an important degree of latitude for them to exercise influence on decisions to their own benefit. But, in order to do so, they must be well prepared to address the wide range of policy issues that arise in the European policy process, and sufficiently well organised to be able to play a full part in European policy making.

Quantitative and Qualitative Changes

7. Paradoxically, in view of the fears of loss of control that it arouses, European integration means more work for national politicians and officials. They must participate in more complex and important decision-making processes, if they are to be effective in representing national interests. Particularly, in EU policy making there are heavy demands on national administrations to prepare and coordinate their inputs to several parallel streams of policy making under severe time pressures. Far from relieving national governments of responsibilities and reducing the demands upon them, European integration generates substantial and continuing workloads which grow rather than diminish as the deepening and widening of European integration proceeds. Moreover, it requires qualitative changes in administrative structures and management systems, as well as quantitative increases.

8. European integration breaks down the boundary between foreign and domestic policy making at the national level. Foreign ministries can no longer act as gatekeepers on foreign affairs -- controlling access to the international environment, and playing the dominant role in all phases of policy preparation. In European policy making, functional ministries are directly involved in the EU policy processes. Ministers and officials participate directly as representatives and experts in committees and councils. Deepening European integration increases the extent of this interpenetration and blurs the distinction between domestic and foreign policy more and more. Therefore, managing the interface with the European policy process

requires a redefinition of the roles of foreign ministries and of functional ministries, as well as the reorganisation of their relations with each other.

European Policy Making as Negotiation

9. This process of governmental adaptation and upgrading must take full account of the needs of international policy making as a process of negotiation and bargaining. The European Union is unique in the complexity, diversity and persistence of demands it makes on national policy makers. Each Member state has to formulate and represent its own national interests across a widening range of policy fields, eg, from agriculture to education, from technological innovation to environmental protection. Each must try to ensure the coherence and mutual compatibility of its various negotiating positions by providing for adequate coordination among the ministries and interests involved. Furthermore, these are responsibilities that have to be managed on a continuing basis. Unlike international negotiations, which aim to reach an agreement, such as concluding a treaty, they go on indefinitely. They therefore require permanent capacities for managing policy preparation and interministerial coordination. It is important to keep in mind the need for permanent, strong coordination capacities. Otherwise, in the approach to accession negotiations, temporary expedients may obstruct efforts to lay the foundations for long-term effectiveness.

10. Negotiating accession appears to create what may be termed a "peak load" problem. The political priority of securing membership, and the difficulties of coming to terms with a huge mass of new policy and legislation require the creation of a team dedicated to the task. Short-term pressures foster the illusion that after accession is achieved, things will become easier and the peak of demands on the administration will be over. But things never go back to "normal". Experience indicates the opposite. Membership creates a different situation, but not an easier situation. After accession, the obligations of membership have to be met during the negotiated transition period. This means a considerable investment in capacities for policy implementation in line with European norms. But, in addition, new issues are continually coming on to the European agenda. The implications of new opportunities, as well as problems, have to be considered and assessed in order to establish national negotiating positions which reflect what is desirable and feasible. Since European policy making increasingly operates on a majority voting basis, feasibility analyses must include assessments of coalition support from other governments, as well as desirability from a purely national perspective.

11. Furthermore, there is a tendency to take too restricted a view of the European policy process. Too much attention is given to the top level, ie, to what happens in "Brussels". Public and political perceptions tend to focus on decision-making within the European institutions. This is understandable: it is the culmination of the process; it is newsworthy; it is relatively easy to present a picture of what is happening across the bargaining table and it fits with the popular perceptions of bargaining in general and European policy making in particular. But this perception is seriously incomplete. It only shows the tip of the iceberg. It leaves out of account the vast amount of preparatory work that is done at the national level. Preparatory work is also done at the European level of course. But, given the small size and limited resources of the European Commission and the Council of Ministers system, the great bulk of the work of policy preparation must be done at the national level within the administration of the Member states. If it is not done, national interests will suffer because politicians and officials will unwittingly, or deliberately, pursue contradictory policies at the European level. Consequently, the efficiency of the European policy process itself will be impaired. Poorly briefed representatives will present unclear and incomplete cases, and will constantly have to refer back to their Permanent Representation or national capital for advice and instructions. At a later stage, policy implementation will be hampered by difficulties in interpreting poorly drafted policy directives and regulations.

12. Although it is difficult to quantify or to obtain reliable estimates of how much time is spent in different phases of negotiations, it is certain that the great bulk of the work is "homework". Perhaps 90 per cent of the time and effort that goes into international policy making is actually the preparatory work that is done at the national level. This is not just technical preparation carried out by teams of experts, it is also the intragovernmental phase of the negotiation process, in which the objectives to be pursued subsequently in the European policy arena are set. As domestic and European policy become more closely intertwined, the importance of national preparation increases. Deliberate efforts have to be made to reconcile domestic differences and define national political interests in a European perspective. If this is not done, interest groups may simply begin to disregard and bypass the national level and go directly to the European level. The result is more likely to be fragmentation at the national level and overload at the European level than improvements in policy making effectiveness.

13. What can be done to ensure the effective management of international policy making by national governments? What kinds of adaptation and capacity development are needed to ensure that the representatives get to the bargaining table at the right time, in the right place and well-briefed to present their government's case? Part of the answer to this question is, of course, technical preparation: knowing the subject, the agenda, the issues and the options. Another part of the answer is the acquisition of the requisite negotiating skills for defining interests and objectives, and working out strategies and tactics (including coalition building) for achieving them. A third part of the answer is effective coordination among the ministries involved in European policy negotiations. The last of these is seriously underestimated and misunderstood.

14. Effective European policy making requires that ministries work together rather than acting independently, or worse, at cross-purposes with each other. Coordination among ministries is often neglected, or becomes the arena for bureaucratic politics and unproductive intragovernmental conflict. In many instances, it is not treated as something which calls for deliberate management. Management is often seen in very restricted terms as no more than running individual organisations. But in government it is vital that (a) good working relations be developed among different organisations, and that (b) management between organisations not be left to chance. Public policies are rarely the exclusive responsibility of individual organisations. The division of labour among organisations involved in particular policy fields promotes efficiency only if the linkages among them are carefully managed. Otherwise disputes about jurisdictions will break out, and disagreements about policy will weaken the representation of national interests.

Plan of the Paper

15. The following sections consider how governments handle the tasks of coordination with specific reference to the coordination of national inputs to the European policy process. Aside from its direct practical relevance to Member states and to countries seeking membership, the European Union's policy process has a wider significance. Since it is the most highly developed (though far from complete) system of regional integration and supranational cooperation in the world, it reveals very clearly the kinds of capacities that are needed to enable national governments to work effectively in the increasingly important and dynamic international environment. An examination of the pitfalls and problems of national policy coordination, based on the EU experience, shows what can be done to anticipate and overcome them. Investments in building capacities for the internal management of external relations justify their costs many times over.

16. To explore these questions in greater depth, this Paper is divided into three main parts. The first outlines the main elements of national constitutional frameworks that shape and constrain national policy coordination processes. It also summarises some of the weaknesses of conventional thinking about

governmental policy coordination. In particular, it points to the inadequacy of a unitary model of central control. This model is inappropriate and probably unworkable in governments composed of many interdependent ministries, which must work together as well as manage their own internal affairs.

17. The second section proposes a different approach to policy coordination, with a focus on capacities and processes for managing relations among ministries in areas of interdependence. This approach rests on a vision of national governments as networks of organisations, rather than integrated monolithic structures. It is based on a Policy Coordination Scale which was developed specifically for analysing European policy preparation and coordination in the Member states of the EU. The scale distinguishes among different types of coordination capacities. These capacities are systematically related to each other. The effectiveness of higher-level coordination processes depends on the reliability of the subordinate levels. The scale provides an independent measure of coordination capacities which enables comparisons to be made among different systems of government.

18. The third section provides summaries of national policy coordination systems in seven EU Member states. The countries selected -- founder members and later arrivals -- illustrate some of the possibilities and problems of European policy coordination. There are important differences in the levels of coordination capacities among countries, as well as differences in the way they are managed and used. The Policy Coordination Scale provides an analytical tool for assessing coordination capacities, and determining where and how these strategically important national capacities should be strengthened.

I - THE CONTEXT OF NATIONAL PREPARATION

19. National preparation for international policy making takes place within a constitutional and political context that imposes constraints and sets problems, but also offers opportunities. While it is not possible to create a neat classification of national contexts, and use it to group types of coordination systems, it is possible to identify the main parameters within which coordination and preparation take place. Four parameters have an important influence on the ease or difficulty of national preparation.

- (i) State structure. Unitary states provide an easier context for preparation and coordination than federal states.
- (ii) Balance between ministerial autonomy and central authority. Constitutional provisions may give ministries and ministers more or less autonomy, and provide for a larger or smaller role for the centre of government.
- (iii) Political party organisation. Majority rather than coalition governments simplify -- but do not eliminate -- the problems of reaching a common view and agreed negotiating position.
- (iv) Parliamentary supervision may create more or less strong pressures for agreed national negotiating positions. On the one hand this reduces the scope of executive discretion. On the other hand it strengthens the negotiators' democratic legitimacy.

20. The configuration of these four parameters in individual cases influences the way national policy preparation works. They may make the task more difficult or cumbersome. They may restrict executive discretion. But they do not determine or totally control the process. They do not create insuperable obstacles to effective management of national policy preparation and coordination. There is still scope for designing

and developing systems of coordination that have sufficient capacities to cope with the increasing demands put upon them. However, overcoming the obstacles and creating the conditions for the effective internal management of external relations partly depends on seeing the limitations of the conventional model of coordination.

II - THE CONVENTIONAL MODEL: COORDINATION AS CENTRAL CONTROL

21. The formal picture of national preparation in international policy making mirrors conventional thinking about how policy processes work. Policy preparation is presumed to work according to a top-down model in which politicians make decisions which are elaborated in more detail by officials. Administrative action is programmed in line with political priorities. This model assumes that governments are monolithic systems with unified political leadership. It puts the main emphasis on defining *structures*, especially top-level structures, while assuming that there are adequate *capacities*, and the appropriate *processes* to manage policy preparation within them. Often, as discussed later, these assumptions are not justified. The top-down model makes the designation of a particular part of government as "the coordinator" the crucial issue. The "coordinator" may be the offices of prime minister or president, cabinet, the foreign ministry or finance ministry, or some specially created "coordinating" institutions. In other words, coordination is equated with central control.

22. One problem with the central control model of coordination is that it pays too little attention to the contributions of horizontal coordination between ministries. There is inbuilt central suspicion of the willingness and ability of functional ministries to coordinate with each other. But in practice the effectiveness of a coordination system depends enormously on "coordination without a coordinator". That is direct, often informal, horizontal coordination without a central coordinator to supervise what is happening. If these capacities are inadequately provided, and functional ministries cannot share the workload of preparation and coordination, too much will fall on top level coordinating institutions, which will soon be overloaded and clogged with large numbers of problems which require detailed decisions. Thus the structural approach runs the risk of overcentralisation and slow responses. This is an important weakness because international policy making can often require quick responses. The pace of change and the timing of decisions are not so much under national control as they are with domestic decisions.

23. Another problem which casts doubt on the workability of the whole model is the difficulty of agreeing where coordinating authority should be located. There are several candidates. In dealing with international affairs it is natural for foreign ministries to see themselves as having a key role in coordinating national negotiating positions. But this can never be an exclusive responsibility. At the political level, presidents, prime ministers and cabinets also claim a role, and economics and finance ministries are invariably involved. If they each press their claims to try to establish dominance, disagreements about where responsibility for coordination should be placed may degenerate into a bureaucratic power struggle. In reality, no single ministry or central institutions can exercise a monopoly. Coordination cannot be simply equated with unitary central control. In a well managed system of government, there is a division of labour in coordination as well as operational responsibilities. Coordination is a collaborative process to which the expertise of functional ministries as well as the overview of central institutions contribute. Coordination is how the efforts of different parts of the system mesh with each other, rather than how one part of the system attempts to control the rest.

24. The conventional top-down model describes the way that policies are legitimised and authorised, rather than the way that they are effectively managed in practice. Effective management requires a clear

recognition of the plurality of organisations (ministries and other bodies) that must be involved in the effective preparation and coordination. It is an adaptive, networking process, rather than a hierarchical control process. Managing public policies usually involves sustained cooperation among many organisations, rather than purely independent action. But often, cooperation must be managed by non-hierarchical means. These non-hierarchical means of lateral and horizontal coordination are especially important in managing participation in international policy making. Central control is often not necessary or effective in the sense that the expertise and information needed to prepare policy positions is located in functional ministries: there is no added value in superimposing hierarchical controls. The principle of subsidiarity applies. However, central coordination may sometimes be needed in order to avoid inconsistencies and contradictions and ensure the mutual compatibility of interdependent negotiating positions.

25. In this perspective it is more important to consider *capacities* and *processes* for coordination rather than the more conventional emphasis on *structures*. In particular, it is important to consider the information flows required to prepare negotiating positions and strategies, and the capacities and processes required to make informed governmental decisions. Often, the required information must be acquired from a wide variety of outside sources, domestic and foreign, and then assembled and disseminated within and among ministries responsible for different facets of policy.

III - MANAGING NATIONAL POLICY COORDINATION

26. The conventional model tends to treat national governments as monoliths. It gives primary importance to creating structures which are presumed to work in a hierarchical top-down way under the control of a single central coordinator. This model does not correspond with the diverse practices of the Member states or with the needs of the European policy process. It is too rigid. It is also unspecific about how processes of coordination actually work to align the negotiating positions of different ministries. Furthermore, it says little about the capacities required to ensure that they work effectively. Often, quick responses and flexible adjustments are required of national administrations. Where individual ministries can make independent responses, or where direct horizontal coordination between ministries can ensure coherence and common purpose, or at least avoid inconsistency, there are good reasons for acting accordingly. This does not exclude the possibility of more elaborate and centralised arrangements for policy coordination. Sometimes they may be essential to deal with difficult problems and general policy issues which affect the interests of several ministries.

27. An important question in designing coordination systems is how to provide this degree of flexibility, ie, the ability to respond in different ways to different kinds of problems -- leaving ministries to manage their own preparation, but providing means of managing under dependence. In framing an answer to this question, it is not the intention to propose an alternative to the conventional model. Instead, the next section of the paper outlines a method for analysing, comparing and designing coordination systems.

28. The point of departure for this discussion is a view of government as a network of interdependent organisations. A national government consists of ministries and numerous other kinds of organisations, each with their own functions, but interdependent in various ways and to varying degrees. Management processes within individual organisations govern internal operations. But to manage interdependence, coordination among organisations is needed. This is a general problem of public management. The difficulties of interorganisational coordination are especially obvious in the European policy context, because there is a constant need to take account of the interaction of different strands of policy from a national point of view.

In this perspective effective coordination requires specific kinds of processes among organisations and the capacities within organisations to manage those processes. The processes required for effective coordination can be considered as a scale in the form of a series of steps. The policy coordination scale, which is outlined in the diagram below, has a number of specific properties which need to be clearly understood in order to appreciate the practical implications.

- (i) It is a qualitative scale which differentiates a sequence of coordination capacities of different types. Each step on the scale represents a qualitatively different kind of coordination capacity.
- (ii) The order of the capacities defined in the scale is important. Each higher level builds upon and adds to the subordinate level. Like a flight of steps, the reliability of higher levels depends on the stability of those below. Weak foundations undermine the effectiveness of higher levels.
- (iii) The existence of higher level coordination capacities does not mean they must always be used. If coordination problems can be solved directly among ministries, there is no need for more centralised coordination processes.
- (iv) While coordination capacities may be used in a top-down way, in developing them it is important to build from the bottom up.

29. The Policy Coordination Scale was originally constructed to provide a measurement instrument. It enables comparisons to be made between different systems of policy coordination. In addition to cross-sectional comparisons it can also be used to make longitudinal comparisons, so that changes over time in the same system can be monitored. Beyond these descriptive uses the scale can also be used as a diagnostic tool and a planning tool. It provides a sensitive means of identifying and diagnosing the sources of failures of coordination. More precise diagnosis can then make it easier to focus developmental efforts.

IV - THE POLICY COORDINATION SCALE

10 - REORGANISATION AND REFORM

9 - GOVERNMENTAL PRIORITIES

8 - CENTRAL LIMITS ON MINISTRIES

7 - ARBITRATION

6 - CONCILIATION

5 - CONSENSUS AMONG MINISTRIES

4 - MINISTRIES SPEAK WITH ONE VOICE

3 - CONSULTATION AMONG MINISTRIES

2 - COMMUNICATION AMONG MINISTRIES

1 - INDEPENDENT POLICY PREPARATION BY MINISTRIES

Before going further, each step of the scale will be briefly explained. This will explain the processes of coordination each involves, and the management capacities they require.

Level 1 - Independent Policy Preparation by Ministries

30. The base level of coordination is that individual ministries prepare negotiating positions within their own area of competence. They retain their autonomy and independence of action within their own jurisdiction. The division of labour among ministries is based upon a well defined and recognised assignment of European policy responsibilities. The processes and capacities required for independent policy preparation by ministries are intra-organisational. This may seem like no coordination. But in reality it defines the boundary between coordination within and coordination between ministries. It establishes areas of independence, where ministries can act autonomously, and areas of interdependence, where ministries should work together. It is in the latter areas that higher levels of coordination capacity become important.

Level 2 - Information Exchange Among Ministries

31. Since ministries are not completely independent of each other, and European policy making highlights areas of interdependence, some coordination among ministries is required. The first step in building capacities is communication. Exchange of information among ministries is required so that ministries are aware of the policy directions and initiatives others are taking. Elementary as this may seem, it is not without problems. Communication among organisations is more difficult and sensitive than communication within organisations. In bureaucratic politics, information is power. To overcome barriers to communication, and even tendencies to miscommunication, norms and conventions are needed which oblige officials and politicians to maintain adequate flows of information across organisational boundaries. Systematic communication means that representatives are less likely to be "surprised" in Brussels by what colleagues in other ministries are doing. Exchange of information does not infringe the independence of ministries. But it does mean that different parts of the same national government are operating on a more or less common data base. This is not to suggest that big investments in information technology are essential. Many formal networks and informal grapevines are in use.

Level 3 - Consultation Among Ministries

32. Although in some contexts ministries may find outsiders' views unwelcome, when consultation is the norm it has important benefits. While level 2 coordination involves managed exchanges of information among ministries, level 3 introduces consultation and feedback. Ministries not only use the information they receive for their own purposes, they also respond to it by giving comments, advice and criticisms to the sending ministry. These consultation and feedback processes provide the sending ministry with an array of views about the kind of policy it is developing. This may prompt adjustment of its negotiating positions. But since it is only advice, it may choose to acknowledge and disregard it. Extensive consultation among ministries has the important side-effect of increasing governmental cohesion. Ministries understand each other's interests and objectives better. They are able to anticipate each other's reactions to different policy proposals. However, at this level of coordination, responsibility remains with the individual ministries, and they may agree to differ.

Level 4 - Speaking With One Voice

33. The next step in coordination requires a willingness on the part of ministries to avoid revealing divergences of view in public. It requires interministerial processes for reaching agreement on the presentation of negotiating positions. Communication and consultation may reveal to other governments differences of interest and objectives between ministries. But there are disadvantages in revealing those differences. From a national point of view there is a benefit in "speaking with one voice". Maintaining a common front in public strengthens negotiating positions even if ministries recognise that there are actually differences of policy and perspective. A deliberate effort to keep to common lines and agreed forms of words is essential to defend shared national interests. To avoid presenting divergent views ministries need to check with each other before making public commitments. This is "negative" coordination since it does no more than mask disagreements. But even the assumption of this degree of coordination is an important pressure on officials and politicians to "get their act together". In coalition governments even this low level of coordination is difficult to maintain.

Level 5 - Consensus Among Ministries

34. Rather than just avoiding disagreement, ministries may seek to achieve agreement on lines of policy in areas of interdependence. Processes of positive coordination designed to achieve consensus may be added to the negative coordination required to ensure that ministries speak with one voice. Consensus building requires more intensive problem-solving between ministries to identify and define areas of interdependence, and settle disputes and disagreements that would otherwise weaken national negotiating positions. This level of coordination requires capacities for managing conflicts among the ministries involved. Importantly, the conflict management processes are managed by the ministries concerned. They seek to reach consensus without the need for any outside intervention.

Level 6 - Conciliation

35. Ministries sometimes reach the point where they cannot resolve conflicts on a consensual basis and there is the danger that intragovernmental differences will erupt in public. Disagreements will make it impossible for different parts of a government to speak with one voice. When this happens, there is a danger that more serious and lasting breakdowns of coordination will occur, ie, ministries lose confidence in each other. The degree of mutual trust required for effective coordination begins to evaporate. In this circumstance an important new coordination capacity enters the scene. For the first time, ministries reach the stage where they cannot rely on their own efforts to manage coordination. Some outside help is needed. In order to prevent ministries from fixing their own negotiating stands and developing mutually hostile relations with each other, the mediation of a neutral third party is needed. Coordination to manage conflicts and reconcile differences is a process of conciliation or brokerage. The neutral third party acts as a catalyst to assist the process of adaptation and adjustment, but not as a hierarchical authority.

Level 7 - Arbitration between ministries

36. It is only when conciliation and mediation fail to settle interministerial conflicts that arbitration capacities are needed. Arbitration differs from conciliation in that the latter seeks to assist parties to a dispute to settle their differences: the settlement requires their agreement. The arbiter takes account of the adversaries' views and interests, but makes an independent decision which is binding on the parties. Arbitration introduces an element of hierarchical authority in the coordination process which is not present in the preceding steps. Arbitration is like handing a dispute over to a judge when efforts to "settle out of

court" have failed. The analogy is appropriate and useful. First, it stresses the fact that arbitration should be used sparingly: it is best reserved for cases where coordination problems have not been resolved at lower levels of the scale. This goes against the common assumption that coordination always involves hierarchical central control. Second, arbitration is a reactive negative coordination process that comes into operation when lower level processes are inadequate to manage coordination. If inadequacies at lower levels raise the number of problems requiring arbitration, arbitration processes are rapidly overloaded and policy preparation resources overcentralised and slow.

Level 8 - Setting Limits for Ministries

37. The centre of government may play a more proactive coordinating role by establishing the parameters within which ministries work. Guidelines set a framework of budget and policy constraints that ministries are expected to work within. At this level, the centre sets limits and determines what ministries must not do, rather than specifying what they must do. The framework is established, but ministries have discretion and flexibility to develop their policies and negotiating positions within it.

Level 9 - Establishing Governmental Priorities

38. The centre of government may go further in steering the process of European policy preparation by setting priorities and elaborating the main lines of national policy. Clear priorities give a definite pattern and direction to the work of ministries and set the policy context for horizontal coordination among them as well as central intervention. But it is important to stress that this is not a one-way process. It is not just a top-down presentation of politically defined objectives. The realistic development of governmental priorities depends on the effective functioning of lower levels in the policy coordination process. On top of this, it requires capacities for strategic thinking.

Level 10 - Reorganising and Reform

39. The previous levels of the scale have all been concerned with the process of policy coordination as such. The creation of a capacity for reorganisation or reform at the top level becomes important when an existing system of coordination has to be adapted to new circumstances. While a reform or reorganisation process of a network of governmental organisations is an exceedingly complex operation, the presumption here is that it is most effectively conducted by building on, and using, established capacities and processes for interministerial coordination. Capacities at this level are capacities for managing self-transformation rather than relying on "shock therapy". "Shock therapy", attempting to drive changes by executing external pressure, and forcing the pace of change, is unlikely to succeed. Managing complex reforms of this kind requires a long-term process of investing in the human and social capital required to build capacities for managing coordination. In this perspective, the policy coordination scale provides a diagnostic tool for assessing strengths and weaknesses before an existing system and a framework for formulating plans for managing the development of capacities needed to ensure that national interests are effectively represented.

V - EUROPEAN POLICY COORDINATION IN SEVEN EU MEMBER STATES

Austria

Background

40. Austria is one of the countries that has recently secured membership of the EU. Its experience of the process holds some useful lessons for potential future candidates. Three important preliminary observations must be made. First, it is important to have a clear time perspective on the negotiations. The process is not quick. Second, it is helpful to recognise certain landmarks on the way, which provide a structure and a framework for managing preparations and consultation. Otherwise, confusion can result, and long-term damage can be done to national interests. Third, it is essential to understand how accession negotiations differ from conventional intergovernmental negotiations. The character of the negotiations is distinctive because they are between a candidate national government and the EU as a supranational organisation.

41. Good preparatory work at the national level is needed to ensure a successful outcome. In Austria, preparations had begun well before a formal application for membership was made in 1989. In 1984, federal ministries began to examine the implications of membership with inputs from the Länder and both sides of industry. In keeping with Austrian tradition, a pattern of extensive consultation was established.

42. Preparatory work had begun with two separate initiatives which later were brought together. One was led by the Foreign Ministry and the other by the Federal Chancellery. The focus of the Foreign Ministry Committee was on preparing for negotiations as an extension of its normal responsibility for external relations. That of the Chancellery centred on intragovernmental coordination with a particular concern to ensure the involvement and consultation of domestic interests. The Foreign Ministry established a large plenary group, and then created subgroups on specialist topics. The Chancellery Committee only met as a large plenary group.

43. For a time the two initiatives proceeded in parallel. But the distinction between international negotiation and domestic coordination on which they were based was soon seen to be artificial and gradually broke down. The overlaps in the membership of the two committees made it easier to merge them than to keep them apart. After they were brought together the chairmanship alternated.

44. In order to ensure that no new problems were created unnecessarily, two practices were established. At the legislative level, an EC compatibility clause was introduced. All legislation from 1987 onward had to be checked to see if it was compatible with EC legislation. In addition, the practice was developed of keeping the Commission informed about legislative plans as a double-check.

45. In July 1989 a formal application for membership was submitted and the positive opinion of the Council of Ministers was received two years later in 1991. Negotiations began in 1993 after the Edinburgh Summit and were concluded in mid-1994. The time period between the application and accession was three and a half years. But it must be stressed that it was preceded by a long period of preparatory work. An important factor in determining the length of the time period from application to accession was the limited available capacity and the competing demands on attention at the European level in both the Commission and the Council. These demands included the work required to push forward the completion of the Internal Market, the negotiation of the Maastricht Treaty, and the Delors II budgetary package.

Establishing a Framework for Negotiations

46. A very important factor in managing the negotiations as a whole, and in structuring the discussion of particular topics was establishing a set of guidelines that everyone understood. The substance of negotiations was divided into 29 chapters. Actual negotiations were conducted by a team of 15 to 16 officials drawn from federal ministries. This core group of negotiators had to maintain consultative relations with the larger consultative group of 60 to 70. The consultative group, in turn, kept open lines of contact and information exchanges with social partners.

47. The character of accession negotiations is not one of give and take between equals. Membership requires acceptance of the Community's *acquis*. This is not entirely a "take it or leave it" situation, but negotiating options for applicant countries are limited. The discretionary elements are in the timing and terms for transition periods. The only real exceptions, such as Finland's Arctic farmers, set new precedents which can be negotiated from first principles.

48. The negotiators did not start from a position where they had to consider everything from the beginning. The European Economic Area agreement already covered 60 per cent of the *acquis*. The Commission developed a common framework for monitoring what had been done, and what needed to be done by the four applicant countries (though each negotiated separately). Where sensitive issues, such as neutrality, agricultural support/protection, environmental protection (transit traffic) and customs controls were involved, limited exceptions to standard practice could be made.

49. Initially there was a long series of pre-negotiation meetings with the Commission, ie, 130 meetings (*acquis* screening) in Brussels and 70 subsequent meetings. These were for discussion, not for decision. Much of the time this was rubber-stamping agreements that had previously been worked out in specialist groups. But it also identified areas of disagreement and unresolved problems. This was where politically sensitive issues, such as women working at night, aircraft noise, nuclear energy (power and waste), transport and transit, and environmental standards, could be highlighted as requiring closer attention. Specific agreements could then be reached, for example, on:

- a bilateral summit agreement limiting environmentally damaging traffic (this included a management framework for implementation);
- the maintenance of border controls required to protect agriculture for a period of time;
- second homes: a five-year transition period to a non-discriminatory policy.

Negotiations involved working closely with successive presidencies of the Council, and an awareness that, in the decision-making phase, negotiations were being conducted with the Member states as represented in the Council rather than with the Commission.

Lessons to be drawn from the Austrian experience

- Assume that you have to adapt to the EU, and not the other way around.
- The importance of a structured dialogue, ie, a framework, procedures and fora where ministers meet their counterparts from the existing Member states.
- All parties using the same "map" as a guide to how things are progressing and as a tool for managing negotiations.

- Preparing domestic interests outside as well as inside government. Ministries must develop new capacities, and interest groups have to re-orient their efforts.
- The EU compatibility clause saved unnecessary work later.
- Individual development: traineeships; training of EU lawyers to be able to come up with the right arguments; understanding of how the EU institutions work, because quick responses are needed once the negotiations are in progress.
- There is a constant need to disseminate information widely on the domestic front. If there is a domestic concern and political sensitivity, it is important to take it into the negotiations, even if there is little chance of real success. Criticism for failing to secure a concession or changes is better than criticism for not trying. "Insiders" run the risk of being blamed for failing if they anticipate the outcomes of negotiations instead of going through the process.
- Be patient, because accession is a complex and long drawn out process.

Denmark

Background

50. Denmark joined the EC in 1973 along with Ireland and the UK. Its system of European policy coordination took shape soon after accession, and has remained broadly the same ever since. It is a highly developed system. In terms of capacities it is comparable with the systems in France and the UK. Denmark is a unitary state, which makes the development of a coordination system easier. But, unusually, a highly developed system co-exists with minority governments and strong Parliamentary surveillance. Denmark stands out from other Member states in the close attention that European policy preparation receives from Parliament.

Main institutions

51. The Danish system, as it now operates, gives a key role in coordination to the Ministry of Foreign Affairs. This was not always the case. The allocation of coordinating responsibilities was disputed in the run-up to membership. But after accession, the debate about how best to represent Danish interests on the European stage led to a system in which the Ministry for Foreign Affairs, rather than the Economics Ministry, acquired the primary role. The clear assignment of responsibilities to ministries in their areas of competence is matched by a system of interministerial coordination managed by the Foreign Affairs Ministry. The well-established system of central coordination institutionalises a suspicious and sceptical Danish attitude towards advances in European integration.

52. It is useful to consider the operation of the system from the bottom up. The process of interministerial coordination is conducted through a well-defined pattern of Special Committees (21) on European policy matters. The representation of ministries on these Special Committees depends on their tasks (eg, in competition policy, customs, fisheries) and the responsibilities of the ministries. There is also interest group representation on some of the Committees. The Special Committees instigate work by discussing relevant Commission proposals. Consensus solutions are sought at this stage. Any unresolved problems or policy differences between ministries in the Special Committees are put before the EU Committee.

53. The EU Committee is a higher level official committee chaired by the Foreign Ministry. It is composed of permanent secretaries of the 10 ministries most concerned in EU business. While most differences are resolved at the Special Committees level, those that go to the EU Committee may be resolved through conciliation. The EU Committee does not have arbitration authority. Its role is to interpret and apply governmental guidelines, but not to impose solutions. Politically sensitive questions and major conflicts are identified and filtered for consideration by another committee, the Common Market Committee of the Cabinet.

54. The Common Market Committee is chaired by the Foreign Ministry which also provides the secretariat (the same applies to the EU Committee). The membership comprises the Prime Minister and the ministers responsible for EU-related ministries. The Committee's function is to set Danish policy vis-à-vis the EU. The Special Committees and the EU Committee work in the framework that it establishes. Considered in structural terms, this is a highly developed and, apparently, centralised mode of European policy coordination. But as it operates in practice, there is great reliance on arriving at decisions in a decentralised way by consensus within the Special Committee structure. This is where the great bulk of the work of policy preparation and interministerial coordination is done. But the fact that there is a well-developed and well-managed superstructure not only provides officials with a framework for formulating policies and settling differences, it also creates a situation in which administrators anticipate clashes of interest and seek consensual solutions. The consensus culture characteristic of Nordic countries means that many problems are dealt with without activating central coordination processes.

55. The combination of a highly developed coordination system and a strong consensus culture, favouring decentralised decision-making, constitute a distinctive feature of the Danish approach to managing European policy coordination. However, it is the influence and involvement of Parliament in the process that has made Denmark very different from other countries. No other government among the Twelve has had such close Parliamentary surveillance of the participation in the European policy process. This may be about to change because of the difficulties in ratifying the Maastricht Treaty, the prospect of the 1996 IGC, and the arrival of three new Member states (Austria, Finland and Sweden) where the parliament seems likely to play a stronger role. Nevertheless, the Danish system stands out because of the supervision of the executive performed by the Market Relations Committee of the Parliament, which is constituted on party lines (its composition reflects the party balance in Parliament).

56. The Market Relations Committee considers all European policy proposals and indicates whether the instructions proposed by ministers are acceptable. (Technically the formulation is that the government can go ahead if the proposals are not unacceptable.) In other words, approval is given if there is not a majority of the Committee against what the government has proposed. Thus, Danish negotiators, uniquely, have a Parliamentary mandate. As well as seeking prior approval ministers must also report back to the Committee after negotiations.

57. Strong policy coordination is often thought to depend on tight central control and an independent executive reinforced by single party majority government. The Danish experience shows that different conditions can result in a highly developed system. Despite minority governments, a combination of a consensus-based administrative culture, a well-organised committee system and close Parliamentary surveillance have produced an effective system. Though, it must be said in conclusion that it is a system that is well organised to defend national interests rather than advance the process of European integration.

France

Background

58. As one of the founder members of the European Communities, France has a long established and well-developed system for European policy coordination. Although there have been reforms to decentralise and regionalise French public administration, it remains the case that the basic framework for European policy coordination is a centralised one with a clear focus and a firmly established arbitration process. Moreover, since France has traditionally played a leadership role at the European level, policy coordination is also important from that point of view.

Main institutions

59. The main central responsibility for European policy coordination lies with the Secretariat General of the Interministerial Committee for European Economic Cooperation (SGCI). The SGCI is accountable to the Prime Minister, and Prime Ministerial authority in the European sphere is delegated to it. The SGCI is an organisation of 130-140 officials. The division of labour within it reflects the main strands of European policy. The SGCI's position is strengthened by the fact that it is the formal channel for receiving and distributing information from the French Permanent Representation in Brussels.

60. The SGCI is not the sole central coordinating institution. Important issues will in any case go to the Prime Minister and President. But the Foreign Ministry, with a State Secretary for European Affairs, and also the Ministry of Economy and Finance, have important lead roles in their respective spheres. Nevertheless, the SGCI has the key role in the processes of European policy preparation and coordination between ministries. Its location in the system, its responsibilities, and the human resources at its disposal mean that it has a major impact on the effectiveness of European policy coordination in the French government.

61. A key factor in establishing the SGCI's influence in (and on) the system is that it is the formal channel of communication from French ministries to the Permanent Representation in Brussels, and also the channel for information from Brussels to the ministries. The notification of negotiating positions to the Permanent Representation is also channelled through it. These flows of information across the interface between French government and the European policy process provide a solid basis for steering the increasing volume of work in European negotiations.

62. The emphasis on information flows does not imply that the SGCI merely performs the functions of post box and sorting office for onward transmission of messages. Nor is it being suggested that it is the sole channel of communication. It does not, and could not possibly achieve a monopoly of information. However, because it is the focus of so many flows of information, it is in a strong position to perform coordination tasks, ensure that functional ministries play their roles in the coordination process, and guarantee the coherence of French representation at the European level. The SGCI is responsible for ensuring that ministries have prepared their negotiating positions in advance. When necessary, it arranges joint meetings to consider problems (inconsistencies, contradictions, duplication, gaps) which might adversely affect the presentation of the French case in different arenas. Within this context, French officials -- whether they have a representative role in Brussels or not -- learn to anticipate the needs of negotiating within an evolving national policy framework.

Coordination Processes

63. The French system is often described as a centralised system. It would be more accurate to say that it is a system with strongly developed central capacities. These capacities have an important influence on the functioning of the whole system. Arbitration structures have a special place in French administration, and in French society more generally. This is reflected in the position and importance of the SGCI. But it would be quite wrong to regard it as the sole means of coordination. As in other well-developed and effective systems, much of the day-to-day work of managing coordination is done by officials of the functional ministries concerned. Where their policies are interdependent, there are pressures and incentives to seek agreement and achieve compromise. One of the key factors in ensuring that these processes for mutual coordination work is that the SGCI ensures effective flows of communication, both directly and indirectly.

Germany

Background

64. Like France, Germany is a founder member of the EC. But there are important differences. Germany is the largest and economically most important member of the EU. It has a federal constitution which not only distributes responsibilities among different levels of government, but also gives federal ministries independent positions. The Federal Chancellor has some powers to coordinate in general, and in the European sphere in particular, through the formulation of guidelines. But administrative traditions and coalition politics militate against strong, directive, central coordination. Despite its bulky presence it has a lower leadership profile than France.

Main institutions

65. The main generalisations that can be made about European policy making in Germany is that central capacities are not highly developed in the way that they are in France and the UK. To say that the system is decentralised may be misleading. This suggests a deliberate process of delegating responsibilities from the centre. But it is more appropriate to understand the German system as developing from a bottom-up perspective, rather than a top-down perspective.

66. Three key institutional factors influence and limit European policy coordination in Germany. One is federalism, which divides responsibilities among different organisations and different levels of government, and therefore increases the workload of coordination. In a unitary state more coordination problems are managed within organisations, and coordination capacities can develop more readily within a framework of central authority than is the case in a federal system. A second factor is the constitutional autonomy of federal ministries. Individual ministries are very professional and well able to prepare and develop their negotiating positions in their own sphere of responsibility. But their independence makes it more difficult to ensure agreement on common policies and avoid divergences of view. Though the Chancellor can promulgate policy guidelines, their elaboration and interpretation leave a great deal of room to ministries. Thirdly, coalition politics tends to reinforce the centripetal tendencies of the policy process. It produces a preference for consensus politics and conflict avoidance, rather than conflict management.

67. If differences among ministries cannot be settled by compromise and mutual adjustment, there is reluctance to force the issue because there is no guaranteed process of arbitration. Federalism, functional independence of ministries, and coalition politics work against central steering, and divertive policy making, which may require the confrontation and management of conflicts among ministries. The consensus-seeking

culture leads to a search for compromises and lowest common denomination agreements. Failing this, ministries and ministers may simply agree to disagree and try again at a later stage.

68. European policy coordination is complicated by the fact that the Länder have a constitutional right to participate in the federal policy process, and therefore in the EU dimension of it. But, after some time, the federal government needs discretion in order to conduct negotiations at the European level itself.

69. The Chancellor and the Chancellor's Office have an important but limited role. The Chancellor is involved in all phases of the policy process. The Ministry of Foreign Affairs and the Ministry for Economic Affairs are the main supporting ministries: the former in the General Council and staffing the Permanent Representation, and the latter in dealing with specialist policies and maintaining communications with the Permanent Representations. The Ministry of Finance has a watching brief on all aspects of revenue and expenditures, and is represented at Council meetings when financial matters are on the agenda.

Coordination Processes

70. European policy coordination in the German government depends heavily on processes of mutual adjustment and voluntary agreement among ministries. The Chancellor can set policy guidelines and take particular initiatives, but the pluralism of the system at the federal level, and between the federal level and the Länder, is not balanced and compensated by central coordination capacities. This makes it difficult to guarantee that German representatives in European negotiations "speak with one voice". It increases the likelihood that differences among ministries will not be resolved, or that lowest common denominator compromises will be the best attainable outcome. While it is clear that the central capacities for European policy coordination are not highly developed in Germany, it is important to note that the general standards of competence and resources available at the ministry level are high. The lack of arbitration and steering capacities at the centre do not matter so much if policy coordination can rely on horizontal working relations and voluntary consensus-seeking.

Ireland

Background

71. The Irish system of policy coordination serves a much smaller governmental system than the French, British or German, and may be of particular interest for that reason. While the constitutional arrangements are those of a Ministry State, and the administrative culture and practices have historically based similarities with the British system, there has been an evolution over the period since accession in 1973. An important factor in this evolution has been the recognition that in the accession negotiations and afterwards, the impact of EC membership on the Irish administration had been underestimated. The extent of interaction with the European policy process and the breadth of interests affected were not fully realised. It was rapidly understood, especially when Ireland had to take on the Presidency of the Council of Ministers in 1975, that there was a greater and more complex work-load to deal with than had been anticipated.

Main institutions

72. The formal responsibility for European policy lies with the Cabinet, and political leadership with the Taoiseach (Prime Minister). The initiative in the accession negotiations was taken by the Department of Finance, because it was the primary economics ministry. But, subsequently, the key role in European policy coordination has shifted to the Department of Foreign Affairs.

73. There is a much less extensively developed committee for European policy coordination than there is in larger administrations. The committees that do exist, notably the European Communities Committee of Senior Civil Servants, meet relatively infrequently. Much greater reliance is placed on decentralised horizontal coordination. Information flows, communication and consultation processes work well on an informal rather than a formalised basis. There is a well-established tradition of ensuring a unified front and an agreed stance on current issues under negotiations.

Coordination Processes

74. The informal and decentralised processes of policy coordination in Ireland are possible partly because of the small size of the Irish administration, and partly because of the strong culture of mutual adaptation and accommodation among ministries. A high value is placed on reaching agreements, smoothing out differences, and ensuring that representatives speak with one voice. These strengths are augmented by deliberately seeking to keep in touch with developments on the European scene, and being willing to adapt and respond in the light of them.

75. However, the limited capacity of the system, especially at the centre, means that Irish policy coordination is primarily reactive. There is little capacity to develop a longer term strategy, or to set governmental policy priorities which go beyond incremental adjustments in specific policy areas. In specific instances, such as fisheries policy, the Irish government can mobilise resources and focus efforts. But such short-term boosts to seek particular goals tend to reinforce the picture of a system which works well in dealing with the tactics of European policy making, but lacks the central capacities needed to develop and manage a longer term strategy that requires coordinated changes across several policy fields and the ministries involved.

Spain

Background

76. The experience of Spain is of particular interest, because it has had to face the challenge of accession and membership so recently. Spain became a full member of the EC on 1 January 1986. The transition from negotiating accession to negotiating as a member state was a considerable challenge and something of a shock to the Spanish administration. Representing Spanish national interests in Brussels required (i) much more preparation in order to ensure that negotiators were fully briefed and clear about options and priorities and (ii) much more coordination among ministries to ensure coherence among negotiating positions on interrelated policy issues.

77. Compared with the situation facing the United Kingdom, Denmark and Ireland on their accession in 1973, the EC had moved on and was about to move forward rapidly. The period of "Eurosclerosis" was coming to an end and, under Delors, the EU was acquiring a new dynamic. On the domestic front Spain had recently gone through a political transformation, replacing the Franco regime with a parliamentary system with a regional, though not federal, structure. Membership in the EC brought a second political transformation in a few years.

Main institutions

78. First, it is worth considering the institutional arrangements before accession. For several years before Spain achieved membership, there had been a need for preparation and policy coordination within

and between ministries in order to deal with European issues. From the initial application in 1977, responsibility for coordinating and representing Spanish interests was assigned to a new ministry, the Ministry for Relations with the European Communities. This was separate from the Ministry for Foreign Affairs but the intention was to integrate it after accession. However, a change of government in 1981 led to administrative reorganisation and the absorption of the Ministry for Relations with the EC into the Ministry for Foreign Affairs. Its functions were grouped in the State Secretariat for Relations with the EC. Following the general elections of October 1982, Felipe Gonzalez made a strong commitment to securing membership. The terms of Spanish accession were agreed in mid-1985.

79. At the centre of government, the main means of preparation and coordination was an interministerial council: the Council for the Coordination of Relations with the EC. Its functions were defined in 1983 as coordinating the efforts of all ministries to study, discuss, approve and raise the profile of alternative proposals for negotiating positions. The Council, chaired by the Secretary of State for Relations with the EC (who was responsible to the minister for Foreign Affairs), had two Vice Presidents from the Ministry of the Presidency and the Ministry for Economy and Finance. All ministries were represented on it through Technical Secretaries General who could bring DGs from their ministries.

80. This large umbrella group met once a month. The preparation of its work and the management of the process was entrusted to a Task Force drawn from the ministries principally concerned with European integration: Economy & Finance, Agriculture, Industry, Labour and Social Security, State Secretariat for Relations with the EC, and the Presidency of the Government. Thus the coordination, as distinct from the preparation of negotiating positions depended on this relatively small core group.

81. Beyond the involvement of central government ministries, efforts were made to involve the Autonomous Regional Governments in the preparatory processes. Over 250 meetings were held with representatives of Autonomous Governments. An equivalent number of meetings were held with employers' organisations and trade unions.

82. Thus, in the period of accession negotiations, there was a concerted effort to involve ministries, regional governments, and employers and unions in the process of policy preparation and coordination of European negotiating positions. This is not to suggest that the system worked perfectly. But the creation of new institutions gave the process a high political profile.

The transition to membership

83. There was a sense that negotiating accession required a special effort and, because of its importance, there was a strong commitment to work together and involve organisations and outside central government in the process. After accession, the situation and the system changed.

84. Membership in 1986 brought new demands which began to be felt during the 1985 trial period of participation with observer status. The negotiating situation became more complex. Negotiations covered a broader set of issues. Spanish government representatives at official and political levels were involved in the full range of EC policy making. They had to consider regulations and directives on all issues, not just those affecting Spanish interests. Furthermore, negotiations (and therefore the preparation and coordination of negotiating positions) had to take account of the diverse positions of other member states. After accession, if anyone believed that after the excitement of the accession negotiations they would have a breathing space and reach a plateau on which the tasks of coordination would be easier, they were soon shown to be wrong.

85. In order to respond to the increased demands of membership a new system of European policy coordination was introduced: the State Secretariat for the EC and the Interministerial Commission for Economic Affairs with the EC. The resources of the State Secretariat were increased. The original intention behind these changes was to create a more formalised and more centralised system. In terms of information flows from Brussels via the Permanent Representation, the formal route was through the Ministry for Foreign Affairs (State Secretariat for EC) which then transmitted it to the Technical Secretariat General in each functional ministry. This in turn was responsible for distributing information within the ministry.

86. The central institution for focusing differences and problems is the Interministerial Commission for Economic Affairs with the EC. Issues involving different ministries were supposed to be resolved here. If not, they were to be referred to the Delegated Commission of the Government for Economic Affairs and ultimately to the Council of Ministers.

87. This system did not work as planned. The Interministerial Commission was supposed to coordinate EC-related economic policies, be informed of decisions made by ministries in their own jurisdictions, resolve differences among ministries where their policies were interdependent, and raise difficult or high priority issues with the Delegated Commission. But it has not lived up to these high ambitions. It works primarily as a means of exchanging information, promoting consultation, and enabling negative coordination in the form of avoiding divergences. It does not provide a means of arbitration or longer term policy making. Its perspective is short term. But even in these respects the system revealed weaknesses in the period after accession. The result was that the representation of Spanish interests was fragmented. Concerns developed over lack of coherence due to inadequate preparation and imperfect coordination among ministries. Under pressure of time, representatives found themselves going into negotiations without adequately prepared and pre-coordinated negotiating positions.

88. A major factor behind these shortcomings was lack of resources. The needs were underestimated, not just in terms of expertise and specialised preparation, but also in terms of the amount of time and effort required by ministries to coordinate with each other. Effective European policy coordination required more human resources with the right combination of technical and diplomatic expertise. The lack of adequate resources for intragovernmental coordination meant that each ministry tended to make independent approaches to Brussels, and to develop its own independent lines of policy.

89. Inadequate resources were only part of the problem of coordination in Madrid. In addition to the quantitative problem of resources, there was also a qualitative problem of designing structures and processes of coordination which meet the real needs of Spanish politics and administration. This was a problem of administrative culture in a period of rapid and discontinuous change. The traditional concept of coordination -- by no means unique to Spanish government -- equated coordination with central control. This hierarchical view of coordination presumed that "there is no coordination without a coordinator". Coordination, it assumed, depended on the intervention of a higher authority.

90. But European policy coordination depends on a more complex and differentiated set of processes than can be fitted into a predominantly hierarchical model. Even centralised systems like those of France and the UK do not depend purely on the coordinating efforts of central authorities. Indeed their effectiveness depends on ministries taking responsibility themselves for a good deal of mutual coordination. Without this, the central coordination machinery would soon be overloaded.

91. Furthermore, it has become increasingly clear that in Spain the development of the Autonomous Regional Governments is requiring more extensive processes of consultation and participation. This raises some of the difficulties of ensuring effective coordination that are already familiar from Germany, where federalism widens the range of questions on which coordination among different levels of government is needed.

92. On joining the EC Spain faced a steep learning curve and underestimated the demands that membership would make on national policy coordination. After a faltering start, serious efforts have been made to build capacities and strengthen routines through organisational reforms, investments in information technology and training programmes.

United Kingdom

Background

93. The UK system of European policy coordination is highly developed and tightly managed. It is designed to ensure in advance that what is said and agreed by British Government representatives in particular EU meetings is consistent with what others are saying in other meetings. Furthermore, some negotiating positions are agreed in advance: representatives know their limits, are confident that they can act within them and have a backup system that enables quick response to changing conditions. The foundation of the British system of European policy coordination is the concept of Cabinet government and the doctrine of collective ministerial responsibility, which requires that ministers (and, in EU policy making, officials) speak with one voice.

Main institutions

94. The institutional arrangements for European policy coordination fit within the more general framework of British government. The British system is unitary and centralised. The Cabinet, over which the Prime Minister presides, is at the heart of the system. The unitary character of the system and the potential for close coordination is underpinned by a long-established tendency to one party government rather than coalition government.

95. The main institutions of central coordination are the European Secretariat of the Cabinet Office and the European Coordination Departments of the Foreign and Commonwealth Office. They work closely with the UK Permanent Representation. The European Secretariat, as part of the Cabinet system, has responsibility for ensuring the integrity of the systems of coordination, and its independence of particular functional ministries. The staff are drawn on a secondment basis from ministries. The European Secretariat seeks to ensure that (i) priorities are set and adhered to in practice (ii) potential conflicts are identified in advance and dealt with, and (iii) adjustments are made quickly in light of changing circumstances.

96. The Foreign and Commonwealth Office has a special mediating responsibility: where there are several ministries with a legitimate interest in a particular policy issue, it will seek to achieve a mutually acceptable agreement among ministries prior to negotiations. If this is not possible on a voluntary basis, the European Secretariat provides a system for arbitrations which is designed to produce clear governmental decisions on specific issues which are binding on functional ministries. There are strong pressures to reach conclusions and settle differences among ministries before going into negotiations. These pressures are reinforced by the close attention paid by the Treasury to the financial implications of European policy developments. The Treasury maintains a financial overview, based on an up-to-date understanding of the EU budget and finances.

Coordination processes

97. While the central institutions for coordination are well-established and efficiently managed in British government, the system of coordination does not operate in a purely top-down way. On the contrary,

the effectiveness of the system depends heavily on clearly defined ministerial responsibilities and well-established traditions of horizontal communication and joint problem-solving among functional ministries. There is a "culture of consultation" which generates expectations and incentives for officials in different ministries to respond fully and promptly to proposals and requests from each other. There is a very strong assumption that ministers and officials speak with one voice. Great efforts are made to maintain a common line. Failures to do so, which are very obvious at present, are felt as serious and damaging failures rather than just the way of the world.

98. The Foreign Office plays an important mediating and conciliating role where ministries are unable to resolve differences themselves by consensus. The European Secretariat has the responsibility for ensuring arbitration of otherwise irresolvable conflicts. It also plays a key role in orchestrating the processes of setting limits and priorities in the context of the work of the Cabinet with the involvement of the Treasury and Foreign Office. This said, the human resources at its disposal are far smaller than those of the SGCI.

CONCLUSIONS

99. This paper has sought to focus and structure discussion of the national capacities required by international policy making. The shift of policy making to international bodies of various kinds makes increasing demands on national governments. They must prepare and coordinate their own policy positions in order to defend and advance national interests and participate fully in decision-making at the international level.

100. The challenges of internationalisation, and the demands it makes on national governments, are regularly underestimated. Internationalisation viewed as the transfer of sovereignty away from national authorities appears to require less activity rather than more; reducing workloads rather than increased workloads. But viewed as a process of managing interdependence, internationalisation requires national governments to pay close attention to decisions and policy directions which affect vital national interests.

101. Nowhere is this more true than in the European Union. Far from excluding national governments from supranational/intergovernmental policy making, European integration requires and depends on the continuing participation of the Member states in the European policy process. Membership in the EU is probably the most severe test of a country's ability to manage its affairs in the international environment. The processes of deepening and widening -- which are still in progress -- have created a system that makes heavy demands on national governments to prepare and coordinate the negotiating positions they intend to take. They must negotiate continuously, on a multilateral basis, on a widening range of policies.

102. In responding to these challenges all Member states (and candidates for membership) have to develop their own systems for managing policy coordination among the ministries and other governmental and non-governmental organisations with an interest in European policies. The systems that have developed vary in form and effectiveness. The systems in operation in a number of countries were described to illustrate the diversity of forms of coordination. The effectiveness of coordination does not depend on their conformity with a conventional top-down hierarchical model which equates coordination with central control. Rather, in pluralistic, multiorganisational systems of government, effective coordination depends on whether ministries have the appropriate capacities and develop the appropriate processes for managing coordination with each other.

BASIC INSTITUTIONAL OPTIONS FOR NATIONAL EU COORDINATION

Rolf KAISER

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I - THE CHALLENGES OF NATIONAL EU POLICY COORDINATION

1. The EC decision-making process is essentially structured into three basic phases, each requiring national coordination or, at least, national participation:
 - During the *formulation phase* of EC policy, work centres on several hundred varying independent expert groups created by the Commission. Usually, far more than half of these experts are national civil servants, taking part on a semi-official basis.
 - During the *negotiation phase*, around 200 working groups of national civil servants (partly from capitals, partly from Brussels-based Permanent Representations) negotiate on the basis of the proposals made by the Commission.
 - The final *decision-making phase* involves around 20 different Ministerial Councils (the best known being the General, ECOFIN, Agriculture, Industry, Internal Market and Environmental Councils), many of which are convened on a monthly basis for a total of more than 120 meetings per year.
2. On top of this sequence, EC summit meetings (the *European Councils* such as the recent one at Cannes) are regularly held in December and June (at the end of each six-month EC presidency), with some additional extraordinary summit meetings having gained some ground in recent years.
3. One should also keep in mind the weekly meetings of the Committee of Permanent Representatives (COREPER - the national ambassadors to the EC) requiring coordination and direction, as well as the increasing amount of litigation before the European Court of Justice, requiring a solid *EC legal unit* in each capital.
4. These challenges have typically led to the following reflections and conclusions in EC Member countries:
 - On the one hand, the considerable cross-sectoral interlinkages in the EC bargaining process ("packages") give rise to a greater need for *strategic political direction* in national capitals.
 - On the other hand, the ever-increasing volume of business to be transacted, frequently getting into the minutiae of regulations, requires *relieving top coordination and decision-making bodies*, at the ministerial and State Secretary/Permanent Secretary level, of a threatening overload of information and day-to-day decision requests.
 - This has led, in a pragmatic adaptation of administrative traditions of many countries, to a *multi-step, multi-tiered process* for the development and finalisation of national European policy positions. This implies the delegation of authority, technical problem-solving at the lowest possible level, with one to three levels above for arbitration and consolidation of controversies, leading up, in the last resort, to a full Cabinet discussion.
 - This division of labour does not, however, preclude the need for a *dedicated focus* for the centralised exchange of information, serving as the essential link between the political and

administrative spheres and as a convenor of meetings to this end and, ultimately, to transmit instructions to a country's permanent representation to the EC in Brussels.

II - INSTITUTIONAL OPTIONS FOR THE FOCUS OF COORDINATION

5. Given the nature of a multi-tier, multi-step process, the word "focus" is used consciously here, in the sense that it does not describe a 100 per cent exclusive competence for all coordination of EC membership in the governmental system. Much along the lines of "classical" domestic policy making, various roles are divided between different actors such as the Prime Ministry, the ministries and special agencies. The interest in these different approaches lies in the differentiation of tasks, and the mix and weighting of competences adopted in various typical solutions.

6. Four main types of *machinery of government* options can be identified, focused on: the Foreign Ministry; a special secretariat; the centre of government; and a decentralised model with arbitration.

A. The Foreign Ministry as Coordination Focus

7. Clearly, in the majority of EU countries, the focus for coordination is located in the Foreign Affairs Ministry, although separate from the "classical" foreign policy units. Depending on overall size of the ministry, this coordination entity at the Foreign Affairs Ministry is headed normally by a director general, up to a Permanent Secretary/State Secretary, as for example, in the Danish case of EC coordination (the State Secretary of the Economic Affairs Department of the Foreign Affairs Ministry) or in the Spanish case (the State Secretariat for the European Communities - SECE).

8. The main functions of these entities are to support the Foreign Affairs Minister in exercising political responsibility in the field of overall integration policies, to act as an information and document distribution centre, to convene and arbitrate interministerial meetings, to prepare Cabinet discussions, and to finalise and transmit instructions to the country's permanent representation in Brussels. The contacts between these units and Prime Ministries are usually very close, practically daily, the contact point at the PMO being the Chief Foreign Policy or European Policy Advisor.

9. As an example, the Danish process of European policy coordination represents a typical three-tier interlocked system which, at one end, leaves a fair amount of decision-making and coordination to line ministries, while at the other end ensuring cross-sectoral cohesiveness of EU policy making in national negotiation planning. The focus role of "central monitoring, organising and transaction post" accrues to the Economic Affairs Department in the Foreign Affairs Ministry, under its own State Secretary. From the bottom up the three steps are:

- Each ministry most involved in any policy field (the "lead ministry") chairs a specialised sectoral *interministerial committee* dedicated to European matters, meeting weekly, with the Foreign Affairs Ministry represented, and with the Prime Ministry present as need be. The structure of the Danish permanent representation to the EC in Brussels mirrors these sectoral committees. Important and controversial matters are then referred to:

- An intermediary level, where the State Secretary of the Economic Affairs Department of the Foreign Affairs Ministry chairs a weekly *special Committee* consisting of the State Secretaries or senior civil servants from the other ministries.
- At a roughly monthly meeting, the Foreign Affairs Minister chairs a *government committee* of the ministers most involved in European policy. The State Secretary of the Economic Affairs Department in the Foreign Affairs Ministry acts as secretary to this government committee.

10. It appears conclusive that this process (where, at subsequent levels, decisions of increasing importance are finalised) greatly relieves the EU-related workload of the full Cabinet, whose prerogative to take up any other matter is of course untouched.

B. A Special Secretariat as Coordination Focus

11. Closer to the centre, ie, under the Prime Minister's authority, but not in the Prime Minister's office itself, is the French solution: a permanent General Secretariat of the Interministerial Committee for European Economic Cooperation (the SGCI), with a total of about 130 to 140 employees.

12. Several hundred interministerial meetings concerning France's national positions in the EU are convened by the SGCI for arbitration and consensus each year, and all information from the permanent representation in Brussels, as well as instructions to the permanent representation, must pass through it.

13. The SGCI considers itself very much as the *point of articulation* between the "strategic-political" sphere and the administrative sphere (the latter being supported by between six and 12 officials in most line ministries' bureaux of international affairs). Interministerial controversies which cannot be solved at the SGCI level may be referred to the Prime Minister's *cabinet* (the circle of the Prime Minister's closest policy advisers -- quite a different meaning from the English word *Cabinet*, which refers to the Council of Ministers).

14. Close links exist with the Presidency of the Republic, which in France takes a special interest in foreign and supranational policy making, with the Foreign Affairs Ministry (*Quai d'Orsay*) and with the Minister in charge of European Affairs, who since 1981 holds responsibility for the main lines of European integration policy as well as for promoting the adaptation of the French economy in view of the internal market.

15. This minister, who works with a small personal staff only, is quite distinct from the solution of full multisectoral "European Ministry", which was, at various points in time, given much thought in several EC countries but which, because of the obvious "superministry" implications, has so far never been chosen.

C. "Tight" Coordination from the Centre

16. The constitutional set-up of EU Member countries varies regarding the degree of autonomy of ministers or, obversely, the emphasis on collective government and/or the Prime Minister's constitutional prerogative to intervene in the conduct of ministerial policy.

17. The practice of coordinating EU policy closely reflects these different national weightings in the triangle of Cabinet / Prime Minister / Ministers.

18. The United Kingdom model of coordinating EU policy, to take a salient example, reflects the tradition of a strong central direction of policy making. While the Foreign Affairs Minister holds the political responsibility, the European Secretariat of the Cabinet Office, headed by a civil servant not usually from the Foreign Office, acts as a strong interministerial coordination unit and as an intragovernmental information, transmittal and instruction centre on EC matters, which also endorses the composition of UK delegations to the various EC discussion and decision-making bodies.

19. In terms of strategic direction -- the ability to establish linkages between policy fields (packaging for negotiations and "repackaging" during negotiations) and the coherent intervention of UK civil servants in the European organs -- this system has been rated by colleagues from many other EU countries several times in recent years as one of the "tightest" and most efficient operations on the EU scene. In giving this evaluation, the assignment of the European Secretariat to the Cabinet Office, together with the closest possible geographical location to the Prime Minister, the Treasury, as well as to the Foreign Office, has been frequently mentioned.

D. Decentralisation with Interministerial Arbitration

20. Many EC Member states other than France or the UK are characterised by *a high degree of ministerial autonomy*, within the general policy guidelines set down by the Head of Government and/or the Cabinet. This characteristic is frequently accentuated by multi-party coalition governments emanating from proportional voting systems for national elections. Policies are, in such cases, primarily generated within the lead ministry, subjected by this ministry to intensive arbitration with a number of other ministries concerned, and then introduced into Cabinet for final approval. It would be reasonable to expect the management of EU membership to fall roughly within this pattern in such countries.

21. A salient example is Germany's solution of EU coordination. Primary development of policy stances in the EU context is highly sectoralised, with much civil service expertise and continuity in the ministries (accentuated by a low rate of personnel rotation between ministries, again a characteristic of governments with a high degree of ministerial autonomy). Each ministry has a *European Desk* for internal coordination and handling of the information flow.

22. *Interministerial arbitration* is convened by the responsible lead ministry in subsequent stages up through the civil service hierarchy and, if need be, leading to meetings between ministers.

23. The *results of interministerial arbitration* are formalised into instructions to Germany's Permanent Representation in Brussels during a weekly interministerial civil servants' meeting at the Economics Ministry, the latter also serving as the central document distribution and transmittal post. In addition to these weekly instructions (just before the Brussels COREPER meetings), EC Council meetings (monthly or less frequent) are generally also prepared during interministerial deliberations at the civil service level in Bonn.

24. A higher level of orientation and coordination for major questions is ensured by a roughly monthly meetings of the *Committee of State Secretaries for European Affairs*, chaired by a parliamentary Secretary of State from the Foreign Office (*Staatsminister*). Permanent members are the Foreign Office, the Economics, Finance and Agriculture Ministries, as well as the head of the permanent representation to the European Communities. The link to the centre of government (the Chancellery, or *Bundeskansleramt*) is assured by the frequent presence of the Chancellor's *Staatsminister*, who is supported both by the Foreign Affairs Unit of the *Bundeskansleramt* and a separate European unit of three officials. Remaining divergencies are referred to the Chancellor and ultimately to the full Cabinet.

III - CONCLUSIONS

25. As the European Union's scope and depth of activity expand continuously, the structures and processes of national EU policy coordination must, more than ever, attempt *to meet two principal, but often conflicting goals*:

- The sheer amount of daily business to be transacted requires extensive decentralisation and delegation of authority in order to prevent overloading the higher echelons of decision-making in capitals with an avalanche of details. But:
- A purely sectoral approach would negate the need for, and miss the opportunities of, a fast-moving national EU policy decision *centre* or *focus* with an intersectoral overview and the capability to enter into "linkage politics" across policy fields.

26. As constitutional frameworks and administrative traditions differ, there is no ideal "blueprint solution". Each country needs its own tailor-made "mix" of structures and procedures, of central control vs. decentralised business transaction.

CONCLUSIONS

Jacques FOURNIER

A productive and wide-ranging debate

27. As the list of participants indicates, all eleven countries involved in the SIGMA programme were represented in Warsaw. Most of the delegations consisted of three persons belonging to the services of the Prime Minister, the Ministry of Foreign Affairs, or bodies set up to deal with European affairs. In addition to the SIGMA team, a dozen or so experts from OECD Member countries attended the workshop, representing the four generations of countries which now make up the European Union.

28. Given the quality and diversity of this panel, there were some very productive and wide-ranging exchanges in the course of the four discussion sessions dealing with strategy, organisation, legal and regulatory aspects, and human resources. Naturally, discussion focused on the problems of European integration, the latter being the common and central policy objective of the countries represented. In these final remarks, I have endeavoured to identify, albeit subjectively, a few basic lines of thought.

There is still a long way to go

28. The experience of countries which are already members of the European Union, the manner in which they paved the way for their accession, and the way in which they have organised their joint affairs are obviously a useful reference for countries now pursuing the same path. A good deal of interest was expressed in the presentations on this subject. However, the exchanges also showed the special nature of the problems now faced by Central and Eastern European countries due to the fact that they are starting from further back and arriving later than the others.

30. They are starting from further back since the existing members of the EU have all had a market economy system for a long time. Of course, there have been certain, sometimes important, differences between them, but they have always had a large common fund of principles and institutions -- political, economic and cultural. Central and Eastern European countries have a longer road to travel. Harmonisation of their laws with EU legislation entails a radical break with the past. It forms part of the overall process of transition to a market economy upon which these countries have embarked. There is no doubt that considerable strides have been made in this direction, but there is still a long way to go, and, however much one might wish to shorten the journey, it will take time.

31. These countries will therefore arrive later than the others, at a time when what is known as the *acquis communautaire*, or Community heritage, will have grown yet further. The founding members of the European Community started from scratch; there was nothing to inherit. It was they who set about building European law and practices. Thereafter it was different. Each generation of new entrants was confronted by a Community heritage which was constantly expanding and which it had to accept.

32. Today this heritage consists of over a thousand Community directives and regulations. The White Paper on preparing for integration, drawn up by the Commission last spring, is evidence of the multitude of fields involved and the dense network of obligations established. The common market has become the single market, which has gradually come to involve the whole of economic policy. A second and third pillar have now been added to complete the edifice.

33. As a result, future entrants will inevitably face additional difficulties and constraints. Nobody in their right mind can take integration lightly.

The paramount importance of communication

34. A large number of workshop participants stressed the importance of communication issues. At present, public opinion in Central and Eastern European countries is sympathetic to the idea of European integration, expecting it to provide both political security and economic progress. However, the constraints which must be accepted, the concessions which will have to be made, and the timescale involved may change this attitude, especially as it may be tempting to make Europe the scapegoat for domestic problems. Several countries in Western and Northern Europe have experienced this swing in public opinion, either at the time of the Maastricht Treaty ratification, or when they recently joined the Union.

35. Public information, as pointed out at the workshop, should be carefully *targeted* and *thought out*, but it can only be effective if it remains *objective*.

36. *Information should be carefully targeted*, given that a number of audiences with different requirements have to be reached. Those directly involved in the integration process, the social and economic actors (enterprises, trade unions) and public opinion in the broadest sense must all be reached but not in the same way nor through the same channels.

37. *Information should be carefully thought out*, given that a balance must be struck between a politico-cultural approach stressing the values and principles of the European idea, and an economic approach underlining the specific benefits of a common market in terms of growth and living standards. The latter approach may seem more effective, but experience has shown that it must be handled with care.

38. *Information should be objective*, given that potential obstacles and setbacks must be acknowledged and explained. In particular, this involves making clear how the Community machinery works. This is both necessary, being the prerequisite for reasoned support, and difficult, given that the Brussels institutions are remote and relatively opaque.

A twofold requirement: the widest possible distribution of responsibilities and a capacity for synthesis and preparation

39. As regards the organisational basis which governments need for handling European affairs, there have emerged two requirements which are complementary rather than conflicting.

40. First, *it is necessary to spread responsibility for European issues as widely as possible across the government and civil service structure*. This concerns public policy making in its entirety. All ministries have or will have their counterparts in Brussels, and the issues to be addressed are of all kinds. It is not feasible to leave European affairs to a handful of specialists. The case of Denmark is particularly cited, with its 21 special committees, each comprising representatives of the different ministries and chaired by the minister most directly concerned. But similar structures exist virtually everywhere in one form or another, and information distribution and training must be organised accordingly.

41. Secondly, *each country must ensure that it is in a position to meet the major deadlines which punctuate the European calendar*, eg, accession negotiations, treaty amendment talks, regular summits. It is therefore necessary to have an overview, select priorities and put together packages combining different issues if negotiations are to be decisive. For this purpose, a government must have, as close to its centre as possible, a team of generalists in European affairs who are well acquainted with the workings of the Community institutions and whose main role is to produce syntheses and prepare trade-offs for the head of state or government.

42. *The need to link these two levels of organisation has led to the creation of coordinating bodies in most EU countries.* These bodies are generally responsible for some or all of the following tasks: disseminating information, monitoring the progress of sectoral procedures and arbitrating those issues involving general government policy, preparing syntheses and packages, and guiding the progress of training and communication activities.

43. The discussion at the workshop showed that such a body existed or was being set up in most countries, Eastern or Western, but that its position varied from country to country: at the centre of the government, in the ministry of foreign affairs, or somewhere else again. A number of officials from these bodies attended the workshop. It was felt that a useful follow-up within the SIGMA framework would be to assist these bodies to implement the measures and procedures for which they were responsible.

44. Breaking down ministerial compartmentalisation, countering what, during the workshop, was called administrative "feudalism", and firmly instituting procedures for interdepartmental consultation are challenges which are not specific to the management of European affairs. However, it is particularly important to resolve them in that field, and if the attempt is successful it will constitute a major contribution to reforming the state in general.

Speeding up work on legislation

45. All the workshop participants considered that over the next few years one of the essential tasks of the countries represented in Warsaw would be the approximation of laws under the terms of the association agreements, the main lines of this approximation being more clearly defined in the recently published White Paper. This subject was often mentioned as one of the priorities for further action.

46. *If approximation is to be achieved within a reasonable period and in such a way as not to slow down the accession process excessively, the machinery for producing legal standards must function correctly.* This means paying special attention to problems relating to the drafting of laws and regulations. This issue has now become topical in a number of countries. Its main features are as follows:

- What types of legal texts are involved? Is a law actually necessary in every case? Might it be possible to extend the field covered by regulations (allowing the government the possibility of enacting general rules in areas not solely reserved for the law) or to delegate powers from the legislative to the executive level -- thus enabling the government to take certain measures, within time limits and in conditions to be defined, which are usually the preserve of the law?
- What are the drafting procedures? How can disputes between majority and opposition or between the various elements of the majority be resolved more quickly? What powers can be given to government to ensure that its draft laws are considered and voted on by parliament?

Making optimal use of human resources

47. In May 1995, a month before the Warsaw workshop, a meeting was held in Budapest on the training of government officials with a view to entry into the European Union. The linkage between the two meetings was all the easier to make in that some participants attended both. The Warsaw approach was broader since it went beyond the bounds of the public service to encompass society as a whole, and covered not only training problems but also issues relating to recruitment, careers, etc.

48. These issues are quite evidently of prime concern and are one of the areas in which cooperation requirements, as expressed at the end of the workshop, are the most urgent. Apart from necessary action in terms of initial and further training of public servants, the following points emerged from the discussion:

- the importance of *basic training* at school and university level;
- the advantages of establishing *international mobility* between national public services, and with the Community civil service;
- the positive effects of *information campaigns* on senior managers and policy makers;
- the importance of *language skills* and *preparation for negotiations*.

Follow-up

49. The Warsaw workshop provided further proof, if any was needed, of the value of exchanges of views and experience between Central and Eastern European countries, and between those countries and Western countries. The participants felt that this discussion of the problems inherent in European integration should be followed up by:

- *analysis, consultancy and information* tailored to the specific needs of a particular country;
- *further multicountry meetings*, organised on a regional basis and on issues to be defined.

This type of exchange will be all the more fruitful if each country is able to make its own contribution through its own experts. It is up to each individual state to define and implement the integration strategy which it deems the best suited to its own domestic interests. In this area, as in its other fields of work, the SIGMA programme is designed to assist the improvement of the policy making and implementing processes by facilitating exchanges of national experiences, and supporting comparative analyses of shared problems.

SUMMARY DESCRIPTIONS OF COORDINATION MECHANISMS

PREPARED BY PARTICIPATING COUNTRIES

Albania

Bulgaria

Czech Republic

Estonia

Hungary

Latvia

Lithuania

Poland

Romania

Slovak Republic

Slovenia

The following summary descriptions were prepared by each participating country before the Warsaw workshop. The aim was to provide the participants with information on how the domestic and international aspects of policy issues are coordinated in each government, including the responsibilities, membership and procedures of the different bodies involved in such issues.

ALBANIA

The main actors in the field of foreign relations and co-operation of the Albanian Government are: the Council of Ministers (including the Department for Economic Development and Foreign Aid Co-ordination as well as the Public Administration Department), the Ministry of Foreign Affairs, and the Ministry of Finance. Line ministries or institutions like the Ministry of Transport, Industry and Trade, the Ministry of Tourism and Construction, the Ministry of Education, the Ministry of Justice, the Ministry of Energy and Mineral Resources, etc., are involved only when this co-operation involves their sector of responsibility.

The competences of the Council of Ministers are very strong, and the majority of decisions linked with external relations are approved by the Council of Ministers, after they have been prepared or drafted by different ministries or institutions. In this way, the Council of Ministers plays a co-ordinating role. The Council of Ministers has three inter-ministerial committees acting as consulting bodies.

The Economic Policy Committee examines issues that deal with the compilation, implementation and evaluation of the economic policy, the drawing-up of the budget and macro-economic reform. It examines policy proposals, important draft laws and draft decisions that have a financial impact.

The Social Policy Committee deals with issues relevant to the compilation, implementation and evaluation of the social policy, social protection, social and health insurance, training, etc.

The National Security Policy Committee deals with issues of public order, defence, foreign policy and European integration, co-ordination and harmonisation of legislation.

The Ministry of Finance is responsible for the whole of the macro-economic reform of the country. It is the counterpart of all the foreign institutions or agencies dealing with or providing assistance in this field (IMF, etc.). The Ministry of Finance is also responsible for all the credits granted to the Government. It gives its approval to all the negotiations and credit agreements, regardless of the sector the credit will be used for.

The Ministry of Foreign Affairs is responsible for the foreign policy and the diplomatic relations of the country. Recently, the post of the Secretary for Foreign Economic Relations was established in this ministry, but this position is still to be consolidated in the future. However, the ministry is involved to some extent in the foreign economic and foreign assistance activities, mainly with bilateral donors.

The Department of Public Administration at the Prime Minister's Office aims at co-ordinating activities in the domain of Public Administration Reform in Albania. It acts as the contact Department for all PHARE initiated programmes that concern Public Administration Reform.

The Department of Economic Development and Foreign Aid Co-ordination (under the Council of Ministers) is a key institution whose responsibility is to prepare and implement the Government Public Investment Programme (financed both from domestic and external resources), to prepare the Government Economic Programme, and co-ordinate all the foreign assistance, as well as information regarding this assistance. The Department is responsible for screening all the investment requests by line institutions and

for the allocation of the Government Investment budget. Concerning the foreign financing, the Department is the main counterpart of all the foreign bilateral and multilateral donors as well as international financing institutions.

However, line ministries and institutions are involved during the programming and negotiating phase, mainly by dealing with the technical aspects of the issues concerned. In the case of credits, the Department's role is closely linked and co-ordinated with the Ministry of Finance. It is also the co-ordination body of all foreign assistance and resources, being the co-ordinator of both Albanian institutes and foreign donors.

An exception is the Ministry of Transport, Industry and Trade which, apart from the responsibilities for the policies and problems in these three sectors, is also responsible for negotiating and monitoring foreign trade agreements.

BULGARIA

With the adoption of the Council of Ministers' Regulation No. 66 (22 March 1995, Official Gazette 29/95) a new mechanism has been set up for co-ordinating and implementing the obligations of the Republic of Bulgaria vis-a-vis the European Union. The following organs have been established:

The Government Committee on European Integration

The Committee is chaired by the Prime Minister and consists of nine members of the Government. It meets monthly; other ministers and heads of central institutions may be invited as well.

The Committee elaborates the general policy of Bulgaria regarding the European Union, guides the development of the integration process and promotes it as a priority, approves documents related to the process of implementation of the Europe Agreement, proposes decisions to the Government, and guides the co-ordination of the activities of the public administration in its relations with the European Commission.

The Co-ordination Commission on European Integration

The Commission is chaired by the Council of Ministers' Secretary for European Integration and consists of 20 vice-ministers and heads of public bodies. It meets twice a month. The Commission co-ordinates the respective units of the ministries and bodies, prepares reports and proposals for the agenda of the Government Committee, co-ordinates the operational work for the implementation of the decisions of the Committee, controls the implementation of Bulgaria's tasks defined by the requirements of the Agreement, defines the tasks of the working groups and co-ordinates their activities, and proposes draft decisions to the Government Committee.

The Secretariat on European Integration

It is subordinated to the chairman of the Government Committee on European Integration.

Expert working groups

Attached to the Government Committee, they deal with different issues of European integration, including the approximation of laws. The groups are chaired by members of the Co-ordination Commission, duly appointed by the Committee.

The organisation and functioning of the new mechanism for approximation of laws to European legislation will be specified by a future regulation, to be proposed by the Minister of Justice.

Also included in the new institutions are long term and short term programmes, developed by the international organisations; information; training; and the adoption of a civil service legislation to create stability and put high requirements for professionalism.

CZECH REPUBLIC

The process of elaboration and co-ordination of policy issues starts at the ministry which is responsible for that area from a "material" point of view. For instance, an issue concerning housing policy is initiated at the Ministry of Economy, or an issue concerning privatisation of railroads is initiated at the Ministry of Transportation.

If an issue includes other aspects (which it often does), for instance financial, international, privatisation, etc, the ministries involved are consulted. Then the issue is prepared by the responsible ministry to be discussed and decided upon by the Cabinet. If it is of utmost importance and requires more fundamental insights, it can be pre-discussed at the Council of Ministers, which is a consultative body headed by the Prime Minister with flexible participation of ministers according to the agenda discussed. Meetings of the Council of Ministers are held on Tuesdays, one day before meetings of the Cabinet.

The Prime Minister's Board of Advisors examines the issues prepared for the Cabinet agenda and prepares statements for the Prime Minister from a political point of view. At the same time the Government Legislation Board elaborates statements on the issues for all the members of the Cabinet from the legislative point of view.

The Cabinet then discusses the issues taking into account all its aspects, including international, and makes the final decisions. As far as legislation is concerned, every legislative initiative is discussed in the Cabinet which makes a statement on it before it is transmitted to the Parliament.

Working groups are set up in the ministries dealing with aspects of the Europe Agreement. *The Office for Legislation and Public Administration* leads the *working group for approximation of laws to European legislation*. This working group consists of representatives of all ministries and other state central agencies. Meetings of the group take place every 1 or 2 months.

Working groups report to the *Working Committee*, which consists of leaders of the groups and representatives of all ministries. The Working Committee is responsible for setting up strategies. It is chaired by the Deputy Minister of Foreign Affairs. The Working Committee reports to the *Government Committee for European Integration*.

The Government Committee for European Integration was established for issues concerning European Integration. It is chaired by the Prime Minister and consists of ministers involved.

This Committee is responsible for strategic tasks and co-ordination of activities connected with the Europe Agreement and future full membership of the Czech Republic in the European Union. The Committee reports to the Cabinet, which makes the final decisions.

The bodies working on European issues have their counterparts in joint bodies of the Czech Republic and the European Union:

<i>Czech bodies</i>	<i>Czech-European Union bodies</i>
Working Group for Approximation of Laws	Sub-committee for Approximation of Laws
Working Committee	Association Committee
Government Committee	Association Council

ESTONIA

In 1993, with the aim of analysing the matters of European integration, a committee was formed of members of Parliament, senior civil servants of different ministries, experts from universities and other scientific organisations (altogether 44 persons).

In addition to the analytical structures of the Foreign Ministry, which have played a major role in the development of relations between Estonia and the European Union (EU), relevant units have been instituted with the Ministries of Finance and of Economics. A Department of European Law was organised in the Ministry of Justice in 1994.

The State Chancellery has made preparations for translation of legal documents from other languages into Estonian and vice versa. The Centre of Legislative Translation and Support will also be ready to arrange foreign expert examination of the drafts of legal acts if the Government considers this necessary.

Following the Agreement on Free Trade and Trade Related Matters which came into force on 1 January 1995, Estonia and the European Union set up a free trade area, and signed the Europe Agreement on 12 July 1995. The Agreement should be ratified in the near future, after both parties have completed their own ratification procedures.

In March 1995, the Government adopted the principles for co-ordination of the activities of governmental institutions regarding the process of integration, as follows:

- *the Minister of European Affairs* without portfolio, included in the new Cabinet in mid-April 1995, is responsible for preparing the strategic directions for Estonia in the process of European integration. The Minister's bureau will be organised at the State Chancellery (i.e. the Cabinet and the Prime Minister's Office) but the Euro-Minister will also replace the Foreign Minister during his absence, which will create good pre-conditions for an immediate co-operation with the relevant structures of the Ministry of Foreign Affairs, where a working group for dealing with the EU-issues was established in November 1994.
- *the Committee of Senior Government Officials* was established as a coordinating body in charge of the process of European integration between different ministries. Meetings of the committee are convened and chaired by the Minister of European Affairs at least once a month. The committee is responsible for ensuring that policies and activities are consistent with the integration with the EU. One of the primary objectives of the committee is to define the priorities regarding pre-accession strategy and harmonisation of laws. The committee is responsible for drafting regulations and orders for submission to the Government; it also organises co-operation with think-tanks and the public.

Revising the decision-making procedure of the previous government, it must be underlined that their intentions for co-ordination of their decisions with international issues were consistent. At the same time a fixed mechanism for the application of these intentions was missing. In most cases the possible international effect of the decisions was considered mainly at the final stage of the decision-making.

Contacts with the Ministry for Foreign Affairs acting as a co-ordinator of international processes of integration and contacts with other ministries have not yet been clearly regulated. Partially, co-ordination of decision-making was facilitated by inter-departmental co-operation commissions established for settlement of certain issues but the results of their analytical activity are not widely available.

In order to analyse the real impact of some relevant decisions, some inter-ministerial brainstorming workshops have been arranged.

Contacts of senior civil servants with their foreign colleagues have enabled to compare the policy-making procedures of different states.

One of the most practical forms of training senior civil servants would be work placements with other countries or international organisations. These placements and study visits should include a substantial amount of time spent in examining practical management issues. There should also be a consistent follow-up, once the actual study and training session is over, so that the lessons learned during the placement could be augmented. Placements would help those responsible for the Estonian civil service gain practical experience in European models of organisational management that would be invaluable in elaborating the corresponding development strategy for Estonia.

Participation in international conferences, seminars and workshops is also important for the preparation of senior civil servants for systematic examination and consideration of international aspects in decision-making and outlining the relevant strategic tendencies in the integration process.

The Estonian Institute of Public Administration in co-operation with different European institutions (EIPA, Finnish Institute of Public management, RIPA International, Danish School of Public Administration etc.) has started some new courses introducing the legislative and administrative systems of European states.

HUNGARY

In late autumn 1994, the Hungarian Government issued a governmental decree on the new co-ordination procedures and rules of responsibility regarding the country's integration with the European Union. There was an effort, in establishing these rules and procedures, both to be in accordance with the regulations in effect within the member countries of the European Union, and to meet the requirements of the specific Hungarian tasks and institutional structures in order to ensure the most effective implementation mechanisms.

The Government bears full responsibility for:

- the implementation of the Europe Agreement,
- further development of co-operation between Hungary and the European Union (EU), and
- the preparation of Hungary for the accession negotiations.

The Government regularly -- at least once a year, or more often depending on the issues -- reviews the general status of the integration procedure, and decides on the main tasks ahead. The Government approves the main principles of the most essential negotiations with the European Union, including the guidelines for the Association Council and the Association Committee.

The Government's responsibility does not affect the individual responsibility of each ministry. Each minister is responsible for the implementation of specific integration tasks assigned to his institution by law within the framework of his sphere of authority.

An *Interministerial Committee on European Integration* has been established to co-ordinate the preparation and implementation of the Government's decisions, and to co-ordinate the activities of the ministries concerning European affairs. The president of this committee is the Minister for Foreign Affairs, while its members include state secretaries from each institution. The Committee also includes permanent representatives from various governmental institutions, and is entitled to occasionally invite individual experts to attend its meetings.

The Interministerial Committee meets at regular intervals, usually once a month. Concerning priority issues, strategic working groups and subcommittees operate within the framework of the committee. These organs function on the basis of an annual workplan, and inform the committee continuously. As the head of the Economic Coordination Working Committee, the *President of the Office for European Affairs of the Ministry of Industry and Trade* is responsible for the co-ordination of economic tasks within the framework of the Interministerial Committee. If there is no general agreement on a certain issue, it has to be submitted to the Economic Cabinet of the Government.

The Interministerial Committee is responsible for preparing an annual report on its achievements to be submitted to the Government by the president. The Committee makes decisions on the basis of a general consensus. If no consensus can be achieved, the members have to take a vote. In the case of an even number of votes, the President's vote is decisive. The tasks of the Secretariat of the Committee are carried out by the European Integration Department of the Ministry of Foreign Affairs. These tasks include

preparation of the meetings, management of the Committee's decisions, internal and external co-ordination needed to implement the decisions, and preparation of an *aide-mémoire* after each meeting.

A Government's decree established the rules of Hungarian representation in the Hungary-EU association institutions. The Government is represented in the Hungary-EU Association Council by the Minister for Foreign Affairs, and in the Hungary-EU Association Committee by the President of the Office for European Affairs of the Ministry of Industry and Trade, with an obligation to consult the Minister for Foreign Affairs and the Minister of Finance before each decision.

The Hungarian Mission to the European Union representing Hungary's interests in Brussels forms an integral part of the institutional structure of European affairs. The mission is headed by the Ambassador Plenipotentiary who reports directly to the Minister for Foreign Affairs.

In the last six months, the new system of responsibilities and co-ordination has proved that it can properly ensure the implementation and co-ordination of the Government's intentions concerning its integration policy, and that it is suitable for the proper representation of Hungarian interests in European affairs on the international scene. At this stage, the system described above can fulfil its functions satisfactorily, although increasing tasks may necessitate its further development at a later stage of Hungary's integration process.

LATVIA

The co-ordination of domestic and international aspects of policy-making issues is reflected in the administrative acts which are adopted by the Council of Ministers for each ministry in particular. Administrative acts include functions, objectives, responsibilities and descriptions of the structures of each ministry. For example, the regulation adopted by the Council of Ministers on 22 November 1994 states that: "The Ministry of Foreign Affairs prepares new legislative drafts, legal acts and drafts of international agreements which fall under the competency of the ministry; it consults state institutions and gives its conclusions concerning the drafts of legal acts and international agreements in the sphere of international public relations".

The concept of foreign policy is also worked out and approved by the Parliament.

There is a special procedure according to which the questions are solved if they are negotiable:

- State civil servants
- Meeting of the relevant Ministry authorities
- State Secretary meetings
- Committees
- Conceptual work of the Council of Ministers
- Prime Minister

To fulfil the co-ordination of such specific tasks as approximation of legislation for the integration with the European Union (EU), a special co-ordination body, *the European Integration Bureau*, was established by the decree of the Cabinet of Ministers. The main tasks of the Bureau include:

- carrying out the approximation of legal acts and regulations to ensure their conformity with EU legal acts and regulations;
- participation in the distribution of the assistance provided by the EU and its member states for the integration process; and,
- in co-operation with the School for Public Administration, co-ordination of the participation of civil servants in EU training programmes.

Twenty-four working groups were established to achieve the approximation of legislation. They consist of representatives of different ministries and public organisations, and are co-ordinated by the European Integration Bureau.

International aspects are mostly considered, but there are situations where domestic aspects are more important because of the political situation, e.g. the issues concerning relations between Baltic States.

A significant aspect of the relations between Baltic States is the solution of several practical issues of co-operation. In this field, a growing role is given to the Baltic Council of Ministers and its 19 branch committees, which are responsible for co-ordinating everyday problems and future co-operation.

The following priorities should be mentioned: trade, transport, customs, border control, insurance, etc. The governments of the three Baltic States adopt joint decisions and resolutions, according to which legal acts are harmonised. Latvia's current main task is to strengthen co-operation between the three Baltic States and to turn towards the European Union, observing its regulations and recommendations. Latvia draws valuable ideas from the experience of the Nordic countries in this connection.

LITHUANIA

There is no special Euro-institution in the Republic of Lithuania responsible for the co-ordination of the process of European integration. At the present stage, the following governmental institutions are responsible for the co-ordination of the integration process, and of domestic and international policies:

- Seimas (Parliament)
- Government
- Ministry of Foreign Affairs
- Other ministries and departments
- Bank of Lithuania

Current activities regarding co-ordination, establishment and maintenance of relations between the Republic of Lithuania and international organisations is carried out by the Ministry of Foreign Affairs.

If a particular issue involves disagreements on domestic and international aspects of integration policy, the Ministry of Foreign Affairs forwards the material related to the issue for Government's consideration.

The Division of International Affairs of the Prime Minister's Office is an advisory unit to the Prime Minister, which presents the issues in Cabinet meetings and conducts the implementation of adopted decisions.

The Government also matches different interests between ministries.

After the accession process to the EU, GATT/WTO started, negotiations on the Free Trade Agreement between Lithuania and the EU have been initiated. Relevant negotiation teams were formed in order to co-ordinate the preparatory work for negotiations, and to hold talks. They consist of representatives of different ministries and other institutions. The head of the team for negotiations with the EU is a Deputy Minister of Foreign Affairs.

On 15 February 1994, according to Decree No. 105p of the Government, a working team in charge of preparing and holding negotiations on the Free Trade Agreement between Lithuania and the EU was formed. Representatives of the Ministry of Foreign Affairs, the Ministry of Agriculture, the Ministry of Industry and Trade, and the Department of Customs were included in the team. The head of the team was the Director of the Economic Department of the Ministry of Foreign Affairs. The text, annexes and protocols of the Agreement were prepared by the Trade Division of the Department.

On 15 November 1994, the Prime Minister issued Decree No. 594p on the establishment of a working team responsible for the co-ordinating work and the negotiations on the Europe Agreement. The team, headed by a Deputy Minister of Foreign Affairs, consists of 28 members from different ministries and other institutions, and holds regular meetings where various aspects of preparatory work are discussed.

POLAND

After the Europe Agreement had entered into force on 1 February 1994, the issue of day-to-day co-ordination of the harmonisation processes in all the areas covered by the Agreement gained a special importance. Carrying out the adjustment activities -- which are multifaceted by nature -- demanded a strengthening of the co-ordination of efforts undertaken by the public administration as well as monitoring the progress in this field.

While the Ministry of Foreign Affairs is responsible for the political dialogue with the European Union, *the Office of the Government Plenipotentiary for European Integration and Foreign Assistance* is the main co-ordination body in the fields of European integration and the process of adjustment of the Polish economic and legal system to the requirements of the Europe Agreement. The Office was created by the Council of Ministers Resolution No.11 of 26 January 1991. The Resolution listed the conceptual, human resources, and information preparation of the European Integration processes among the Office's main tasks.

Conceptual tenets of a system of co-ordination of activities undertaken in connection with the implementation of the Europe Agreement's provisions were developed in the Office of the Government Plenipotentiary. Its basic elements include:

- Activities of *the Office of the Government Plenipotentiary for European Integration and Foreign Assistance*. The Office consists of the Department of Foreign Assistance (foreign assistance being treated as an instrument of integration) and the Department of European Integration. The latter includes the Economic Unit, Legal Unit, Information and Training Unit, and the European Documentation Centre. In addition to tasks specified in the Council of Ministers Resolution No.11/91, the Office was also entrusted by the Council of Ministers with the task of ensuring that all governmental normative legal acts are compatible with EU legislation (Council of Ministers Resolution No.16 of 29 March 1994).

On the intra-governmental level:

- Meetings of *the Interministerial Committee on the Europe Agreement* which is chaired by the Government Plenipotentiary for European Integration and Foreign Assistance and constitutes the basic forum for co-ordination of activities undertaken by ministries and central governmental bodies. The participants include high level representatives of relevant departments or European integration units in ministries and central institutions.
- Preparation of the meetings of the Poland-EU Association Council, as well as Poland-EU Association Committee and its Sub-committees through continuous cooperation between the Office of the Government Plenipotentiary, the Ministry of Foreign Affairs and other line ministries.

- The so-called *K-3 meetings* at the level of Under-Secretaries of State accompanied by relevant directors, organised by the Government Plenipotentiary. These consultations cover current issues which require urgent solutions take place, first and foremost, with the participation of three institutions most strongly involved in the implementation of the Europe Agreement: the Ministry of Foreign Affairs, the Ministry of Foreign Economic Co-operation, and the Government Plenipotentiary. K-3 meetings deal primarily with developing a common Polish position for upcoming meetings of the Poland-EU Association Council or the Poland-EU Association Committee, as well as long-term activities linked with the future Polish membership in the EU. The meetings are also devoted to the development of response to EU documents and proposals which are of importance to Poland.
- *Ad hoc consultations* organised by the Government Plenipotentiary with interested ministries, if needed;

Outside the governmental structures:

- *The Parliamentary (Sejm) Committee on the Europe Agreement* which -- on the Parliament's side - monitors the implementation of the Europe Agreement's provisions.

ROMANIA

The main institutions involved in the activity of foreign relations are the Presidency, the Parliament, and the Government.

1. According to the Constitution, the President represents the Romanian State, and in this capacity concludes international treaties on behalf of Romania, and submits them for ratification by the Parliament.
2. As for the Parliament, the Government has the obligation to submit reports and any other information requested from it, including activities in the field of foreign policy.

Both Houses of the Parliament have their own Committees for external relations, and a special bicameral Committee for European integration has been recently established.

3. As far as the Government's institutions are concerned, those involved in foreign relations include:

<i>Governmental institutions</i>	<i>Competencies in the field of foreign relations</i>
Ministry of Foreign Affairs	- the main responsibility in promoting the country's political relations and foreign policy objectives; - coordination of activities involving foreign relations of governmental institutions;
Ministry of Commerce	- promoting and monitoring the country's commercial relations with foreign countries;
Ministry of Defence	- promoting and managing the country's military relations with foreign countries, Euro-Atlantic security structures and international organisations with competencies in the field of security (NATO, WEU, OSCE, UN);
Ministry of the European Integration of the Government of Romania	- coordination of activities of all governmental institutions involved in the of Romania: process of European and Euro-Atlantic integration, the country's main foreign policy objective; - management of assistance programmes offered to Romania in the context of integration;

Council for Co-ordination, Strategy and Economic Reform	<ul style="list-style-type: none"> - accomodation of Romania's strategy for economic reform with international economic trends and with the country's main foreign policy objectives; - assuring international support and assistance for the process of economic reform;
Ministry of Finance	<ul style="list-style-type: none"> - promotion and management of the Romania's financial relations with other countries, and with the international financial institutions, along with the Council for Economic Coordination, Strategy and Reform, and the Romanian National Bank;
Romanian Agency for Development	<ul style="list-style-type: none"> - promoting and monitoring foreign investments in Romania; - providing international support to the country's development programmes.

Other governmental institutions with foreign relations competencies in their specific field of activity are:

- Ministry of Labour and Social Protection,
- Ministry of Interior,
- Ministry of Industry,
- Ministry of Agriculture,
- Ministry of Transport,
- Ministry of Communications,
- Ministry of Environment,
- Ministry of Education,
- Ministry of Culture,
- Ministry of Science and Technology,
- Ministry of Health,
- Ministry of Youth and Sports.

For issues concerning European integration and management of the Europe Agreement and the related National Strategy, a mechanism at the central and sectoral levels has been set up, consisting of the following structures:

An interministerial committee

Chaired by the Prime Minister, it consists of ministers, heads of other governmental institutions and agencies responsible for matters of integration; other bodies, including NGOs, may participate in meetings of the committee upon invitation.

The committee is responsible for reporting on, and evaluating the implementation of, the Europe Agreement. It makes proposals on the implementation of the objectives set up in the Agreement, and elaborates guidelines for integration with the European Union.

The Department for European Integration

As a governmental executive body, it coordinates the policy of Romania and makes proposals regarding European Integration. It is directly subordinated to the Prime Minister and is headed by a secretary of state.

The Department co-ordinates and supports the government in implementing provisions of the Europe Agreement and of the National Strategy. It monitors the harmonisation of Romanian laws with European legislation, as well as the consistency of programmes of development, restructuring and reform with the provisions of the Europe Agreement and of the National Strategy. In co-operation with the Ministry of Foreign Affairs and the Ministry of Trade, it also ensures that the Romania-European Union Association Committee operates properly. It manages PHARE's assistance programmes.

Structural bodies within central and local administration

Dealing with European integration, they are responsible for implementing, monitoring, analysing and evaluating measures and actions in their own fields.

A special parliamentary committee

The committee consists of members of both houses of Parliament. It is responsible for the harmonisation process and for relations with the European Parliament through the Romania-European Union Parliamentary Association Committee.

A Legislative Council

The Council will be set up in the future; it will be responsible for supervising the harmonisation of Romanian laws with EU legislation.

SLOVAK REPUBLIC

Since the very beginning of its existence as an independent sovereign nation, the Slovak Republic has fully identified its long-term strategic goal as its integration with the European Union, first on the basis of an association, and finally as the full-scale member state.

At present, after the Europe Agreement came into force on the 1st February 1995, and the Slovak Republic became an associated member of the European Union (EU), the entire process of its integration has acquired completely new dimensions, and the overall strategy in this respect could be characterised as a consistent systems approach to the overall pre-accession strategy. The new Government has, among other aspects of its Programme Declaration, underlined its firm determination to accelerate the entire process of Slovakia's integration with the European Union.

Some of the main features of this new approach and strategy could be characterised as follows:

- the entire process of integration is moving from the level of political declarations to the levels and areas of practical implementation of the Europe Agreement in all its basic parts.
- the process of European integration is supported by the consequent process of institutionalisation and/or institution-building.
- the entire process of European integration is understood as the comprehensive process covering all various aspects of the overall socio-economic life and development.

In this respect, according to Slovakia's new systemic approach to European integration, the entire process of the pre-accession strategy has to cover not only the legislative level of integration, ie, the approximation of laws (which by itself represents the back-bone of the entire pre-accession strategy, ie, its legal basis), but at the same time it has to cover all other levels and areas of integration:

- European integration as the main focus of the overall foreign and domestic policies,
- overall macro-economic and social policy as part of the long-term preparation of the society for accession,
- education and training in all aspects of the EU, as part of the regular curriculum at higher education institutions, as well as in service training programmes for civil servants,
- regional cooperation within the Vishehrad group as well as with all other associated countries,
- integration of the overall infrastructures, production, services, goods, etc., according to the EU norms and standards, and in this way systematically preparing conditions for the liberalisation of trade, the movement of goods, people, services and capital, ie, the preparation of the so-called "physical" integration,
- development of a favorable environment and conditions for integration, ie, in relation to OECD, WTO, etc.,

- institution-building process covering all ministries, departments, research institutions, faculties, university departments, etc.,
- programmes of technical assistance, advisory services and cooperation under PHARE, TEMPUS, but also all other bilateral and multilateral programmes of this kind, and
- information systems and information technology and their integration with similar systems and data bases existing already within the EU and its member states.

All these processes and systems approaches to various aspects of European integration need a consequent institutional build-up. In this respect, the process of European integration in the Slovak Republic has the following main structure:

- *the Council of the Government of the Slovak Republic for integration of the SR into the EU* has been established as an advisory and co-ordinating body of the Government for all aspects of European integration. In this respect, the Council coordinates all processes of implementation of the Europe Agreement, supports the Government in co-ordinating all activities of individual ministries, co-ordinates all activities relating to the Slovakia-European Union Association Council, Slovakia-European Union Association Committee and its sub-committees, the European Commission, the OECD, etc.;
- the Council is chaired by one of the three deputy Prime Ministers; the Minister of Foreign Affairs acts as vice-chairman, and state secretaries of all ministries and other central organs and institutions are members of the Council;
- the activities of the Council are directly supported by *the working group*, which consists of the directors of departments for European integration in all ministries and other central organs.

In addition, *specialised departments for European integration* have been established in all ministries and other central organs in order to co-ordinate and implement the specific processes of integration within the particular ministries and other central organs and their subordinate organisations and institutions.

Another central coordinating unit has been established directly at the Office of the Government. This new *Department of Coordination of European Integration at the Office of the Government* is directly subordinated to the Deputy Prime Minister -- Chairman of the Council of the Government for European Integration. The main duties and responsibilities of this department are to co-ordinate all the departments for European integration of individual ministries, especially in order to secure a consequent systems approach to the implementation of the Europe Agreement in all ministries and central organs, irrespective of any ministerial specifics.

The Department of Coordination of European Integration at the Office of the Government is also providing the necessary information service to the Office of the Government itself, and serves as a national information and co-ordination centre for European integration, in relation to the EU and its individual organs and institutions. The Director of the Department, who is also a coordinator for the Council of the Government, in this capacity co-ordinates working sub-committees consisting of national specialists as well as experts from the EU.

Specialised ad hoc committees are created in order to solve various problems of European integration if and when they arise, and need some more systematic attention and/or solution by the

particular *ad hoc* specialists. In this sense, the sub-committees represent a kind of scientific and research back-up to the needs of European integration and its implementation.

For the specific needs of co-ordination in the area of *approximation of laws*, a specialised *Section has existed at the Office of the Government*. In the near future, it will be extended into an Institute for Approximation of Laws (as already approved by the Government) which should further strengthen the overall institutionalisation of the process of European integration in general, and further proceed with the harmonisation of Slovakia's laws with the legislation of the European Union. In this respect, one of the main goals of all particular activities has currently been related to the preparation of the EU White Paper, and its later adaptation to the specific conditions and national priorities of the Slovak Republic.

SLOVENIA

The Office for European Affairs has been recently established at the Ministry for Foreign Affairs for the purpose of internal co-ordination of activities of various competent ministries of the Republic of Slovenia in the field of European integration. Compared with other departments at the ministry, the Office is a rather autonomous body, headed by the Director of the Office.

The Office is the national co-ordinator for relations with the European Union. It co-ordinated the negotiations on the Association Agreement and formulated general policy issues concerning the European Union.

The Office for European Affairs also co-ordinates the pre-accession strategy, while a special interministerial Commission was established last year in order to harmonize Slovene laws with EU legislation within the framework of the implementation of the White Paper. The Commission is composed of representatives of legal departments of all ministries and some other governmental agencies. The Commission is chaired by the Minister without portfolio (Head of the Governmental Office for Legislation) and is supported by a Secretariat established in the Governmental Office for Legislation.