



REINFORCING PUBLIC ADMINISTRATION REFORM IN THE ENLARGEMENT PROCESS

12 NOVEMBER 2014

BRUSSELS

*Enlargement
Negotiations*

Introduction

The Commissioner for European Neighbourhood Policy and Enlargement Negotiations, the OECD Deputy Secretary General and Ministers for Public Administration and for European integration from the Western Balkans and Turkey took part in the public administration reform conference in Brussels on 12 November 2014.

The conference was organised to present the European Commission's enhanced approach on public administration reform, as set out in the 2014-15 enlargement strategy published on 08 October 2014. The new enlargement strategy firmly anchors public administration reform as a pillar of the enlargement process, together with the rule of law and economic governance. The conference also presented the new Principles of Public Administration¹, which the OECD SIGMA initiative has developed in close cooperation with the European Commission to support the Commission's enhanced approach on public administration reform.

The conference provided an opportunity for the high-level participants from Turkey and the Western Balkans to present the ongoing reform efforts and the specific challenges faced in addressing the reforms. A Member State perspective from Estonia and the lessons learnt were provided as well.

This conference report is a collection of speeches and presentations provided during the conference. It also includes the conference conclusions by the Chair.



¹ <http://www.sigmaxweb.org/publications/principles-public-administration-november-2014.htm>

Conference agenda

Reinforcing public administration reform in the enlargement process

12 November 2014

Albert Borschette Conference Center – Conference Room 1A

Rue Froissart 36 - Brussels

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|-------------|--|
| 14.00-14.30 | Registration and welcome coffee |
| 14.30-14.40 | Welcome by the chair
<i>Simon Mordue, Director for Enlargement Policy and Strategy</i> |
| 14.40-15.00 | Public Administration Reform as the key pillar in the enlargement process
<i>Johannes Hahn, Commissioner</i> |
| 15.00-15.20 | The Principles of Public Administration in the enlargement process and the role of OECD/SIGMA
<i>Mari Kiviniemi, Deputy Secretary General of OECD</i> |
| 15.20-15.30 | Questions and Answers |
| 15.30-15.40 | Implementation of PAR in Turkey
<i>Volkan Bozkir, Minister for EU Affairs & Chief Negotiator</i> |
| 15.40-16.00 | Coffee break |
| 16.00-16.10 | Implementation of PAR in Serbia
<i>Kori Udovički, Deputy Prime Minister and Minister of Public Administration and Local Self-Government</i> |
| 16.10-16.20 | Implementation of PAR in the former Yugoslav Republic of Macedonia
<i>Ivo Ivanovski, Minister of Information Society and Administration</i> |

16.20-16.30	Implementation of PAR in Albania <i>Milena Harito, Minister of Innovation and Public Administration</i>
16.30-16.40	Implementation of PAR in Kosovo* <i>Mahir Yagcilar, Minister of Public Administration</i>
16.40-16.50	Implementation of PAR in Montenegro <i>Raško Konjević, Minister of Interior</i>
16.50-17.00	Implementation of PAR in Bosnia and Herzegovina <i>Semiha Borovac, State Coordinator for Public Administration Reform</i>
17.00-17.15	Conditions for a successful Public Administration Reform: Estonian experience <i>Heiki Loot, Secretary of State</i>
17.15-17.30	Concluding remarks

* *This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence*

Johannes Hahn, Commissioner

Public Administration Reform as the key pillar in the enlargement process

Ministers, distinguished guests, ladies and gentlemen,

I am very pleased to participate in today's conference on Reinforcing Public Administration Reform in the Enlargement Process. This is, after all, my first opportunity to meet with all of you having just started my mandate as Commissioner for European Neighbourhood Policy and Enlargement Negotiations.

The quality of public administration matters to us all. As citizens we have a right to expect the state to ensure an effectively functioning public administration. We demand that it has sufficient administrative capacity to maintain law and order, to protect public goods, to effectively provide public services and to be transparent and accessible to citizens.

I know very well not the least from my five years as Commissioner for Regional Policy that public administration reform plays a key role in strengthening Europe's competitiveness and stimulating investment to create growth and jobs.

For the EU itself, modernising public administration is one of the five priorities of the Europe 2020 strategy for growth and jobs and the European Semester that supports its implementation.

As part of the 2014 process, the Council has issued country-specific recommendations to a number of Member States on how they should improve the quality of their public administrations:

These include the rationalisation of public administration and improving human resources management as well as improving administrative capacity, including for management of EU funds. In this regard, the approach needs to go far beyond simple cuts. Here there is a clear need for public administrations to work on becoming more service oriented to meet the needs of citizens and business.

Secondly, the quality of public administration also entails the improvement of public financial management, especially strengthening efficiency of public procurement procedures. Last but not least it covers the improvement of integrity and the prevention of corruption in public administration.

Public administration reform is also a key challenge for enlargement countries. This is clearly illustrated in the 2014 progress reports. And we just launched the new economic governance cycle with you last month in Belgrade which further underlines the importance of focusing on public administration reform.

While public administration reform is increasingly important within the European Union, it is even more vital for enlargement countries because of its direct relevance not only to meet the accession criteria but also to cope with the increased responsibility linked to accession and the necessary reliability for the business environment.

That is why, building on lessons learnt from previous enlargements, the Commission has developed the 'fundamentals first' approach, which is now at the core of our enlargement policy. The three mutually reinforcing pillars of this approach are:

- rule of law;
- economic governance; and
- public administration reform.

Sustained reform efforts in these areas are key to strengthening the economy and democratic governance. The ultimate objective is to address what really matters – creating an environment more conducive to investment, growth and jobs.

The Commission has already acted to put the fundamentals first approach into practice with the introduction of the new approach on rule of law two years ago and to economic governance last year.

And I want to complete the picture this year by setting out new proposals on how to support public administration reform in the enlargement countries.

In general, I want to underline one horizontal point that should not be forgotten: It is crucial to have a certain degree of continuity in the administration to keep and gain expertise in the different fields – a highly competent civil service cannot be built up every four years.

Furthermore, I see this enhanced approach focusing on three main elements:

Firstly, I propose to structure our work by focusing on a number of well-defined core areas of public administration reform about which I will go into in more detail later.

I also propose to introduce a more structured policy dialogue on public administration reform in Special Groups on Public Administration Reform.

The third aspect is about ensuring a better political attention and follow-up to commitments made on public administration reform, including in the Stabilisation and Association Councils and in the context of the accession negotiations.

Let me take you through these elements starting with the core areas for public administration reform:

The **strategic framework for public administration reform** is the most crucial area, providing the necessary basis for the rest. It entails a clear demonstration of political commitment and leadership for reform. This includes a well-sequenced reform plan, financing for implementation and political and administrative mechanisms for monitoring implementation.

The area of **policy development and coordination** covers issues such as policy coordination at the centre of government and among ministries. This is why I am delighted to see so many representatives of Prime Ministers' offices here today.

The important public service and human resources management field covers issues such as organisation and functioning of the public service, including de-politicisation, merit-based recruitment promotion and training.

The high level of politicisation of public administration in the enlargement countries is an issue of concern, as the Commission has consistently highlighted in the annual progress reports. Despite developments with improving national civil service laws, we have continued to observe a high turnover of staff after elections. It is imperative to ensure that appointments are based on merit. Otherwise there is a high risk that appointed public officials act in private or party-political interests. This undermines democratic governance.

Accountability of administration requires transparency, access to information and possibility of citizens for administrative and legal redress. It is not only about fair treatment of citizens but also about accountability for performance.

Service delivery, is also an important consideration, linking closely to growth and jobs and concerns services for citizens and business alike. It includes better administrative procedures, cutting red tape and providing e-government services. It is an issue that often arises in my discussions with CEOs who regularly complain about public administration not being responsive to business needs, notably when it comes to starting a company or obtaining licences.

The final area is **public financial management**. This has been brought under the public administration reform umbrella, because a good public financial management system is crucial for democratic governance and a precondition for effective service delivery and prevention of corruption.

The countries are invited to prepare comprehensive reform programmes, which will provide a framework for prioritising reforms in different public finance systems. These programmes will be a basis for a regular policy dialogue together with the key international financial institutions.

I am pleased to note that Albania, Montenegro and Serbia are proceeding with preparation of these programmes. I would like to invite other enlargement countries to follow suit.

Let me add that implementation of a credible public financial management reform programme will allow enlargement countries to use IPA funds in the form of sector budget support.

Ladies and gentlemen,

We are inviting you to address these core areas under your respective national public administration reform agendas. For the first time we also have a very concrete tool – the Public Administration principles – that will help you to identify reform needs and monitor progress. Deputy Secretary General of OECD, Mrs Mari Kiviniemi, will talk to you about these in more detail.

Turning to the second element of our enhanced approach I am pleased to confirm that we will have dedicated groups for each of your countries. This will allow us to engage in a more substantial and structured policy dialogue on public administration reform. I expect that the groups will become the main platform for taking reforms forward.

The third element of our new approach is about ensuring more political attention to public administration reform. We therefore propose that the results and common

conclusions achieved in the Special Groups on Public Administration should feed into the Stabilisation and Association Councils, where a more political discussion on key public administration reform issues can take place.

Accession negotiations will also be used to encourage the necessary reforms, and key issues should be addressed through relevant chapters. This has already been the case for Montenegro and Serbia in the context of discussions on Chapter 32 (Financial control), where the link to a more comprehensive approach on public financial management has also been made.

Ladies and gentlemen,

With the enhanced focus on public administration reform as part of the 'fundamentals first' approach, the Commission is sending a clear message to all enlargement countries. Those countries that are willing and able to systematically engage in this reform early on, will have a better basis to tackle specific challenges arising on economic development, rule of law or under different negotiation chapters. And equally importantly they will also ensure the credibility of their efforts in the enlargement process.

Clear political commitment to public administration reform at the highest political level and coordination at national level will be crucial in this respect. Public administration reform will have to be agreed across a wide range of ministries. Wider consultation involving national parliaments, regional and local authorities, social partners and civil society will ensure ownership and implementation of reforms.

This will facilitate the countries' progress on their European path and will also ensure that citizens benefit from having an effectively functioning public administration that provides quality public services in advance of joining the European Union.

Thank you for your attention.



Mari Kiviniemi, Deputy Secretary General of OECD

The Principles of Public Administration in the enlargement process

Dear Commissioner, ambassadors, ministers, ladies and gentlemen,

I am delighted to be here in Brussels to introduce the Principles of Public Administration to such a prominent audience, particularly key decisions makers who implement public administration reform.

I think we all know very well that good governance does matter. It has a significant impact on government performance and is therefore essential in building trust in government and delivering necessary structural reforms. In recognition of this, governance issues have moved to the centre of policy debates in the OECD and its member countries in recent years.

Defining public administration reform as one of the key pillars of fundamental reforms required in the EU accession process is a great step forward. I am particularly pleased that the Principles of Public Administration have been developed jointly by the OECD and the European Commission through SIGMA, which has been a partnership initiative of the two organisations for more than two decades.

I would like to thank our colleagues in DG Enlargement, in particular the Regional Cooperation and Programmes Unit and the Strategy and Policy Unit, for the excellent cooperation which has made it possible to combine EU accession process dynamics with OECD governance expertise and to converge decades of experience from both OECD countries and EU member states, including former accession countries.

The Principles of Public Administration provide a detailed definition of good public administration that countries should be aiming for. And I should emphasise that they only outline basic and fundamental requirements that must be in place, not what some would describe as the “nice to have”.

It may sound easy, but we all know that the implementation of these reforms is a paramount task; it takes time, and requires dedication and persistence from the political and administrative leadership of the country.

The Principles offer a monitoring framework for governments and policy makers which will enable them to follow the application of reforms over time. It also provides tools to analyse what has been achieved and whether the outcomes of the work of the administration have improved.

There are 48 Principles presented in both the booklet that you have all been given and the more comprehensive publication in your pack of material. I would like to highlight some key elements which help to determine the success of reforms.

First, public administration reform can be successful only if the Government is trusted by its citizens. Implementation of the Principles has a direct impact on trust in government. In particular, recent research by the OECD illustrates that levels of corruption, openness, inclusiveness and reliability in a country determine whether or not citizens have trust in their Government. These are the cornerstones of the Principles and, when implemented, they help to avoid reform roadblock, created by poor levels of trust.

Second, we recently held discussions with top decision makers from the centres of government of OECD countries on how strong leadership is crucial for successful reforms. As ministers responsible for these reforms in your own countries, it is in your hands to guide and deliver reforms and to motivate others in your own administration. To achieve that, it is necessary to create an environment which promotes innovation and a degree of risk taking, and rewards top managers who are successful in the implementation of reforms.

Third, successful reforms take into account the financial circumstances and are designed to be financially sustainable, especially after donors' assistance is phased out. Therefore, proper planning of implementation costs and a close link between policy planning and management of public finances is crucial.

Ladies and gentlemen, through the strong focus on implementation and collection of evidence on government performance, the Principles are not only a set of requirements but are also a defined framework that I really believe can assist you in designing and implementing a public administration reform vision.

If you feel that you need assistance, do not hesitate to ask – the OECD/SIGMA is here to help you with your reform delivery.

I would like to give the floor now to the Head of SIGMA, Ms Karen Hill, who will provide further insight to the Principles and the role of SIGMA in the process.

Thank you very much.



Karen Hill, Head of SIGMA

The Principles of Public Administration and the role of OECD/SIGMA - PowerPoint presentation

Aim and focus of Principles

- SIGMA has worked with EU accession countries for over 20 years, including CEE countries which are now EU member states contributing valuable reform experience
- The Principles comprise only **key requirements and criteria** in line with European values for EU candidate countries and potential candidates – Western Balkans and Turkey
- Derived from EU *acquis*, international standards and requirements, and good practice in EU/OECD countries, the Principles enable **benchmarking of performance** and provide a **guide for countries** in their reform processes

Overall framework

- **19 key requirements** outline general characteristics of good public administration
- **48 Principles** grouped under key requirements focus on:
 - Implementation
 - Evidence based monitoring
 - Performance of the system in practice
- **Sub-principles** then define more precisely which components need to be in place
- **Analytical framework** describes how application of the Principles can be followed and measured

Implementation of reforms

- **The Principles of Public Administration are for countries to use - the level of a country's commitment determines success of its PA reforms**
- Final destination is the same for all – good public administration that achieves Government's objectives and delivers for citizens – but **priorities for countries vary over time** depending on previous reform record and specific challenges

Outline of monitoring progress

- New focus and need for wider evidence base requires more from both SIGMA and national administrations
- In addition to co-ordinating ministries, other central government institutions have a key role
- As requested by the EC, SIGMA will monitor application of the Principles, starting with baseline measurement in early 2015 to define where countries stand currently
- In the coming weeks, we will hold bilateral events and meetings for top administrative level in each country
- In December/January we will undertake data collection to inform country reviews
- Fact checking missions in February/March 2015

Volkan Bozkir, Minister for EU Affairs & Chief Negotiator

Implementation of PAR in Turkey

Mr Commissioner, Ministers, Director Generals, Distinguished Participants,

It is a great pleasure to be here at this conference, which I find very important for our joint efforts towards accession.

A good public administration has a critical role on the quality of services provided by a government. Turkey has achieved a lot in this area, particularly in the last 12 years. I will try to briefly explain what we have done and what we are doing in the field of public administration.

We consider our EU accession process a public administration reform effort both in narrow and broad sense.

In the narrow sense, this process means the modernization of the public institutions, enhancement of their administrative capacities and establishment of new institutions. In the broad sense, this is not just a reform related with public administration. It is also a transformation of the mindset in all aspects of life by strengthening the institutional capacities of the civil society, local administrations and the private sector along with public administration.

From the 1980s, with the liberalization of the Turkish economy the role of the state needed to be redefined. We had two major objectives: Downsizing the public sector by bringing in the "regulatory state" and increasing the efficiency of the public service.

Need for a modern, well-functioning public administration has been increasing day by day due to the impacts of globalization. An information society was being built and with access to a wider range of information the citizens demanded more from the state. Moreover Turkey became an EU candidate in 1999 and thus laws and regulations needed to be aligned with the European legislation.

Recognizing this need, newly elected AK Party government put public administration reform in its urgent action plan in 2002, addressing solutions to four fundamental deficits, namely strategic deficit, budget deficit, performance deficit and trust deficit. I believe that these are all interdependent with each other. Once a government adopts a holistic approach, successful results could be reached. This is how the public administration reforms were designed within the last decade in Turkey.

Dear Participants,

Turkish public administration reform has been constructed on two pillars.

First pillar is the restructuring of the public administration in light of the principles of transparency, accountability and effectiveness.

The second pillar is the improvement of governance with a greater focus on the needs of citizens. We can call it "citizen-oriented public administration".

Let me quickly go through our reforms since 2002 regarding the first pillar.

Local administration reform has been carried out in accordance with the European Charter of Local Self-Government. Our aim was to eliminate the overlapping of central and local authorities and to delegate certain powers to the provincial level. The laws on special provincial administrations, municipalities, metropolitan municipalities and union of local governments were modified in this respect.

We are very well aware of the fact that "citizen participation" is one of the core values of democratic governance. In order to ensure citizen participation, **City Councils** were introduced in 2005. City Councils are regarded as platforms to enhance public participation in local government and strengthening local governance structure.

Finally in 2012, the special provincial administrations were abolished in metropolitan areas and their duties were undertaken by the metropolitan municipalities. Previously, the head of the executive body of this structure used to be the governor, but now it is the democratically elected mayor.

Structure of line ministries has also been reformed. There used to be 38 ministries, leading to a bulky administrative structure and overlapping work areas. In order to reduce the bureaucracy, a series of changes have been made, the last one being introduced by a decree-law in 2011. State ministries were abolished. A new position, deputy ministry was established and the number of total ministries was reduced to 21. The institutional structure of the ministries was modified as well. This gave a clear and efficient domain for all of the line ministries.

Establishment of **regional development agencies** in 2006 was another important step in our reform efforts. There are 26 agencies at NUTS II level. These agencies have important duties. They effectively collect data on regions to form regional statistics, they perform socio-economic analysis of the regions and determine the framework of regional programmes and policies; and finally they implement the regional policies efficiently. They play a vital role in governance, by minimizing the development disparities between regions and within the regions.

The principles of transparency and integrity were taken really seriously during this period. The transparency of the administration was ensured when the "**Law on the Right to Access to Information**" was put into force in 2003. Each public institution now has a section on their web-site which enables citizens to demand any information regarding the institution's work area.

Turkish Ombudsman was established in 2012. As pointed out by the European Commission, it was an important step in safeguarding the rights of citizens and ensuring accountability of the public administration.

Another step in this direction was the establishment of **Turkish Human Rights Institution** in 2012. Having a specific, independent institution focusing on this issue is serving to the protection and improvement of human rights and prevention of violations.

Regarding the integrity of civil servants, **Council of Ethics for Public Service** was established. Certain ethical principles were defined for public administrators and auditing mechanisms were developed. In the context of anti-corruption, we also launched the Anti-Corruption Strategy and the Action Plan in 2010.

As a result of these transparency and integrity oriented regulations, Turkey ranked 50th in 2013 at the Corruption Perceptions Index of Transparency International. Our rank in 2003 was 77 among 133 countries. This is a significant improvement and we will continue to have even better results in the coming years by pursuing our zero-tolerance policy against corruption.

Public finance management and control is another topic that should be touched upon. EU membership perspective has contributed much to establishment of a new and modern financial management and control system in Turkey. A framework law, named as Public Financial Management and Control Law was adopted in 2003. This Law governs the structure and functioning of public financial management so as to ensure the effective, economic and efficient use of public resources as well as accountability and fiscal transparency. All activities of the public administration are now in accordance with its aims and defined policies.

It is also important to mention that **Strategy Development Units** were established in all of the Ministries to prepare and implement the strategic plans in an efficient manner. Thanks to this framework law and its implementing legislation, Turkey has fulfilled its requirements in Chapter 32: Financial Control and this chapter has been opened to accession negotiations.

Our government also attached great importance to **regulatory impact analysis**. With the Regulation on the Procedures and Principles for Preparing Legislation, it became obligatory to do regulatory impact analysis during the drafting process of each law having an impact of at least 10 million Turkish Liras. In other words, the socio-economic impacts of laws can be envisaged before their enactment.

Now I would like to say a few words on the **second pillar of our public administration reforms: the improvement of governance**. This is primarily the simplification of administrative processes and the minimization of redtape as much as possible. This also represents the transition from bureaucratic state to a citizen-friendly public administration.

In this regard, we put the **Regulation on the delivery of public services** into force in 2009. According to the regulation, public institutions will have public service standards and provide services according to these standards. Public authorities will share information actively and they will provide services electronically. No more ID cards or criminal records will be requested by public authorities. After the issue of the regulation there has been a project for the simplification of bureaucratic procedures.

At the end of the project, 564 regulations were amended. Thus, 1048 official documents were eliminated; notary applications for 215 public services were removed. The total amount of simplified administrative burden is nearly 430 million Euros.

E-transformation is another very important component of the public administration reforms. **The e-government gateway** offering access to all public services from a

single point has been launched in 2008. There are nearly 20 million registered users and more than 1000 services are provided online.

There are further regulations to be implemented in a very near future, as recently declared by our Prime Minister Prof. Dr. Ahmet DAVUTOĞLU. These changes will **simplify the bureaucratic procedures** our citizens go through in their daily lives. For example, the necessity to go to the registry offices in cases of birth, death, marriage and divorce will be removed. There will be no longer a requirement of a court decision to change name and family name. Similar simplifications will be done for obtaining driver's license, passport and residence document.

There is a vast of reforms instituted in Turkey to improve public administration but I tried to sum up as much as possible to give you a general idea of the process. We are very glad to see the affirmative comments in SIGMA annual reports related to this.

However, we are very well aware of the fact that there is still room for improvement. It is no doubt that full implementation of such a comprehensive reform takes time in all countries, and especially in a country at Turkey's scale. We take notes from both SIGMA Assessment reports and Commission's progress reports to sustain the reform process on the right track.

Dear participants,

As the Minister for EU Affairs and Chief Negotiator, I attribute a specific significance to the public administration reforms. The adoption of the EU acquis is important. But effective implementation of the acquis is equally important.

A well-functioning, transparent and accountable public administration with solid governance mechanisms is the key to implement the legislation effectively. This would help us to carry out the negotiations in a faster and smoother fashion.

Our President of the Republic Mr. Recep Tayyip ERDOĞAN declared the year 2014 as the "European Union Year" and clearly underlined our determination in this direction. With this determination, we have recently published our new European Union Strategy. This Strategy consists of three parts: Political Reform Process, Socio-Economic Transformation in the Accession Process and EU Communication Strategy. We are also increasing our pace of work by implementing the "National Action Plan for the EU Accession" for 2014-2019 period. In this plan, there are activities foreseen in each negotiation chapter to enhance the administrative capacity.

Since 2002, we have been building a new Turkey. In the New Turkey, our main objective is to raise the living standards of Turkish citizens in a more democratic and free country. To accomplish this, we must accompany our policies with an efficient public administration.

We have already made a long way in building this transparent, accountable, effective and efficient public administration. But we are aware that it is not sufficient for our 2023 targets. Our 62nd Government's 2023 vision foresees an even transparent, rational, simplified and decentralized bureaucracy. We are determined to continue with our reform process and we will invest all of our efforts to build the New Turkey our citizens deserve to live in.

Before concluding my speech I would like to extend my sincere thanks to the European Commission and OECD SIGMA for organizing this conference. It is certainly a very good platform for us to exchange our knowledge and experience.

Kori Udovički, Deputy Prime Minister & Minister of Public Administration and Local Self-Government

Implementation of PAR in Serbia

Dear colleagues, ladies and gentlemen,

In 2000, the state of play in the area of public administration in Serbia was quite alarming, given the amount of the average salary and the fact that the federal government had the most capacity but its role became less relevant in that matter. Moreover, the issues of decentralization were hard to tackle because of the situation with Kosovo and the aforementioned points were all followed by completely unrealistic public and own expectations.

In 2001, when Serbia finally embarked in a genuine transition and the EU integration path, the former capital of Yugoslavia, along with the federal government administration at its disposal, expected that building a strong public administration would be an easy task.

The Capacity Building Fund launched by the UNDP became the *sine qua non* of all the activities that were undertaken in that period.

During the last ten years, since the first Public Administration Reform (PAR) Strategy was adopted in 2004, several milestones have been achieved. The foundation of professional civil service was laid and the new salary system for civil servants was created, which significantly increased the attractiveness of the civil service. In addition, a series of new external control institutions were introduced as independent bodies, necessary in a modern administration (inter alia: the Ombudsperson, the Commissioner for Information of Public Importance and Personal Data Protection, the Administrative Court, the State Audit Institution, the Anti-Corruption Agency).

In parallel, although not strictly as part of the official PAR agenda, the EU integration coordination structures have been built up, as well as the basis for a functioning inter-ministerial coordination.

Until now, the PAR has been facing difficulties to focus on its implementation rather than on the regulation. The PAR also has to address other issues such as the reforms and undertakings' fragmentation and a culture of formalism - extremely onerous to businesses - exacerbated to fend off politicization.

Without a more effective state, Serbia will not be able to get out of a very difficult economic situation and guide its economic development and recovery, using resources more effectively and frugally.

The new PAR Strategy adopted in January 2014 gives a solid and broad framework for further designing the reforms. However, in the current context of brutal fiscal consolidation, the implementation of the Strategy becomes even more complex.

Five specific objectives of the PAR, aligned with the realization of SIGMA's principles, are:

1. To improve organizational and functional PA sub-systems;
2. To establish a harmonized merit-based public servants system and to improve human resources management;
3. To improve management of public finance and public procurement;
4. To enhance legal certainty and to improve the business environment and the quality of public service;
5. To increase transparency and to enhance ethical standards and accountability in delivering PA tasks.

In each of these areas, some reforms are already underway and others are being planned and prepared.

In the area of **rightsizing**, the important reforms which are in progress consist of downsizing targets for sectors and providing analytical tools for determining rationalization plans. Moreover, the EU FwC project (in charge of the systemic review of the wider PA system) has to determine the issues and problems with organizational forms, accountability lines and excessive staffing, based on domestic and international benchmarking. The second phase will be implemented in the period 2015-2017 and supported by the EU. It will comprise deep-dive functional reviews of several large sub-systems, focused on rationalizing structures and business processes and improving service delivery.

The Public Policy Secretariat was established to lead the ongoing Action Plan for Government Programme Implementation, which includes prioritization, strategic planning and policy making methodologies, and should lead to better **policy planning, coordination and policy making reform**. As part of the latter, mid-term development planning will be improved as well as capacities in ministries for policy planning, prioritization and analysis, including regulatory simplification and impact assessment.

Another crucial objective of the PAR is **decentralization**. It is an extremely complex process and thorough analyses are underway. Our plans for the following two or three years in this area have to address the problem of suboptimal distribution of competences, including unclear performance accountability lines and mechanisms, long and complex administrative decision-making and stakeholders' lack of willingness to take over responsibility in specific matters.

The **E-Government Development Strategy** (2015-2018) is underway and will be adopted by the end of 2014. The development of e-government will proceed based on four pillars: legislation, registers, interoperability and services for citizens.

As regards the **Civil and wider public servants system development and reform**, the Law on Employees in local self-government and autonomous provinces will soon be sent to the Parliament. In the next two to three years, amendments to the Civil Service

Act will be adopted with the aim of establishing control over appointments of top level civil servants (under analysis for further improvements). Furthermore, these amendments would tackle the professionalization of PA - in order for the system to deliver better service - which necessitates both greater flexibility and support to show that professional recruitment and HR management can give excellent results.

In order to **improve services for citizens and businesses**, consultations are almost finalized on the Law on Inspection Oversight, which is in its final drafting stage. The aforementioned Law is role model for participatory policy making. A detailed AP is being developed for its implementation, with the support of USAID. Also, a donor conference shall be organized to fundraise for the missing part of the needed budget. Furthermore, in the area of service provision, in the coming period, additional consultations on the Draft Law on General Administrative Procedure will be held to guarantee that the redesigned draft law ensures efficiency and effective state response. The adoption and implementation deadlines have to be set realistically, taking into account the capacity and motivation of a downsized administration working with lower wages to undertake the needed changes.

Finally, we are strongly focused on **building the capacity and consolidating the institutional structure** to ensure implementation and performance. The fact that the PAR Minister has responsibility over both the CoG institution in charge of policy planning and making reform (Public Policy Secretariat) and the Directorate for e-Government (an organ within the Ministry of Public Administration and Local Self-Governance) gives us an excellent starting position and we will continue to work towards ensuring coherence and clear accountability lines between all institutions crucial for designing and delivering the PAR policy.

Thank you for your attention.

Ivo Ivanovski, Minister of Information Society and Administration

Implementation of PAR in the former Yugoslav Republic of Macedonia

Ladies and gentlemen,

I would like to take the opportunity and express the appreciation of the Government of the Republic of Macedonia to the EU Commission and Commissioner Johannes Hahn for inviting us to this conference regarding the public administration reform reinforcement in the enlargement process. I would also like to congratulate Commissioner Hahn for his appointment at this position. I am looking forward to our cooperation.

The Reform of the Public Administration has been a priority in the Government agenda for the previous four years and it will remain a priority for the next four years.

The sole fact that the Gov of RM and the EU Commission have agreed to create a Special PAR Group with detailed action plan of activities to stimulate the PAR, speaks about our commitment to this particular topic. So far, 5 of these meetings have been held, and the date of the 6th meeting is to be determined by the end of this year.

On 31st of October, the Republic of Macedonia chaired the Fifth Annual Regional Meeting of the Regional School for Public Administration where 6 ministers from the member countries took part. It was an opportunity to go over the progress that has been made by each country and to further strengthen our cooperation. We have reviewed and analyzed the results and the progress of the countries in the region and have committed ourselves to take further actions for future headway.

Ladies and gentlemen,

The primary goal of the public administration reform in the Republic of Macedonia is to create an efficient, depoliticized and transparent service oriented administration.

This year we adopted the new legislation regarding the administration – the Law on Administrative Servants and the Law on Public Sector Employees, which will enter into force in February 2015.

Both of the laws were drafted according to the best practices of many western democratic countries, as well as the EU Commission and the UN. During those processes we had been supported by direct contribution of the Embassy of UK, the Embassy of France, OECD and SIGMA, and I would like to take this opportunity to personally thank them for their continual support. Extended public debates were conducted by all stakeholders including the civil society, NGO, academia and others making sure every voice has been heard.

The reforms begin at the bottom of the pyramid. Starting from the organizational charts of each institution, to the procedure of posting a job, application procedures, merit

based selection criteria, internal advancement, annual evaluation of the employees' performance and all the way to the award system. The proposed system uses the latest ICT tools to the most of their extent in order to include objective indicators in each of the processes.

The Ministry for Information Society and Administration is currently being in the final stage of the preparation of the Catalogue of Working Posts.

We have completed the first stage of the new Human Resource Management System, which will allow us to view the number of all employees covered by the two laws on administration. The institutions are obliged by law to use this system, which means that by the end of Q2 of 2015 the exact number of employees will be known at any given time.

Ladies and gentlemen,

In the period 2014-2016 the realization of the commenced projects for improvement of the public administration will continue:

The overall services which have been delivered on the counters will be available electronically in the future in order to reduce scrimmage in front of the counters and save time and money. For instance: e-application for a newborn certificate, e-permissions for strangers, e-applications for address change; e-application for pension insurance; e-application for social assistance or a child allowance; e-application for kindergarten, primary and secondary school, university etc.

In order to provide support for certain institutions in the CAF model introduction, the Ministry of Information Society and Administration as the National Focal Point for CAF in Macedonia, has recently undertaken activities for increasing the number of CAF trainers in the state institutions. Namely, in cooperation with the OSCE Spillover Monitor Mission to Skopje and the EIPA we have conducted a training for trainers for multiple civil servants which will support other institutions in the future. The training has been conducted by EIPA experts in Skopje through presentations, discussions, working groups etc. Moreover, according to the Law on Introduction of Quality Management System and common framework for assessment in the state administrative bodies, the ISO standards were introduced for improvement of the quality management and service providing.

Regarding improvement of transparency and accountability in the administration in the forthcoming three years the activities for enhancing capacities for strategic planning will take place by strategic planning trainings. The Strategy for Cooperation with the Civil Society Sector will continue in the period 2012-2017 with support and participation of the CSOs in the policy creation process and capacity building for cooperation with the CSOs in correlation with the Strategy Europe 2020.

In the forthcoming period greater attention will be paid to permanent development of the civil society by encouraging development outside the capital which is also in correlation with the Pre-accession Partnership and Strategy Europe 2020. The development of local strategies for cooperation with the CSOs in 8 pilot municipalities will be sustained by the IPA Project "Sustainable Civil Society". Moreover, the cooperation with the Ombudsman will be improved.

Milena Harito, Minister of Innovation and Public Administration

Implementation of PAR in Albania – PowerPoint presentation



I - Legal Reform | Approval of New Civil Service Law
Main Principles

● Creating a **PROFESSIONAL, MERIT-BASED, DEPOLITICIZED** public administration that is able to face challenges remains a key priority of the Albanian government.

An important step in this direction was the new Law no. 152/2013, "On the Civil Servant", which relies on several key pillars and brings several innovation into the civil service:

- EXTENDING THE SCOPE OF THE CIVIL SERVICE LEGISLATION to institutions subordinate to the prime Minister, Line Ministers & Communes
- ESTABLISHES POOL RECRUITMENT -- Candidates for "entry level" positions in the civil service will be selected through an annual national concurs
- CREATES THE TOP LEVEL MANAGEMENT CIVIL SERVANTS CORPS -- This corps has a specific employment legal regime and relevant managerial instruments.



I - Legal Reform | Approval of New Civil Service Law
Main Principles

- CAREER DEVELOPMENT AND PROMOTION -- The career development instruments is the horizontal promotion (within the category) and vertical promotion (to the immediate higher category).
- THE HORIZONTAL PROMOTION/LATERAL TRANSFER -- based on a position-based internal competition procedure aimed at selecting the best available candidate from within the civil service.
- THE VERTICAL PROMOTION -- based on an open competition organized for one or more specific positions and this competition is based on a **preferential bonus system for existing civil servants**.
- MOBILITY -- The law provides for rotation and transfer as instruments of mobility and career development.

II - Implementation of the New Civil Service Law

Main Challenges

The new civil service law was conceived as a framework law that defines principles and determines general management standards and relevant responsibilities.

From **September 2013**, the Albanian Government under SIGMA/OECD assistance has taken all the required steps to draft **10 by-laws identified as necessary** for the implementation of the new civil service law.



- ➔ Following an intensive work & consultative process all the **10 bylaws** were drafted and approved by the CoM in February- March 2014.



II - Implementation of the New Civil Service Law

Main Challenges

In order to **ensure proper implementation** of the new procedures provisioned under the new civil service legislation **5 guidelines** for the recently approved bylaws have been prepared:

- | | | | | |
|---------------------------------|---------------------------|--|--|---|
| <p>Guideline 1</p> | <p>Guideline 2</p> | <p>Guideline 3</p> | <p>Guideline 4</p> | <p>Guideline 5</p> |
| <p>On disciplinary offenses</p> | <p>Job descriptions</p> | <p>Restructuring Committee due to shutting down or restructuring of institutions</p> | <p>On filling in vacant positions in the civil service through the procedure of lateral transfer, promotion and on the procedure for entering the civil service for of executive position through open competition and</p> | <p>On the process of recruitment and Appointment of the Top Level Management Corps (TMC).</p> |

II - Implementation of the New Civil Service Law

Main Challenges

At present:

In August, we announced **113 vacant** positions in **18 group positions**.

For these positions we have received **5100 applications and 1900 applicants**

were qualified for the competition phase. Out of these applicants, **38 have** been announced as winners.

In the meantime, DoPA has continued to advertise for **130 vacant positions** (of executive level)

During November DoPA will also be supported by SIGMA in the process of **improving the system of performance appraisal** and make it more fair and transparent.

A two-day workshop will be carried out with representatives from public institutions, which will focus on making the new Council of Ministers decision on performance appraisal as **practical, simple and applicable as possible for all civil servants of the new civil service law**.



II - Implementation of the New Civil Service Law

Main Challenges

At present:



In order to ensure a full and thorough understanding of the new civil service legislation, **from March 2014 trainings on the new civil service legislation**, have ben organized for:

- ✓ Line Ministries
- ✓ Independent Institutions
- ✓ Subordinate Institutions
- ✓ Local Government Units

ASPA has continued to provide trainings according to its trainings schedule and meanwhile it is carrying out the following tasks:

- Drafting the Training Curricula for the Top Level Management Corps, based on the Training Needs Assessment.
- Drafting the Annual Training Plan for 2015
- Continue to deliver training courses according to the training schedule

II - Implementation of the New Civil Service Law

Main Challenges

At present:

In terms of improving and extending the Human Resources Management Information **System/HRIMS**, DoPA has continued to work intensively for making functional in a successful way the HR module in **the 16 line ministries and in the Prime Minister's Office**.

In this framework DoPA is currently being supported by the IPS Trust Fund in the process of application update and in the system maintenance.

II – Innovative Governance

Improving administrative procedures and oversight through increased control over the activity of public administration, guaranteeing citizens' rights and access to information, through . . .

Review the procedures for **the delivery of public services and simplify them through ICT solutions**.

Increasing **the efficiency and accountability of public employees by delegating decision-making** issues closer to the position involved in the processing the case.

Increasing transparency on the activities of administrative bodies and facilitating information for citizens that have access to public administration documents.

Mahir Yagcilar, Minister of Public Administration

Implementation of PAR in Kosovo* - PowerPoint presentation

Background

- In 2005, the Government of the Republic of Kosovo has approved the initiative for drafting the Strategy on Public Administration Reform in Kosovo.
- The Strategy has been approved in 2007, by decision of the Government, while the Action Plan on PAR (APPAR) has been approved in 2009.
- After detailed analyses made on the implementation of SPAR 2007-2012, it has been concluded that the strategy needs to be reviewed and objectives be more concrete and appropriate to the reality created after the declaration of independence.
- The reviewed Strategy on Public Administration Reform has been approved in 2010, while the Action Plan implementing the Strategy on Public Administration reform has been approved in 2012.
- Strategy on PAR 2010-2013 included 12 objectives

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

Twelve (12) objectives of PAR

1. Policy management

7. Internal control and audit

2. Drafting of legislation

8. Public procurement

3. Ethics and Transparency

9. Reorganization of public administration

4. Communication with citizens

10. Management and development of human resources

5. Budget planning

11. Rationalization of administrative electronic processes

6. Budget execution

12. Electronic governance

Responsible structures for implementation of SRAP/APPAR

Coordinating and monitoring structures for implementation of APPAR

Implementing structures of APPAR actions

❖ IMCPAR (political level)

❖ Office of the Prime Minister (OPM)

❖ DMPAR (technical level)

❖ Ministry of Finances (MF)

❖ Ministry of Public Administration (MPA)

❖ Working Group of APPAR

❖ Sub-working groups (12 sub-working groups)

Public Administration Reform Process

- As a joint body of the institutions of the Republic of Kosovo and the European Commission, the Special Group for Public Administration Reform (SGPAR), as part of the European agenda, has been established in 2013.
- At the meetings of SGPAR, it is recommended to draft a new Strategy on Public Administration Reform in 2014
- Ministry of Public Administration has drafted the evaluation report on the feasibility of PARS 2010-2013, where the feasibility has been achieved over 70%.
- Because the PARS is not being fully implemented, the Guideline of APPAR review for 2014 has been approved

Some of the achievements

- Legal framework on civil service has been finalized;
- Strategy and Action Plan for Cooperation with Civil Society 2013-2017 has been approved;
- Establishment of the Agency for Information Society, including the approval of the Law by the Kosovo Assembly;
- Creation of the National Data Centre, including the implementation of the project;
- The process for reorganization of state administration central institutions has been finalized;
- More than 250 scholarships for Master studies in order to advance public administration;
- DIL software has been installed (Data base for Legal Information).

Challenges

- Implementation of reforms in civil service:
 - Legislation on civil service is not being fully implemented, because the job classification has not been finalized;
 - Functioning of the new payroll system;
 - Capacity building in Civil Service (advanced trainings).
- Finalization of public administration reorganization;
- Supplementation and improvement of Legal Framework on Public Administration;
- Transparency and access to official documents;
- Better service delivery to citizens.

Planning for 2015

- Challenges derived from the Progress Report and Evaluation Report from SIGMA will be incorporated in the Action Plan 2015 (APSAA & PVPQ):
 - Political support for implementation of the new PAR Strategy and better inter-governmental coordination;
 - Supplementation-amendment of legislation on public administration;
 - Access to official documents (training for civil servants, citizen's awareness);
 - Facilitating procedures for service delivery to citizens (One Stop Shop, IPA II project, Draft Law on General Administrative Procedure, e-governance systems);
 - Advanced trainings for civil servants: human resource management, recruitment based on merit, transparency, de-politicization of administration.

Raško Konjević, Minister of Interior

Implementation of PAR in Montenegro

Distinguished colleagues Ministers, Your Excellencies, Ladies and Gentlemen,

It is my special pleasure to have the opportunity to greet you cordially on behalf of the Government of Montenegro and on my own behalf, and express the appreciation for the possibility to discuss at this level public administration reform, as one of the key topics for reaching the external policy objective shared by all countries of the Western Balkans.

Montenegro, as all other former Yugoslavia countries, was for almost a half of the century based on an administrative apparatus, which was essentially the bureaucratic one and which, beside certain quality, was sluggish and inert. Within the process of transformation towards requirements of a modern society, citizens are rightfully expecting from a state to provide more effective services, where the state has the obligation, through institutional and functional adjustment, to meet their expectations.

Therefore, public administration reform is beyond doubt, reform of the state.

To this end, the Government of Montenegro has a clear vision, to ensure within the process of European and Euro-Atlantic integration, proper administrative capacities, in order to be able to adequately implement the EU *acquis* in the legal system of Montenegro.

Initial grounds for the public reform in Montenegro were put in place in 2002, with systematic approach undertaken in this significant process by adoption of the 2002-2009 Public Reform Strategy.

"Finalisation of the substantial steps within the state administration reform", is a key recommendation contained in the Opinion of the European Commission on application of Montenegro for accession to the EU in 2010. Responding to the shortcomings within the public reform recognised in the Opinion, but also in other preceding relevant policy papers, the Government adopted the 2011 – 2016 Public Reform Strategy. The main objective of the Strategy is efficient, professional and services oriented public administration, functioning for the benefit of the citizens and other social and business entities. In order to ensure proper implementation of the reform, it was assessed that the most effective managing of the process in the field of the state administration and local self-government, should be entrusted to the special working bodies established upon the principle of participation of the inter-agency high officials.

Starting from the clear strategic commitment of Montenegro, which is accession to the EU and NATO, expectations of the relevant entities are increasing over years, thus among other things are setting conditions for dynamics of the accession process. Certainly the most significant expected result of the effort is strengthening of services oriented public administration, which is to contribute to the economic stability and better quality of living standard of all citizens of Montenegro.

Although reform effects are not easily measured, general evaluation of the Strategy implementation is a positive one. Starting from the European standards and best practices, Montenegro has so far adopted numerous reform pieces of legislation. The most relevant are certainly new Law on Civil Servants and State Employees, which laid down the grounds for development of a professional, depoliticised and impartial public administration, as well as the Law on Administrative Procedure, which fulfils the European administrative space requirements, which is expected to be adopted by the Parliament of Montenegro by the end of the year.

Aimed at establishing an efficient, economical and effective public administration, founded on the best international standards and practices, being able to develop necessary capacities for managing the EU accession process, the Plan on Public Sector Internal Reorganisation was adopted.

I would like to take the opportunity and express appreciation of the Ministry of Interior and the Government of Montenegro to the EU member states which are providing continuously significant support to the reform processes and reorganisation of the Montenegrin public sector. I would like to underline especially the support ensured through the work of the jointly established by the European Commission and Montenegro, the Special Group on Public Administration Reform, which is reviewing and monitoring implementation of the strategic documents, thus ensuring mutual synergy which is contributing to the better coordination of the reform activities.

Taking into account that public administration reform is a continuous process which necessarily has to fit into changes within economic and social environment, following analyses of the strategic objective effects, in addition to what has already done, we are to draft a new strategic document for the period by 2020.

Also, aimed at creating and keeping the citizens trust in dutiful and trustworthy execution of duties by the public administration, fight against corruption at all its levels, is one of the priorities of the Government of Montenegro, and I am convinced we will day by day reach better results in the field.

I would like to point out that Montenegro will take the Presidency of the Regional School of Public Administration (ReSPA) as an opportunity to strengthen further on relations at the regional level between the institutions in charge of the public administration reform.

By means of ensuring continuity in the reform processes in Montenegro, we will be committed in the future, both at the national and local level, through development of legislative and institutional preconditions, to fulfil the standards and values of modern democratic societies.

To this end, there is a strong political will, and I would like to emphasise that public administration reform will be in a focus of the activities of the Government of Montenegro.

Within the above-mentioned context, exchange of opinions and experience between the states gathered together today, will significantly contribute to fulfilment of our joint goal – creation of public administration functioning for the benefit of the community, able to adopt achievements of stable democratic institutions, rule of law and respect of human rights through developed principles of a good public administration.

Semiha Borovac, State Coordinator for Public Administration Reform

Implementation of PAR in Bosnia and Herzegovina – Extracts from the presentation

Although by the evaluations of the European Commission Bosnia and Herzegovina still has not reached the desired degree of effectiveness, efficiency, accountability and transparency of the administrative apparatus, Bosnia and Herzegovina, as a complex, multilayer state, in the past years made significant, slow, but continuous moves forward in public administration reform, which happened as a result of a joint effort of different administrative levels and wide participation of networked officers of different institutions.

Since 2006 until this day, Bosnia and Herzegovina greatly fulfilled the original action plan, and made a revised version, whose duration would expire at the end of this year. According to the data from June, we have so far implemented 46 of the total of 76 per cent of the objectives, whose final deadline of implementation was June 2014. Our estimate is that by the end of the year we would not be able to fully implement this plan. Prognoses, that is, indicate that we will have the greatest degree of implementation in the area of strategic planning, coordination and policy making – area that is focused on improvement of the process of planning of work of the ministries and the governments, and building of the system that would ensure the quality of regulations and other acts. We expect the smallest progress in the area of human resources management, within which we work on development of policies of HRM, ethics, planning and recruitment of personnel, performance management, trainings, total quality management and numerous other objectives.

To illustrate the results achieved so far, I will give only few examples: in the area of public finance, after introduction of treasury operations, a modern information system was created which increased efficiency of budget planning and management, a regular draft of global framework of fiscal balance and policies was ensured, as well as consolidated accounts of the public sector, and there were also moves in the internal financial control. In the area of human resources management, a legal framework was established and central units for HRM were created at each level, which are networked and ensure a wide spectrum of regular trainings for officers. We constantly work on improvement of the legal framework that regulates all the segments of the civil service, and we also prepared a policy framework for development of human resources management.

In the area of e-Administration, one of our most significant projects is establishment of interoperability framework, but in the previous period, we were creating a legal basis for electronic operations, and building the necessary capacities for introduction of information technologies and electronic services. In the area of administrative decision making, we prepared the administrative decision making quality improvement programme, and we work on education of managers of administrative procedures and

inspectors, and on strengthening of capacities for control of regulations and establishment of administrative barriers reduction system.

All these activities stem from our strategic framework, but they could not have been successfully implemented without the mechanism of coordination of the process of public administration reform, which, in spite of the complex process of decision making in BiH, was successful and received good evaluation in the reports that have been drafted by the European Commission and the Sigma. The leading force of the reform process in BiH is the office of the state coordinator for public administration reform, positioned within the office of the of the chairperson of the Council of Ministers of BiH, which coordinates the whole process, together with the appointed entity and the district coordinators, and the officers of various levels of authority and the institutions, who, gathered in the supervisory teams for each respective reform area participate in designing and implementation of the reform activities. This, widely set mechanism, enabled, above all else, a wide participation of the institutions in the reform process, exchange of knowledge and ideas, and a coherent approach to implementation of the reform at various administration levels.

Nevertheless, one of the key characteristics of the BiH reform process is establishment of the Public Administration Reform Fund, which became a successful model, not only of the joint investment at the start of international, and in the most recent years of local funds as well, but also a model of a joint management of donor funds, without which it would be impossible to implement the reform in BiH.

During 2014, Bosnia and Herzegovina faced new challenges in the process of public administration reform. In the annual progress report for 2014, the European Commission noted that the strategic framework for the reform would expire at the end of the year.

We, planning a further development of the reform, with a technical support of the experts financed by the IPA programme, in mid-2014, developed a new document PAR: Path Forward, within which reflections appeared on the need to re-examine the performance of the reform process so far in the country, and on creating new measures for improvement of horizontal management structures. Within the same document, we already thought about the manner of improving the administration services in various areas of policies, as well as about more efficient, better use of information technologies within the administration, and strengthening the links with the civil society and citizens, with the objective of increasing openness, and strengthening transparency and accountability of our administration system.

In that sense we welcome the Commission initiative, and the priorities set within the Enlargement Strategy, and the principles developed by the Sigma, will be a useful tool for preparation of new documents for the next reform period in BiH.

Heiki Loot, Secretary of State

Conditions for a successful Public Administration Reform: Estonian experience – PowerPoint presentation

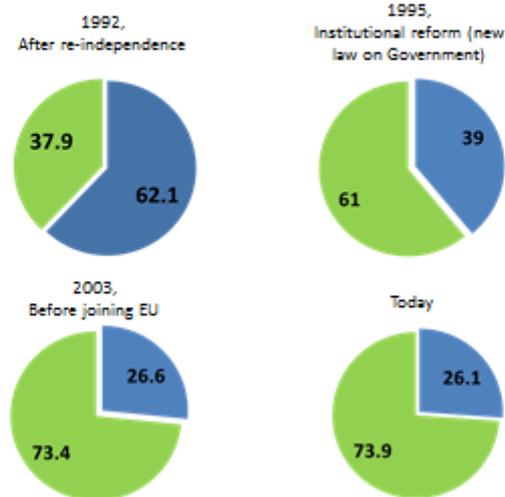
Estonia: EU integration landmarks

- 1991 re-independence
- 1997 invitation to negotiate EU accession
- 2004 EU membership
- 2007 Schengen area
- 2011 Euro-zone

Estonia: PAR phases

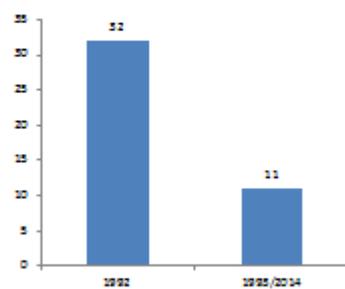
- I phase: State Building 1991-1997
 - Democracy, rule of law, market economy
 - Institutions and people, regulatory framework
- II phase: EU accession 1995-2004
 - Transposition of EU law
 - Administrative capacity
- III phase: EU membership 2004-
 - Search of efficiency
 - Service delivery
 - Strategic planning
 - Policy coordination

Public sector employment and private sector employment

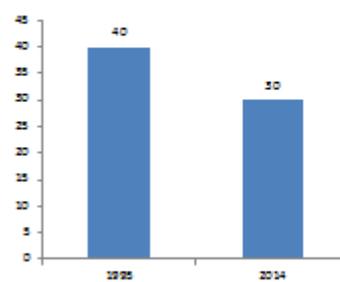


Institutional landscape

Ministries



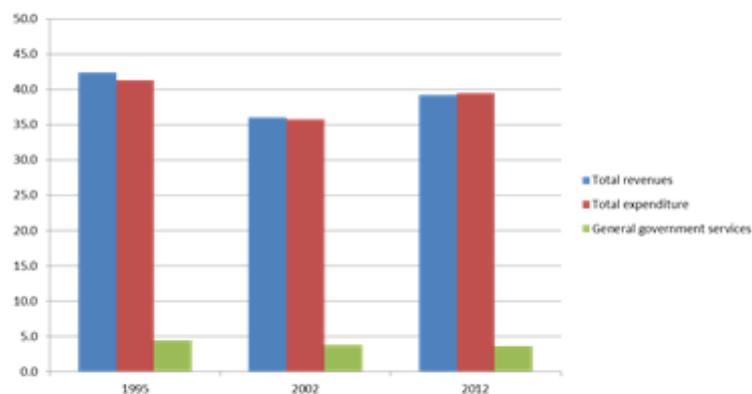
Agencies



Service delivery

- 600 e-services to citizens and 2000 to companies
- 100% of companies submit their tax declarations and annual reports in full electronic format over Internet
- 95% income tax declarations filed electronically
- 98% of new companies established over Internet
- 33% of votes casted over Internet (e-voting)

Fiscal sustainability



Estonian public revenues and expenditure, expenditure on general government services, % of GDP, 1995-2013, Eurostat

Success Factors I

- Internal reform commitment
- External expectations
- Clear vision of what to do
- General framework to develop a vision and measure success

Success Factors II

- Political leadership commitment
- Civil service (esp top civil service) commitment
- Respected leading institution or a set of institutions (avoid rivalry) staffed with competent people who know what to do and how to do
- Environment favourable to change, empowerment and enough autonomy, reform awards

Success Factors III

- Not only legislation, but also implementation
- Not only implementation, but also performance

Success Factors IV

- Every reform needs time
- There are certain reform stages, one can learn from others and be more efficient, but at the end of the day it is not possible to skip 10 years of development
- Be consistent and do not give up (sometimes many attempts)
- Be prepared for “windows of opportunity”

Simon Mordue, Director for Enlargement Policy and Strategy

Conclusions of the Chair

The Commissioner for European Neighbourhood Policy and Enlargement Negotiations, the OECD Deputy Secretary General and Ministers for Public Administration and for European integration from the Western Balkans and Turkey took part in the conference in Brussels on 12 November 2014.

Commissioner Johannes Hahn presented the Commission's enhanced approach on public administration reform, as set out in the 2014-15 enlargement strategy. It includes an enhanced focus on the core areas of public administration reform, a more structured policy dialogue in the Special Groups on Public Administration Reform, and an increased political attention to reform commitments in different fora, especially in the Stabilisation and Association Councils and in the context of the accession negotiations. He invited the enlargement countries to structure their work on public administration reform according to six core areas, which underpin the overall performance of public administration.

- 1) A Strategic framework for public administration reform, covering all levels of government, is the necessary basis for public administration reform and it requires a strong political support and leadership for reform.
- 2) Government policies need to be properly developed and effectively coordinated both at the centre of government and among ministries.
- 3) The public service needs sound human resources management. This requires depoliticisation and more merit-based recruitment as well as focus on professionalism and continuous training of civil servants.
- 4) Public administration needs to be accountable by ensuring fair treatment, transparency, access to information and possibility of administrative and legal redress.
- 5) Public administration needs to ensure efficient service delivery to citizens and business, including better administrative procedures and e-government services.
- 6) A sound public financial management system is a basis for democratic governance and a pre-condition for effective service delivery and prevention of corruption.

Deputy Secretary General of OECD, Mari Kiviniemi and the Head of the OECD SIGMA initiative, Karen Hill, introduced the Principles of Public Administration, which have been developed by SIGMA in close cooperation with the European Commission on the basis of the EU *acquis* and international standards. They define standards for good governance in each of the six core areas and enable to monitor progress over time. The enlargement countries were invited to use the principles to guide the national reform agenda and the policy dialogue with the European Commission.

The high-level country presentations focused on current public administration reform priorities and challenges. There was a broad consensus on the strong link between public administration reform, economic development and European integration. The participants stressed the need for a holistic approach in addressing public administration reform, thereby confirming the Commission's enhanced focus on the six core areas. The need for right-sizing and reducing the cost of administration, while ensuring the quality of administration and services to citizens and business as well as the need for better policy planning and coordination mechanisms, was highlighted by many participants among the key priorities.

The discussion was concluded by an EU Member State experience. The Secretary of State of Estonia, Heiki Loot, presented the reform stages Estonia has gone through and the main success factors for reform. He emphasised the need for a clear vision and a strong political lead. He also highlighted that even if certain reform stages can be learned from others, public administration reform takes time and it is not possible to skip 10 years of development.

It was agreed that country seminars with OECD/SIGMA would take place to further explain how the Principles of Public Administration will support the Commission's enhanced approach on public administration reform. The countries were further invited to ensure the availability of the necessary statistical data to enable OECD/SIGMA to prepare the 2015 public administration reform assessments in each six core area based on the full set of Principles of Public Administration.

List of participants



Albania

Milena Harito, Minister of Innovation and Public Administration

Suela Janina, Ambassador, Mission of Albania to the EU

Gentian Elezi, Deputy Minister, Ministry of European Integration

Eralda Çani, Advisor to the Prime Minister

Ilijan Xhezo, Director of Sectorial Policies, Ministry of European Integration

Admira Jorgji, Counsellor, Mission of Albania to the EU

Bosnia and Herzegovina

Igor Davidović, Ambassador, Mission of Bosnia and Herzegovina to the EU

Semiha Borovac, State Coordinator for Public Administration Reform

Mirela Ćosić, Head of Office, Directorate for European Integration

Darija Ramljak, Head of Strategic Division, Directorate for European Integration

Dražen Gagulić, Minister-Counsellor, Mission of Bosnia and Herzegovina to the EU

The former Yugoslav Republic of Macedonia

Ivo Ivanovski, Minister of Information Society and Administration

Dragan Tilev, Minister Counsellor

Jasna Boljat, Minister Counsellor

Martin Todevski, Head of Cabinet of the Minister, Ministry of Information Society and Administration

Irena Bojadzievska, Counsellor for Audio-visual Media Policy, Ministry of Information Society and Administration

Kosovo

Mahir Yagcilar, Minister of Public Administration

Gëzim Kasapolli, Acting Minister of European Integration

Qemajl Marmullakaj, Director of Strategic Planning Office, Office of the Prime Minister

Skënder Sallauka, Political Advisor to the Minister of Public Administration

Taulant Kryeziu, Senior Political Advisor, Ministry of European integration

Montenegro

Raško Konjević, Minister of Interior

Ivan Leković, Ambassador, Mission of Montenegro to the EU

Snežana Radović, General Director of Directorate for European Affairs, Ministry of Foreign Affairs and European Integration

Marko Mrdak, Representative of Ministry of Foreign Affairs and European Integration

Jadranka Vojinović, State Secretary, Ministry of Interior

Ivan Ivanišević, Director General for International Cooperation and European Integration, Ministry of Interior

Serbia

Kori Udovički, Deputy Prime Minister and Minister of Public Administration and Local Self-Government

Duško Lopandić, Ambassador, Mission of Serbia to the EU

Milena Lazarević, Adviser to the Deputy Prime Minister and Minister of Public Administration and Local Self-Government

Vladimir Ateljević, Adviser to the Minister without portfolio responsible for of European Integration

Ivan Antonijević, Counsellor, Mission of Serbia to the EU

Turkey

Volkan Bozkir, Minister for EU Affairs & Chief Negotiator

Selim Yenel, Ambassador, Mission of Turkey to the EU

Özlen Kavalalı, Deputy Undersecretary, Ministry for EU Affairs

Burak Erdenir, Deputy Undersecretary, Ministry for EU Affairs

Fatih Hasdemir, Deputy Permanent Delegate, Mission of Turkey to the EU

Engin Arikan, Chief Foreign Affairs Advisor

Estonia

Heiki Loot, Secretary of State, Estonia

OECD

Mari Kiviniemi, Deputy Secretary General of OECD

Karen Hill, Head of SIGMA

Luiz De Mello, Deputy Director, Directorate of Public Governance and Territorial Government, OECD

Keit Kasemets, Senior Adviser, SIGMA/OECD

Piotr-Nils Gorecki, Senior Adviser, IPA regional liaison, SIGMA/OECD

Klas Klaas, Senior Adviser, SIGMA/OECD

Elisaveta Gekova, Project Co-ordinator, SIGMA/OECD

Nicole Delecluse, Project-Coordinator, SIGMA/OECD

European Commission

Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations

Christine Grau, Member of the Cabinet of Commissioner Hahn

Simon Mordue, Director for Enlargement policy and strategy, DG ELARG

Jean-Eric Paquet, Director for Albania, Bosnia and Herzegovina, Serbia, Kosovo, DG ELARG

Vassilis Maragos, Head of Albania unit, DG ELARG

Zane Rungule, Desk officer for PAR, Albania unit, DG ELARG

Georg Ziegler, Deputy Head of Bosnia and Herzegovina unit, DG ELARG

Federica Domanin, Desk officer for PAR, Bosnia and Herzegovina unit, DG ELARG

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