

Auditing  
the Administration  
in Lithuania  
and Slovakia

Estonian Reform  
Puts Emphasis  
on Efficiency

Hungary To Train  
Thousands  
for EU Membership

### Forum Focus

Creating  
a Modern Judiciary  
in Bulgaria

Vol. VI - N°2 - 2000

Phare

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## Preparing the Administration for EU Membership

The last issue of this newsletter observed that the process of preparing for European Union membership requires commitment and vision *beyond* the demanding task of negotiating entry. In that issue, representatives of several key EU institutions responsible for supervising application of the *acquis* offered their views on what it means to participate in the daily work of the Union after membership has been achieved. Among other things, they highlighted the importance of ensuring administrative regularity and of training civil servants to participate actively in the dynamic policy environment of the Union's institutions.

On the following pages we now look at what a few aspiring EU Member States are doing to improve the performance of their public institutions and to ensure that these institutions are ready to accommodate European aspirations. As some state bodies are dismantled or reorganised, others must be created to fulfil obligations of EU membership. Although savings may be generated from the elimination of redundant or duplicative government activities, these will be more than counterbalanced by the cost of setting up new structures and of preparing civil servants to staff them.



Image: Bank/AlbertRuggieri

Within the past year, some central and eastern European countries have undertaken comprehensive reviews of their public administrations to clarify institutional responsibilities and organisation, evaluate performance, pinpoint weaknesses, and recommend improvements. On page 3, Kestutis Rekerta of Lithuania's Ministry of Public

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**Head, SIGMA Programme**  
Bob Bonwitt

**Editor-in-Chief**  
Bart W. Édes

**Managing Editor**  
Belinda Hopkinson

**Production Assistant**  
Patricia Prinsen-Geerligs

**French version**  
Translation Bureau, Public Works  
and Government Services Canada  
Halima Benlatrèche, copyeditor

**Design**  
AIRE, Cergy, France

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France

**Public Management Forum**

SIGMA-OECD Information Services  
2, rue André-Pascal, 75775 Paris Cedex 16, France  
Tel: (33.1) 45.24.79.00 - 45.24.13.76  
Fax: (33.1) 45.24.13.00  
e-mail: [sigma.contact@oecd.org](mailto:sigma.contact@oecd.org)  
Website: <http://www.oecd.org/puma/sigmaweb>  
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## STRENGTHENING CAPACITIES IN PUBLIC EXPENDITURE MANAGEMENT

The national budget is the single most important policy vehicle for giving effect to countries' economic and social priorities within the scarce resources that are available to government for public expenditure. It is in the budget that competing policy objectives are reconciled and implemented in concrete terms. To assist central and eastern European countries in modernising their budget systems and procedures in line with European standards, including specific EC requirements, SIGMA has prepared a comprehensive guide on public expenditure management. Forthcoming in autumn 2000, *Managing Public Expenditure* will help central and eastern European countries review and reform the institutions and systems in place for the effective and efficient allocation of resources.

The book includes practical, operational information and guidance on all areas of public expenditure management, e.g. legal and institutional frameworks, preparation of the budget, implementation, cash management, performance management, accounting, financial information and reporting systems, internal control and internal audit, and external audit. The introductory chapter includes guidance on managing change. Each part of the book ends with key points and directions for reform. There are four annexes: an exten-

sive questionnaire for assessing public management systems; guidance on establishing a National Fund system; EU regulations on fiscal surveillance, financial control and audit; and a note describing the IMF's Code of Good Practice on Fiscal Transparency.

The book also contains a glossary of terms and a detailed index. SIGMA will send free copies to budget directors and other budget/finance officials in ministries of finance, as well as budget/finance officials in line ministries and other government agencies, in the countries with which it works. The book will be posted on the SIGMA website for downloading for non-commercial, reference purposes.

This SIGMA reference guide was prepared in close collaboration with the Asian Development Bank which published a version of the book directed towards developing and transition countries in its region in 1999. The book should be useful both to central and eastern European countries in preparing for membership of the EU and to countries in other parts of the world that are engaged in reform of their public expenditure systems.

*Belinda Hopkinson, Managing Editor*

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# Audit of Lithuania's Administration Highlights Areas for Action

by Kestutis Rekerta

A government working group set up to audit the functioning of the Lithuanian administration identified numerous inefficiencies, including different institutions performing the same tasks, inconsistent legal and organisational structure of departments, and inadequate control mechanisms. The audit recommended several corrective actions to address these problems. In preparing its report, the working group also looked at spending on the public administration by other countries. It found that recent entrants into the EU increased expenditures in this area to meet demands imposed by membership.

Last year, Lithuania's Prime Minister ordered an audit of the country's public administration. The responsible institution — the Ministry of Public Administration Reform and Local Authorities — set up a working group to undertake this important task. It completed its assignment and submitted a report to the President and Parliament in October 1999. The audit's results are now contributing to ongoing deliberations over how to modernise Lithuania's administration. The report offers a general assessment of the system of public management, the evolution of spending on the administration between 1995-1999, and an overview of the principal administrative structures and number of civil servants. The working group gave special attention to the key State functions of regulation and control, and studied other aspects of public management, including forward planning, strategic management, and internal audit. The working group also studied what other countries spend on the public administration, including EU Member States and candidate countries in Central and Eastern Europe. Among candidate countries, the report noted that between 1993-1997 the share of the state budget committed to providing public services and maintaining the public administration's infrastructure averaged between 5-7 per cent. In Bulgaria it was 2.34 per cent during these years, in Estonia, 10.17 per cent.

In Europe's developed countries, the figure was about 6 per cent between 1993-1995, although Luxembourg stood out at 12.5 per

cent. The report pointed out that spending on the public administration can be linked to concrete developments in each country. In particular, in the years 1994-1995, Finland and Sweden practically doubled their expenditures on the public administration. It is no coincidence that during this period both countries were preparing to become EU Member States. The report surmises that most of the additional spending was aimed at supporting the exercise of new functions and the assumption of new duties related to membership.

### Destination EU

In 1996 the Lithuanian Government set EU membership as its principal objective. At the same time, it recognised that more resources would be needed to build up administrative structures required to fulfil membership requirements. In recent years the country has steadily increased spending on the administration, a trend also visible in Estonia, Latvia and the Czech Republic. The success of Estonia and the Czech Republic in the process of EU membership negotiations — both were in the first wave of candidates — shows that

it is impossible to achieve EU aspirations without additional resources. Today, spending on the public administration represents 10.6 per cent of Lithuania's total state budget. But poor implementation of the budget raises concerns that funds are not being used efficiently. The working group set up by the Ministry of Public Administration Reform and Local Authorities found that institutions are too often engaged in activities that are very close — even the same. Thus, it recommended the amalgamation of two institutions with responsibility for fishing matters — one presently situated in the Ministry of Agriculture and the other in the Ministry of the Environment. In April 2000, the Government took a decision on this.

A similar example was identified in the case of market regulation, where two institutions have the mandate to assure the reliability of products on the market, one from the perspective of consumers' health, and the other from a more economic standpoint. As in the



Image Bank/Will Crocker

case of fisheries, the auditors recommended that these two institutions be merged. They also proposed that the new unitary body provide a more complex type of regulatory control covering the two aspects dealt with by the existing institutions. In May 2000, the Government decided on reform of market control.

Overlapping functions were also found between the inspectorate dealing with energy matters and the service responsible for controlling hazardous materials, and between the inspectorate for road transport and the railway authority. Altogether, the auditors made ten proposals to improve public management by eliminating overlapping functions, and by using public monies more efficiently while at the same time reducing government spending.

### Reorganisation of Public Offices

The audit report confirmed that Lithuania's public management system remains very centralised, even though certain functions have been decentralised. The number of ministries has declined – there are 14 at present — but there are too many central administration bodies directly attached to the government and, above all, too many subministerial structures within the ministries. This situation poses difficulties for co-ordination, both government-wide and at the ministerial level. In May 2000, the Government decided to reduce the number of such institutions linked to the government and instead link them directly to ministries, thus increasing the role of ministers.

Key bodies dealing with, for example, national defence, public safety, justice, foreign affairs and finance, have not changed much in recent years, while other state entities have undergone institutional reform or internal reorganisation. One finding of the report was that the title of a public institution often does not reflect the work it conducts. For example, there are three types of “departments”: central administration entities directly attached to the government, subministerial structures attached to a ministry, and departments within ministries.

Regarding the nature of the activity undertaken, there are departments that prepare and implement national policy in a con-

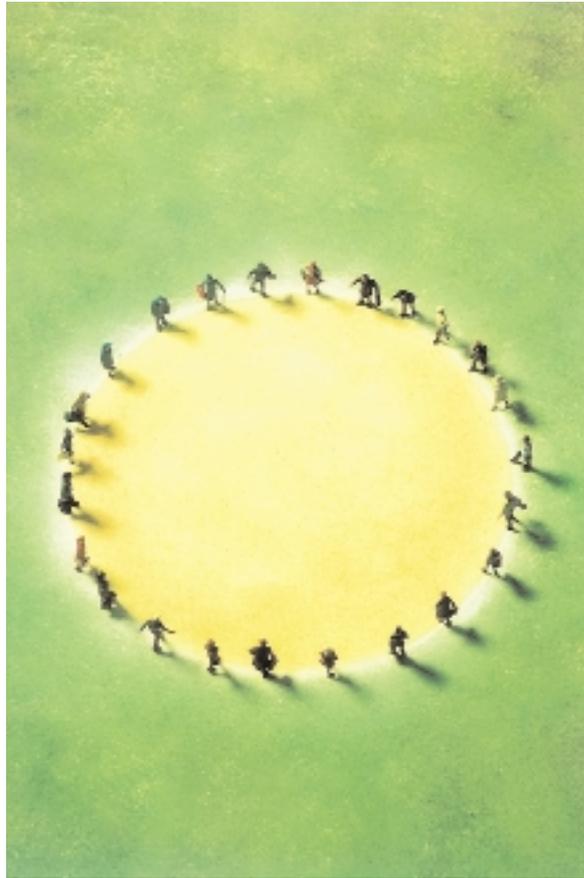


Image Bank/Will Crocker

crete field of public life (e.g. the department of the statistics) and there are departments whose principal function is control, such as the department of financial audit. This confusion between the titles and the substance of work performed by the institutions poses difficulties for citizens. They do not understand where in the bureaucracy to go and what they can expect when approaching a particular institution.

State bodies need to be situated in the appropriate part of the public administration depending on the type of activities in which they are engaged, e.g.:

- Political decision making (the Government, the Prime Minister).
- Preparation and implementation of policies (ministries and central authorities directly attached to the Government).
- Putting into practice and controlling policies (of agencies, inspectorates, services, etc.).
- Support to preparation of decisions (institutes, research bureaux, etc.).

### Standardising Institutional Structures

The second direction of institutional reform should concentrate on the effort to standardise the title, legal status and nature of work of administrative struc-

tures. Another axis of administrative reform should be the establishment of uniform relations between the ministries and subministerial structures, and the setting of criteria for institutions that carry out evaluations. At present there is great diversity among subministerial structures and it seems that there are no real criteria for determining what type of institutions ought to be attached to ministries and which ones ought to play a more autonomous role.

For example, the Department of Tourism, which elaborates national policy on tourism, is part of the Ministry of Public Administration Reform and Local Authorities. But its role is practically identical to that of the Department of Sports, which is attached directly to the Government. All of these institutions ought to be evaluated, and depending on their role should either become part of the internal structure of ministries (if they are responsible for developing national policies) or be set up as executive agencies (in cases where the bodies

*implement* policies).

The working group's report observed that there are some institutions which exert control in certain fields while simultaneously setting the standards and the criteria for such control. The auditors thus proposed that the reform effort bring about a separation of the function of regulation from that of control. They also recommended creating internal audit units in the larger parts of the public administration (legislation regarding internal audit already is in place). The creation of such units should help the administration to use its resources more efficiently. However, methodology to measure institutional efficiency and to detect weak points in the administration still must be prepared.

Another shortcoming identified in the administration is the near-complete absence of strategic management.

Consequently, the auditors recommended establishment of a system of strategic planning going from bottom to top. Such a system should make it possible to better situate the strategies of each ministry in the national context. Further, improvements in this area would facilitate the setting of priorities in each sector and promote better resource management. Following this recommendation, in June

2000 the Government adopted strategic planning methodology that will provide the basis upon which the 2001 budget is prepared.

The auditors further noted the absence of continuous monitoring of the public administration as a whole. In light of this,

they recommended creation of an information system to track developments across the administration. As proposed, this system should be empowered to initiate changes in the public management system through evaluation and by detecting dysfunctional traits and bad trends,

and should also make recommendations on how to avoid problems. ■

*Kestutis Rekerta heads the office of central administration in the Lithuanian Ministry of Public Administration Reform and Local Authorities. He can be reached in Vilnius at tel.: (370.2) 625.906; fax: (370.2) 227.351; e-mail: rekerta@vrsrm.lt.*

## Report Recommends Restructuring in Slovak Public Sector

**Lithuania is not the only EU candidate country to have undertaken an audit of the public administration within the past year. Slovakia, too, has reviewed the functioning of its state institutions and is now considering major changes. The audit, prepared for the Government Cabinet by independent local experts and foreign specialists, took six months to complete and covered 14 ministries, eight other central authorities and 150 organisations managed by central authorities, altogether employing more than 40,000 persons. Deputy Prime Minister for Economy, Ivan Miklos, publicly announced the audit's results on 18 June 2000.**

The basic message delivered by the Deputy Prime Minister is that the Slovak administration has not kept pace with developments of the past ten years. The audit cites several major shortcomings, including:

- Work carried out by State bodies is often duplicated or unnecessary.
- There is a lack of co-ordination between institutions.
- Billions of Slovak crowns are being wasted through inefficiencies.

Indeed, the audit estimates that administrative reforms could save between 2.6 billion and 3.9 billion Slovak crowns (61.4m - 92.0m euros). Katarína Mathernová, adviser to Deputy Minister Miklos, told *The Slovak Spectator* weekly newspaper that, "we are trying to free up [public] resources, not just to save money but to make the government more efficient. In the long run, it will be more cost-effective as well, but at the moment we are trying to attract the very best people [to the public sector]."

The audit recommends three major organisational changes: reorganisation of ministries, shifting certain authorities among the ministries, and integrating several

budgetary organisations into ministries. By curtailing duplication, eliminating low priority activities and improving co-ordination, the number of workers required to carry out the administration's work could be reduced.

However, as Miroslav Beblavy, leader of the audit team, explained: "Changes in ministries were aimed to increase their quality of work and to enable the process of civil service reform. This is not the area where most cost savings should be made. Most savings are made in the other two areas." These include changes in the status of subsidiary organisations and in property management.

Regarding the first group, from the year 2001, 56 organisations should receive funds from the budget only for specific projects and tasks awarded through competitive tenders. These are mainly institutions in the areas of applied research, accommodation and education services. By the year 2002, these organisations should also cease to be managed by the ministries and be set on one of four paths: be privatised, become a non-governmental organisation, transform into a semi-public not-for-profit institution, or merge

with a university. The audit determined that 15 other institutions should be abolished or have their status changed significantly.

Improvements in property management could be realised by centralising management of government-owned office and accommodation space, and by renting to both government and private occupants at market-based rental rates. In addition, the audit proposes the introduction of centralised procurement of certain standard goods for the government through competitive tendering.

Overall, the reforms are expected to reduce pressure on the state budget and give a boost to privatisation.

Savings in the public sector have long been urged by international financial institutions and intergovernmental organisations such as the International Monetary Fund, the Organisation for Economic Co-operation and Development and the World Bank.

With regard to Slovakia's European aspirations, the audit reported that there are too many independent institutions in the administration, while new ones will actually have to be created to support the country's integration into the European Union. As this issue of *PMF* goes to press, the Slovak Government is considering the audit's recommendations.

It is expected that the proposals will undergo some changes before implementation as ministries attempt to resist or amend the proposed cut-backs in their activities and staffing. ■

*For more information about the audit of the Slovak public sector, contact the head of the audit team, Miroslav Beblavy, at e-mail: beblavym@yahoo.com.*

# Public Officials and NGOs Work Together to Reform Bulgaria's Judiciary

by Maria Yordanova

**In February 1999, several domestic non-governmental organisations, professional associations, public officials and legal experts in Bulgaria launched the Judicial Reform Initiative (JRI). The main objective of this initiative was to develop a detailed "Programme for Judicial Reform" based on a broad institutional consensus within the country. Such reform is seen as essential to bringing Bulgaria's judicial system up to European norms. The following article reviews the preparation of this reform proposal, which was recently presented to the public.**

The main organisations behind the formation of the Judicial Reform Initiative include the Association of Judges in Bulgaria, the Center for the Study of Democracy, the Chamber of Investigators in Bulgaria, the European Network of Women in Police – Bulgaria, the Legal Initiative for Training and Development (PIOR), the Legal Interaction Alliance, the Modern Criminal Justice Foundation, and the Union of Bulgarian Jurists. Particular effort has been made to ensure involvement in the JRI of representatives of the judiciary, parliament, executive agencies of government, and international organisations. The European Commission Delegation to Bulgaria and the World Bank have taken an active and supportive role in the Initiative.

## Setting Up

As a first step, JRI partners formed a Steering Committee to manage and coordinate activities. The Steering Committee comprises representatives of each partner institution, as well as stakeholders from the legislative, executive and judicial branches of the State. A number of task forces were set up to conduct

research and to draft various components of the Programme for Judicial Reform. Topics covered included Civil and Commercial Law and Procedure; Penal Law and Procedure; Administrative Law and Procedure; Court Administration; Education and Training of Magistrates; and Opening of the Judiciary to Society. The Law Programme of the Center for the Study of Democracy was chosen to host the JRI Secretariat and entrusted with the task of operational coordination of the work of experts, and maintaining contact with interested local and international institutions. The Secretariat also provides logistical support to the JRI Steering Committee and prepares events organised by the JRI.

## Drafting the Programme

The JRI's main task was to draft a consensus document for reform based on a set of political and legislative measures to strengthen the legal and institutional infrastructure of Bulgaria's judicial system and to ensure its effective operation over the long run. In writing this document, the JRI aimed to achieve the following:

- Identify areas in which there is a need to improve procedural legislation and legislation relevant to the establishment of a modern court administration, and to accelerating legal proceedings.
- Initiate a broad public debate on the issues of judicial reform, its nature and objectives, and set out conditions for greater openness and transparency of the judicial system.
- Set out the conditions under which the judiciary could better absorb assistance from the European Union, as well as from other international organisations and donors.

- Provide the policy and legislative framework for the introduction of internal control mechanisms to combat corruption and abuse of power.
- Work out a mechanism for enhancing the professional skills of those working in the court administration.

**The overall objective of the reform process is to fulfil the need for a judiciary suited to the new social and economic conditions in Bulgaria. Successful implementation of the agreed Programme would contribute to legal stability and confidence in the judiciary and to development of a modern European judicial system.**

The overall objective of the reform process is to fulfil the need for a judiciary suited to the new social and economic conditions in Bulgaria. Successful implementation of the agreed Programme would contribute to legal stability and confidence in the judiciary, and to development of a modern European judicial system. Both legislative amendments and organisational steps are required to fulfil these aims. In particular,

actions are needed to ensure the independence of the judiciary; improve the professional knowledge and skills of magistrates; modernise the organisation of the court administration's work; open up the judiciary towards society (by, among other things, formulating and implementing a media policy); and amend applicable legislation, both substantive and procedural. The JRI organised a number of workshops with the participation of the expert task forces and members of the Steering Committee to discuss various parts of the Programme. Suggestions and comments generated at these events were incorporated in the first draft of the Programme. This document was then presented to principal stakeholders for discussion on a number of occasions, including at a policy workshop hosted by the Center for the Study of Democracy on 1 July 1999. Participants in the policy workshop concentrated their remarks on training of magistrates, enhancing the efficiency of the court administration, and improving the legal framework of reform. Ekaterina

Mihailova, Deputy Chair of the Parliament's Committee for Counteraction to Crime and Corruption and Leader of the Majority in Parliament, emphasised the importance of co-operation between public officials and non-governmental actors in pursuing judicial reform.

In July 1999, the draft Programme was opened for discussion and suggestions from all concerned parties such as the Ministry of Justice, the Supreme Judicial Council, associations and guilds of the legal profession, interested non-governmental organisations, representatives of the media, independent legal experts and the general public. In this way, the revised Programme incorporated input from a broad spectrum of institutions and individuals.

#### Programme Directions

The structure of the Programme is based on consensus priorities and sets forth the main directions for amending the legal framework underpinning reform. The Programme reviews the state of the judicial system and recent developments, and enumerates measures needed to implement the Programme. The Programme highlights three lines of action. The first is strengthening the independence of the magistrates. This includes taking measures to improve access to the magistrate profession, train judicial apprentices, carry out continuous training of magistrates, regulate their liability, and open up the judiciary towards society.

The second group of actions addresses reform of the court administration and includes four main components: a conceptual framework for a new way of organising the judiciary's work; a legislative framework and organisational changes in the judiciary; automation of administrative functions in the judiciary; and training of administrative staff.

The third line of action targets improvement of the legal foundation of reform through changes to civil, criminal and administrative law and procedure, as well as through the introduction of alternative dispute resolution.

The final version of the Programme can be viewed on the Internet at: <http://www.csd.bg/news/law/JRIupdateE.htm>.

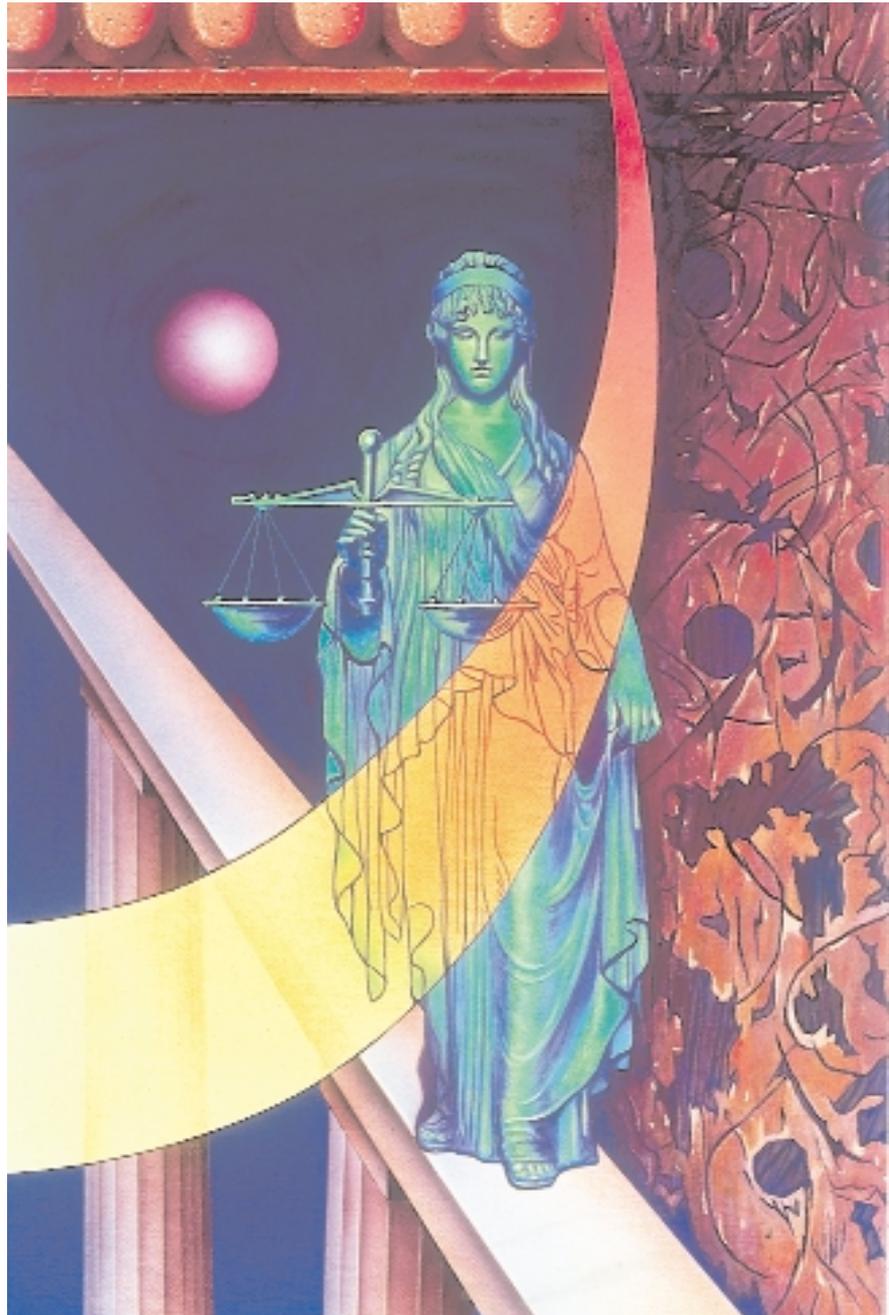


Image Bank/Andy Zito

On 18 May 2000, the JRI held a policy forum to present the Programme for public endorsement by major stakeholders. The event brought together over 100 representatives of the executive branch of government, the judiciary, and international and foreign organisations, as well as legal experts. The forum also raised the public profile of the Initiative, while preparing

Bulgarian society for fundamental reform of the country's judiciary. ■

*Dr. Maria Yordanova is Head of the CSD Law Program and Co-ordinator of the Judicial Reform Initiative (JRI). Further information may be obtained from the JRI Secretariat at the Center for the Study of Democracy, 1 Lazar Stanev str., Sofia 1113, Bulgaria. Also see the PMF article on anti-corruption work of the Center for the Study of Democracy (Vol. V, No. 1, 1999).*

# Estonia Aims to Strengthen Administrative Capacity to Accommodate EU Membership

by Brooke Donald

**When the Moderates, Reform Party and Pro Patria Union formed Estonia's ruling coalition government after the March 1999 elections, they promised, under the direction of Prime Minister Mart Laar, to cut bureaucratic red tape, reduce government spending and increase transparency. In effect, the triple alliance committed themselves to an administrative reform programme.**

So far, Estonia's administrative reform programme has manifested itself in different ways – top department officials have been replaced for inefficiency in their posts, the number of police officers has been reduced and discussions regarding merging select ministries, namely the ministries of Transport and Communication and the Environment, have begun. These reforms have taken place under the auspices of the administrative reform programme, but the actual document that will lay out the specifics of the programme is still in the works.

The Public Administrative Reform Bureau headed by former Estonian Privatisation Agency Director, Vaino Sarnet, and housed in the State Chancellery should complete the plan within the next few months. Until then, officials – most notably of the Finance and Interior Ministries – are suggesting ways state institutions can run more effectively and efficiently on fewer human and capital resources.

## In Search of Efficiency

The plan has been championed for almost a year by the Prime Minister who uses vague vocabulary such as structural reform, administrative capacity and efficiency to describe it. Laar has defined the aim of administrative reform as officials working for “the good of the people.” While the vernacular of public administration may sound impressive coming from politicians set on making good on their election

promises, it is not clear to the majority of the public, including those in government, what such language means in practical terms.

“Nobody ever studied public administration in the Estonian Soviet Socialist Republic so they don't know what it is, so they talk about efficiency. What to do exactly isn't apparent... Even among the ruling coalition there is no one strong opinion,” said MP Ivar Tallo, of the Moderates. “I don't know what will be the final analysis. Certainly I hope that [the people] won't shoot us down for this. I don't think reforms can ever be popular and that is a very real danger for the government that is trying to do the right thing.”

Doing the right thing, says Tallo, who is also a public administration lecturer at University of Tartu, may result in people losing their jobs, but that is not the goal of the reform programme.

“The central question is to raise administrative capacity,” Tallo said. “This is a small country with limited resources. We need to free up some of the resources.”

How the state and local governments should go about doing more on less is the point of contention among those debating the merits and pitfalls of such a programme.

“In Estonia, the whole discussion is about efficiency,” said Wolfgang Drechsler, chair

**We must prepare a government programme or action plan for civil service reform. We foresee this programme as a comprehensive approach... the purpose of which is to make government run more efficiently.**

of the public administration department at the University of Tartu. “No one bothers to think that public administration might have another role other than efficiency. The most up-to-date research suggests that the role of the state in economic growth is essential. If there is no institutional policy to foster the economy, it will fail.”

The draft programme is expected to recommend, among other things, that government ministries be downsized and the number of Estonian counties be cut. It will also outline the need for better training of public officials, especially judges, and easier access to public documents.

“It is a tough assignment,” said Sarnet, who spent six years overseeing the privatisation of state-owned companies. “We must prepare a government programme or action plan for civil service reform. We foresee this programme as a comprehensive approach... the purpose of which is to make government run more efficiently.”

However, a more efficient government, while a notable end, is not necessarily achieved through actively downsizing and combining ministries and local governments and decreasing the number of



## capacity

civil servants, according to public administration scholars.

"In Estonia, everyone always says to cut, cut, cut at the public sector, run it more like a business...that is not necessarily the problem," Drechsler said.

### Building Capacity

The problem, says Drechsler, is the quality of personnel, not the institutions where they work.

"Structures are not the main problem in Estonia and how big the ministries are not the problem," he said. "Administrative capacity is a personnel problem, and that is the problem here: how good are the people, do they know their tasks, how much are they educated."

One obstacle to creating an efficient administrative system in Estonia via radical changes in government structure plagues many transition countries, Drechsler said. Nations like Estonia, with renewed democracies, lack certain preconditions in their political and economic structures that favour snipping over reshuffling.

"In a place where the role of the state has to be restored, I don't think new public management is a viable thing," Drechsler said. "They need to step back, look at the entire picture, gather political will and ask, 'what do we need in a united Europe?'"

While adopting an administrative reform programme, Estonia is also actively working towards gaining membership into the

## Estonia Integrates Technology into Administrative Reform Plans

As part of its plan to reform the public administration reform, the Estonian Government aims to modernise information and communication technology (ICT) in the country's administration over the next three years. According to Linnar Viik, information technology adviser to the Prime Minister, over the coming months the Government wants to organise the ICT management structure and budgetary process, as well as mechanisms by which ICT services are provided to the public sector.

By 2003, organisation of the database structure and implementation of a document management programme should be completed. The

Government also aims to establish data security standards in the public administration, to encourage the use of identification cards and digital signatures in domestic business, and to restructure the public sector informatic science council into a body shaping Estonia's information policy. Consideration is also being given to creating the post of "IT Minister."

Viik said that the ruling coalition has discussed an initiative whereby the present institution-centred ICT applications in the public administration would be gradually replaced with client-centred ones.

Source: *Estonian Review* (bulletin of the Estonian Ministry of Foreign Affairs), Vol. 10, No. 11, 2000.

European Union. The two goals – a more effective government and accession to the EU – will be achieved alongside each other, Sarnet foresees, as the European Commission requires that Estonia increase its administrative capacity and update its judicial system before it can join the economic bloc.

Funding for the administrative reform programme comes largely from international organisations such as the European Union's Phare Programme and through bilateral negotiations with Finland, Sweden and other European countries, as well as the state budget.

### Learning from Others

Tallo says the best approach to hammering out a successful public administration reform programme in Estonia will be to look at the experiences of other countries, and tailor them to the specific needs of the Baltic republic. He only recently expressed that Estonia is gaining the means to adopt a successful programme: politicians are admitting that certain realities in the state's operations do not coincide with accepted norms of a democratic nation. For example, a career civil servant, he said, is often confronted with making political judgements. "A bureaucrat cannot decide on political questions. They were not appointed or elected to do so," he said. He agrees with Drechsler that programmes implemented in countries such as New Zealand and Brazil cannot be introduced wholeheartedly here and hopes to convey that to the rest of the government.

"You take from many countries and then decide on your own how to apply it," Tallo said. "There are no ready-made solutions." ■

Tallinn, Estonia



Image Bank/Anthonis Photographs

Brooke Donald is former Tallinn Bureau Chief of The Baltic Times. She can be reached at e-mail: brookedonald@yahoo.com. As with other articles in this newsletter, the views expressed here are those of the author, and not of PMF.

# Senior Public Servants in a Changing Europe

*Bureaucratic Élités in Western European States*, 1999, edited by Edward C. Page and Vincent Wright.

This book looks at the implications of social and political change for senior civil servants in Western Europe's public administrations. It explores the position of these officials from the perspective of *political status* – the character of the bureaucratic élite and its position within the machinery of government – as well as from the perspective of *political role*, that is, the functions that top administrators assume, such as co-ordinators of government policy or intermediaries with interest groups.

*Bureaucratic Élités* offers a comparative analysis of eleven European countries prepared by national experts. The wide coverage – from Denmark to Greece and from the UK to Italy – gives a mix of different types of administrative systems which are generally assumed to be very different: “southern” and “northern” systems; federal, unitary and regionalised systems; systems with reputations for extensive patronage in the public services and those without such reputations; and cabinet-based systems and those lacking such forms of political supervision.

The book identifies key developments over the past three decades, including an expansion of the top layer of the civil service, an increase in the social diversity of its ranks, and stepped up recruitment from outside the public administration. Also explored are ways in which social changes – such as the democratisation of education, growth of interest groups and rising importance of the EU – have had an impact on the senior civil service. ■

*Bureaucratic Élités in Western European States*, Edward C. Page and Vincent Wright, 1999, 298 pages. To order: Oxford University Press, Great Clarendon St., Oxford OX2 6DP, England, UK.



## Inbox: A Compendium of Recent Publications and Articles

*Note: All publications below are available in English unless otherwise noted.*

BILAL, Sanoussi and Phedon NICOLAIDES, eds. *Understanding State Aid Policy in the European Community, Perspectives on Rules and Practices*, 1999, 206 pages. To order: EIPA, P.O. Box 1229, NL-6201 BE Maastricht, The Netherlands. Tel: (31.43) 329.62.22; fax: (31.43) 329.62.96; e-mail: [eipa@eipa-nl.com](mailto:eipa@eipa-nl.com).

CLARKE, Thomas and Stewart CLEGG. “Changing Paradigms in Public Service Management,” *Administrative Theory and Praxis*, Vol. 21, No. 4, 1999, pp 485-507.

COUNCIL OF EUROPE. *The Status of Public Officials in Europe*, 1999, 122 pages. To order: COE, Strasbourg 67075, France. Tel: (33.3) 88.41.22.63; fax: (33.3) 88.41.27.80; e-mail: [publishing@coe.int](mailto:publishing@coe.int). FF 70.

FREY, Bruno S. and Reiner EICHENBERGER. *The New Democratic Federalism for Europe: Functional Overlapping and Competing Jurisdictions*, 1999, 129 pages. To order: Marston Book Services Ltd., P.O. Box 269, Abingdon OXON OX14 4YN, United Kingdom. Tel: (44.1235) 465.500; e-mail: [direct.order@marston.co.uk](mailto:direct.order@marston.co.uk).

FRISSEN, Paul H. A. *Politics, Governance and Technology*, 1999, 320 pages. To order: Marston Book Services Ltd., P.O. Box 269, Abingdon OXON OX14 4YN, United Kingdom. Tel: (44.1235) 465.500; e-mail: [direct.order@marston.co.uk](mailto:direct.order@marston.co.uk).

GALLI, Giampaolo and Jaques PELKMANS, eds. *Regulatory Reform and Competitiveness in Europe (two volumes)*, 1999, 544 pages (Vol. 1 – Horizontal Issues) and 520 pages (Vol. 2 – Vertical Issues). To order: Marston Book Services Ltd., P.O. Box 269, Abingdon Oxon, OX14 4YN, United Kingdom. Tel: (44.1235) 465.500; e-mail: [direct.order@marston.co.uk](mailto:direct.order@marston.co.uk).

JEAN-PIERRE, Didier. *La déontologie de l'administration*, 1999, 128 pages. To order: Presses Universitaires de France, Paris, France. In French.

KICKERT, Walter J.M. and Richard J. STILLMAN, II. *The Modern State and its Study: New Administrative Sciences in a Changing Europe and United States*, 1999, 288 pages. To order: Marston Book Services Ltd., P.O. Box 269, Abingdon OXON OX14 4YN, United Kingdom. Tel: (44.1235) 465.500; e-mail: [direct.order@marston.co.uk](mailto:direct.order@marston.co.uk).

NUGENT, Neil. *The Government and Politics of the European Union*, 1999. To order: Macmillan, London, England, UK.

ROSELL, Steven A. *Renewing Governance: Governing by Learning in the Information Age*, 1999. To order: Oxford University Press, Great Clarendon St., Oxford OX2 6DP, England, UK.

SAJÓ, András. *Limiting Government: An Introduction to Constitutionalism*, 1999. To order: Central European Press, Budapest, Hungary.

SAQUE, M. Shamsul. “Ethical Tension in Public Governance: Critical Impacts on Theory Building,” *Administrative Theory and Praxis*, Vol. 21, No. 4, 1999, pp 468-484.

STIVERS, Camilla. “Between Public Management and Post-Modernism: The Future of Public Administration,” *Administrative Theory and Praxis*, Vol. 21, No. 4, 1999, pp 520-522.

VINTAR, Mirko. *Reengineering Administrative Districts in Slovenia*, LGI Discussion Paper No. 11, 1999, 29 pages. To order: LGI, Hanulova 5/B, 840 02 Bratislava 42, Slovakia. Tel: (421.7) 785.357; e-mail: [nispa@nispa.sk](mailto:nispa@nispa.sk).

WURSTER, Günther, ed. *Co-operation Between Central/Eastern European Countries and Western Countries in the Field of Training and Consultancy for Administrative Reforms* (IIAS Research Paper No. 1), 1999. To order: IIAS, rue D'afacqz, Bte. 11, 1000 Brussels, Belgium. Tel: (32.2) 536.08.80; fax: (32.2) 537.97.02; e-mail: [iias@iiasiiisa.be](mailto:iias@iiasiiisa.be); <http://www.iiasiiisa.be>.

# Hungary to Train Thousands of Civil Servants for EU Accession

Providing Hungarian civil servants with basic information about the European Union is essential to prepare the country's civil service for accession. The Government has launched a programme devoted to organising vocational training courses for those working in the civil service. Already, over 10,000 people from ministries, public authorities, agencies and local governments have participated in basic courses. In 1999, a series of in-depth courses was launched to impart specialised knowledge to experts in certain parts of the civil service.

The Ministry of Interior, which is the primary organiser for EU training, is seeking additional financial resources for such training. To ensure that EU accession goes smoothly, all 100,000 civil servants should take part in at least some basic courses. Yet the total budget available, 200m forints (about 765,000 euros), is not even enough to meet even the most modest demands, argues the Ministry. Some EU Phare support is also being offered, but the Government is going to have to allocate more funds for EU-related education if all civil servants are to benefit.

After accession, 1,000 of the best-educated staff will move to Brussels, and this team may grow to 1,500 or even 2,000 in subsequent years. Based on the experience of current Member States, many more staff with in-depth knowledge of EU affairs will be required in Hungarian ministries to keep in touch with colleagues working in the Brussels. ■

Source: *The Hungarian Economy* (quarterly economic and business review), June 2000.

## Preparing the Administration for EU Membership

*Continued from page 1* ▶

Administration Reform and Local Authorities summarises the results of an audit of the Lithuanian public administration. According to Rekerta, this exercise revealed numerous inefficiencies, including different institutions performing the same tasks, inconsistent legal status and organisation of departments, and inadequate control mechanisms.

Slovakia has conducted a similar audit that, perhaps not surprisingly, uncovered the same types of problems. This independent audit proposes reorganising of major public institutions, shifting authorities among ministries, and integrating certain budgetary organisations into ministries. The audit estimates that over 60m euros could be saved by curtailing the duplication of tasks, introducing market-principles into certain activities, terminating low priority programmes, and improving co-ordination among public bodies. Slovak ministers are now deliberating the audit's recommendations.

On *PMF's* centre pages, Maria Yordanova of the Sofia-based Center for the Study of Democracy describes Bulgaria's Judicial Reform Initiative (JRI) launched in February 1999. This initiative brings together public officials, legal experts, and representatives of international organisations and the non-governmental sector to promote a national justice system operating at high European standards. JRI participants have drafted a detailed programme that identifies steps to promote the judiciary's independence; enhance the professional knowledge and skills of magistrates; improve organisation of the court administration's work; open up the judiciary towards society; and amend legislation, both substantive and procedural.

In its annual Progress Reports, the European Commission has highlighted the need for candidate countries to strengthen their judicial systems. Further, as noted by the President of the Court of Justice of the European Communities in *PMF*, Vol. VI,

No. 1, 2000, "the uniform and effective functioning of the Community legal system very much depends on the strength, effectiveness and co-operation of all of the national courts in [Member States]."

Finally, on page 8, journalist Brooke Donald reports on implementation by Estonia's ruling coalition of a plan to cut bureaucratic red tape, reduce government spending and increase transparency. The plan has been championed over the past year or so by Prime Minister Laar, with emphasis put on efficiency and downsizing. Some knowledgeable observers worry, however, that the plan does not give enough attention to raising the quality of personnel, and that other public sector values besides efficiency are getting short shrift. The challenge for this fast-growing Baltic state – as for other EU candidate countries – will be to ensure that public administration capacities are strengthened as the overall framework is reduced in scope ahead of accession. ■

**S**IGMA – Support for Improvement in Governance and Management in Central and Eastern European Countries – is a joint initiative of the OECD and the European Union. The initiative supports public administration reform efforts in thirteen countries in transition, and is principally financed by the EU Phare Programme. The Organisation for Economic Co-operation and Development is an intergovernmental organisation of 29 democracies with advanced market economies. Phare provides grant financing to support its partner countries in Central and Eastern Europe to the stage where they are ready to assume the obligations of membership of the European Union.

Phare and SIGMA serve the same countries: Albania, Bosnia-Herzegovina, Bulgaria, the Czech Republic, Estonia, the former Yugoslav Republic of Macedonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

Established in 1992, SIGMA works within the OECD's Public Management Service, which provides information and expert analysis on public management to policy-makers and facilitates contact and exchange of experience amongst public sector managers. SIGMA offers beneficiary countries access to a network of experienced public administrators, comparative information, and technical knowledge connected with the Public Management Service.

## SIGMA aims to:

- assist beneficiary countries in their search for good governance to improve administrative efficiency and promote adherence of public sector staff to democratic values, ethics and respect of the rule of law;
- help build up indigenous capacities at the central governmental level to face the challenges of internationalisation and of European Union integration plans; and
- support initiatives of the European Union and other donors to assist beneficiary countries in public administration reform and contribute to co-ordination of donor activities.

Throughout its work, the initiative places a high priority on facilitating co-operation among governments. This practice includes providing logistical support to the formation of networks of public administration practitioners in Central and Eastern Europe, and between these practitioners and their counterparts in other democracies.

SIGMA works in five technical areas: Public Administration Development Strategies; Policy-Making, Co-ordination and Regulation; Budgeting and Resource Allocation; Public Service Management; Financial Control and Audit. In addition, an Information Services Unit disseminates published and on-line materials on public management topics.

## ON THE AGENDA



### Upcoming Programmes

**12-13 October 2000. Paris, France. "EU Enlargement – Preparing for Accession."**

International Seminar for Experts in the series Great Debates. Contact: Cicero Foundation, Paris, France. Tel: (33.1) 43.80.18.21; fax: (33.1) 42.67.92.04; e-mail: cifo@compuserve.com; website: <http://www.cicerofoundation.org>. In English.

**15-18 October 2000. Cape Town, South Africa. "Globalisation, Governance and Public Service."**

Biannual Conference of the Commonwealth Association for Public Administration and Management. Contact: CAPAM, 1075 Bay St., Toronto, Ontario M5S 2B1, Canada. Tel: (1.416) 920.3337; fax: (1.416) 920.6574; e-mail: capam@capam.ca; website: <http://www.comnet.mt/capam>. In English.

**21-23 November 2000. Brussels, Belgium. "Change Management dans le Secteur Public."**

Contact: Institute for International Research. Contact: IIR, Avenue des Pléiades 11, 1200 Brussels, Belgium. Tel: (32.2) 772.6684; fax: (32.2) 776.0400; e-mail: iir@iir.be. In French (and English if there is sufficient demand).

**30 November-1 December 2000. Maastricht, The Netherlands.**

**"Challenges for a European Public Procurement Policy."**

Contact: EIPA, P.O. Box 1229, NL-6201 BE Maastricht, The Netherlands. Tel: (31.43) 329.62.22; fax: (31.43) 329.62.96; e-mail: eipa@eipa-nl.com; website: <http://www.eipa.nl>. In English

**11-12 December. Maastricht, The Netherlands.**

**"European Integration and National Civil Services."**

Contact: EIPA, P.O. Box 1229, NL-6201 BE Maastricht, The Netherlands. Tel: (31.43) 329.62.22; fax: (31.43) 329.62.96; e-mail: eipa@eipa-nl.com; website: <http://www.eipa.nl>. In English.

*Please note that not all of the programmes included in this calendar are open to every public administration practitioner or the general public. Details are provided directly by the organiser, who may be contacted for further information. If your organisation is planning an event, please send details to SIGMA (address on page 2). A more complete calendar of events may be found at: <http://www.oecd.org/puma/signaweb>.*