

The Role of the Treasury

Audit Institutions  
Strengthen Links

Hungary's Management of  
Public Finances

The Press as a Catalyst  
for Change

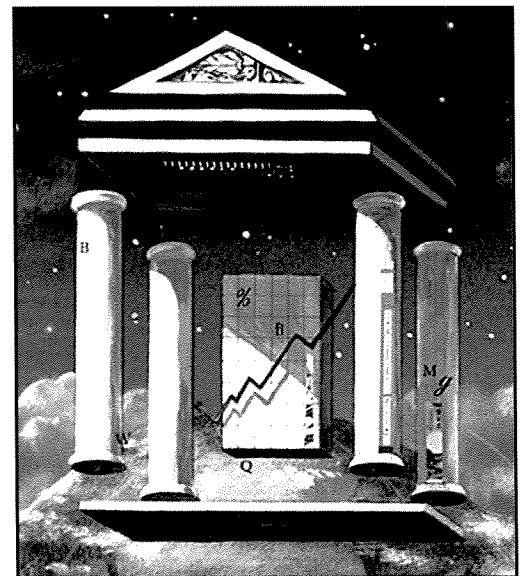
## Strengthening Financial Management

by Richard Allen

At different speeds and with varying approaches, central and eastern European governments continue to strengthen their systems for allocating and controlling public resources through the state budget. The generic need to improve expenditure management is made more urgent and complicated by global pressures for tighter control over public finances and the demands of European integration. With regard to this latter point, countries seeking to join the European Union will have to undertake major financial reforms in order to apply the *acquis communautaire* and to compete effectively in the European single market.

In particular, prospective Member States will have to modernise their public finance, accounting and classification systems; budget law and procedures; customs and tax administrations; financial information systems; macro-economic forecasting; internal and financial controls; public procurement law and administrative structures; and external audit. These changes will take many years to complete, and should be linked with other ongoing reforms in public administration (such as those promoting adherence of public sector staff to democratic values, ethics and respect of the rule of law).

With an emphasis on the example of Hungary, this issue of *PMF* highlights a number of areas where financial management reform ought to be given high priority, and indicates changes that are already taking place. Csaba László, Deputy State Secretary at Hungary's Ministry of Finance, describes the problems confronted and progress achieved in modernising the Hungarian system of public finance and budgeting, as well as priorities for the coming years. Expenditure management specialist Stephen MacLeod describes the role of the treasury in central and eastern European countries, while Tibor Horváth explains how one new treasury institution, in Hungary, has quickly organised



The Image Bank/Christa Kuffner

itself and hired hundreds of staff to perform its wide-ranging cash management duties.

### Expectations of Europe

SIGMA has recently published descriptive studies of how seven EU Member States have adjusted their financial management and external audit systems to meet European standards. Alan Pratley (European Commission, DG XX) describes the policies applied by the Commission in the areas of financial control and audit, and the main challenges facing applicants for EU membership. Nick Ilett (HM Treasury, United Kingdom) sets out the inter-relationship between national public finances and those of the European Community. Finally, Dirk Pauwels of the European Court of Auditors (ECA), highlights how the ECA and state audit institutions in Central and Eastern Europe are working closely together to share experiences and information on external control of public finances and the management of EU funds. ♦

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### Forum Focus

Integrating EC Finance  
into National Finance

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## Events Raise Awareness on Public Service Ethics

As we prepare to go to print with this issue of PMF, the OECD Public Management Service (PUMA) and SIGMA have just completed back-to-back multi-country programmes in Paris on the subject of ethics in the public service. PUMA's "Symposium on Ethics in the Public Sector", held on 3-4 November 1997, brought together over 135 individuals from OECD countries, central and eastern European states, and international organisations. Participants addressed ethical challenges facing governments, and identified approaches to ethics management, particularly in democracies with advanced market economies and well-established legal systems.

The SIGMA seminar, held on 5 November, was organised with the understanding that in many central and eastern European countries insufficient institutional capacities and the absence of legal frameworks make it difficult to define efficient ways and means of addressing ethical problems. Organised under the title, "Normative and Institutional Structures Supporting Public Service Ethics," the seminar provided a forum for examining the kinds of legal structures, institutions and mechanisms which need to be in place before shared values can be developed and ethical conduct expected in an administration. Many of those who attended the PUMA symposium also participated in the SIGMA seminar.

The 50 participants in the SIGMA seminar included invited speakers as well as representatives of central and eastern European governmental institutions responsible for legislation, such as administrative procedures acts, and institutions responsible for the management of the civil service or public administration reform in general. The keen interest in the subjects covered during both events has stimulated follow-up actions, including future articles in PMF.

Bart W. Édes, Editor-in-Chief

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# Latvia Restructures the State Chancellery

by Agris Varpins



Photo: Bert W. Eder

Agris Varpins

*The need for state institutions to remain dynamic is particularly important in Central and Eastern Europe, where governments are simultaneously pursuing public sector modernisation, economic reform and European integration. The following article reports on how Latvia has restructured its State Chancellery.*

The Latvian State Chancellery provides services to the Prime Minister and the Cabinet of Ministers. In particular, it offers legal and substantive expertise concerning draft legislation before it is discussed and adopted by the Cabinet; prepares documents and meetings of the Cabinet Committee; and is responsible for the Chancellery's administrative matters, technical services and building maintenance.

At the request of the Chancellery, SIGMA initiated a review of the Chancellery's structure and performance during the latter half of 1996. The review identified a number of areas for improvement. For example, the fundamental structure of the Chancellery was found to be too complex and inflexible. Departments were large and subdivided into divisions which created a thick layer of deputy heads and deputy directors.

Other shortcomings identified included:

- the Cabinet's system of three committees -- the Economic and Finance Committee; Foreign Affairs and Defence Committee; and State and Social Affairs Committee -- produced an uneven workload across these committees, hindering coherent policy-making;
- a very high rate of personnel turnover within the Chancellery diminished its capacities and made long-term career planning impossible;
- the rising importance of European affairs and reform of the public administration increased the workload on the Chancellery.

The review proposed possible solutions to these problems. By the end of 1996, drawing heavily upon the recommendations of the SIGMA review team, and knowledge acquired during SIGMA-sponsored study visits to centre of government institutions in Hungary and Austria, the Chancellery developed, and the Prime Minister endorsed, a new model for the Chancellery.

## *Streamlined Organisation*

The Chancellery was restructured to simplify organisation and clarify hierarchy and individual job tasks. The posts of department deputy directors and division deputy heads were abolished, and the total number of staff was cut by over one-quarter from 160 to 115.

A new "Cabinet Committee" was created to replace the previous three-committee system. Chaired by the Prime Minister, this body has a small secretariat of support staff. The new arrangements ensure that draft legislation receives common treatment; simplify the review process; and ensure fair representation of coalition parties, all of which are represented on the Committee.

A new Project Management Department brings together all responsibilities for co-operation projects which previously had been scattered

across the Chancellery's departments. A six-member team advises the Cabinet on legislative affairs and replaces the Legal Department, which was dissolved. Advisors have more possibilities to take initiative and assume responsibility.

Services managed by the Chancellery, but which do not necessarily belong to the public sector -- eg the cleaning of rooms -- were contracted out to private firms. Also, the School of Public Administration and Civil Service Administration were ultimately transferred from the Chancellery to the newly established Public Administration Bureau.

## *Next Steps*

Earlier this year, SIGMA assessed the performance of the Chancellery after its restructuring and determined that the Chancellery staff appreciate the reforms, and that the Prime Minister now calls more frequently upon the expertise of Chancellery advisors. Still, certain problems remain to be solved. Inter-ministerial co-ordination needs to be improved, the procedure for assessing the impact of legislation must be upgraded, and the Chancellery's responsibilities and capacities with regard to management contracts should be re-addressed. Further, formal requirements and inflexibility inherent in "Regulations of the Internal Order and Procedure of the Cabinet of Ministers" slow down document flow, and thus further revisions may be required to these regulations.

While today's generally good performance cannot be guaranteed into the future, the new structure's clear-cut, transparent and simple design will make it easier to detect breakdowns and make adjustments as circumstances change. ♦

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# Treasury Systems in Central and Eastern Europe

by Stephen MacLeod



Stephen MacLeod

*Ministries of finance in Central and Eastern Europe need access to reliable, timely information on revenues and expenditures to perform their financial management duties. Experience from democracies with advanced market economies shows that creation of an integrated government budgeting and accounting system can be a solution to the information needs of ministries of finance.*

The arrangements for government financial management which formerly communist countries inherited from central planning are poorly suited to the needs of a market-oriented economy. These are generally characterised by a decentralised payments system, with each ministry maintaining local bank accounts for expenditures and revenues. The banking system, through the central bank, provided the main means of monitoring budget execution during the course of the financial year.

As a result, most ministries of finance do not have well-developed arrangements for budget accounting and preparation, but must rely on outmoded systems for vital financial information. These were put in place when the finance ministry was responsible for little more than assembling or recording the funding bids

of the ministries and state-owned enterprises. Such systems are often highly segmented and inefficient, relying on large volumes of paper records for payment orders, transfers and receipts. Even where the systems have been computerised, they are rarely capable of providing much more than basic accounting data. This is frequently too out-of-date to be of much value to the ministry of finance in its task of day-to-day financial management.

Over time, the response in many cases has been to circumvent the existing accounting system by introducing specialised systems to provide specific data: for example, a separate accounting system for aid or development projects. Far from alleviating the problems encountered by the ministry of finance, such measures may, in fact, exacerbate them, as data becomes diluted amongst a proliferation of disparate systems from which it is increasingly difficult to gather and reconcile the output.

## *Ministries of Finance Need Information*

The transition to a market economy demands a much more active role from the ministry of finance than under central planning. Access to reliable, timely information on revenues and expenditures is absolutely vital if it is to perform this role effectively. The ministry's information systems must be responsive to and fulfil its needs.

Experience from democracies with advanced market economies indicates that the solution to the information requirements of the ministry of finance may lie in the replacement of the multiplicity of individual systems by an integrated government budgeting and accounting system, or "treasury system." Such a system should in principle extend horizontally across the public sector though, in some central and eastern European countries, there may be constraints -- legal or institutional -- in making rapid progress in this area.

Treasury systems have been used in many OECD countries for some time and they have come to be seen as an essential tool for the ministry of finance/treasury. The modern treasury system has evolved to provide a sophisticated means for analysing revenues and expenditures, assisting with budget preparation and forecasting, and managing cash and debt. The traditional functions of accounting, reporting and controlling government funds are also incorporated into the treasury system. These systems were initially custom-developed applications for individual ministries of finance.

## *Increased Use of Computer Software*

More recently there has been growing interest in using modified commercial off-the-shelf applications to reduce the acquisition cost and shorten the development time. This approach offers a viable cost-effective alternative to custom software and is gaining favour in OECD countries seeking to replace older systems. Several central and eastern European countries are implementing treasury systems based on commercial software.

New systems alone cannot provide a complete solution to the problems confronting ministries of finance in economies in transition. A prerequisite for successful modernisation of government financial management is the establishment of a proper legal framework setting out the roles and relationships of the ministry of finance in relation to line ministries and parliament. Practices and procedures will almost certainly need to be revised and staff must be educated to implement the new legal environment. Once these steps have been taken, the ministry of finance can gain the full benefit from the introduction of a treasury system. ♦

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# Staffing Requirements of a New Treasury Institution

by Tibor Horváth

*The recruitment and training of staff is an essential part of creating and maintaining new public agencies. Hungary's experience in building a modern treasury institution highlights some of the challenges involved.*

For five decades Hungary lacked an institution to perform all of the tasks of a state treasury. A government decree issued in July 1995 called for the establishment of such a body. Within four months, the Treasury was established, and within nine months it employed 200 people and was fully operational. Over the next year, the organisation continued to expand.

## Fundamental Tasks

The Treasury has been commissioned to perform four main categories of tasks, each of which are represented by a directorate within the organisation's headquarters:

- performing a bank clearing and settlement function for the central budget; carrying out appropriations and making related payments; administering the single Treasury account; operating the Treasury accounting system; and providing essential financial information to the Ministry of Finance;
- carrying out similar clearing, settlement and appropriations functions on behalf of line ministries and other government bodies;
- financing central government activities including fixed-investment projects and inter-governmental agreements; and
- managing the state debt, and organising the issue and sale of government securities

(carried out by the State Debt Management Centre, ÁKK, set up in April 1996).

"Despite the talent of the staff, they have not yet evolved into an integrated professional community with a common technical language and shared attitudes concerning the organisation's objectives. Building up such a community will be a time-consuming process and will require a substantial programme of training and other team-building activities."

## Staffing

In addition to the four directorates, the Treasury has an Information Technologies Directorate and a number of organisational units that provide for the financial, technical, personnel, and legal requirements of the Treasury's operation.

About 400 Treasury employees work in Budapest. Three-fifths of them came from predecessor organisations, including the State Development Institute (ÁFI), which was dissolved, the Ministry of Finance and the National Bank of Hungary (NBH). Almost 50 per cent of those employed hold degrees from post-secondary institutions.

Staff training is an ongoing endeavour since Treasury-related functions are being further developed; indeed, nearly one-third of staff time is dedicated to preparing for the expansion of Treasury functions.

In addition to the Budapest-based staff, about 500 people work for the Treasury's branch network, which was largely inherited from the NBH. This

network comprises 18 county offices, the Budapest Securities Office and the directorate responsible for the administration of accounts.

## Problem Areas

The Treasury's staffing level is adequate for tasks currently performed. Yet certain problems remain. Despite the talent of the staff, they have not yet evolved into an integrated professional community with a common technical language and shared attitudes concerning the organisation's objectives. Building up such a community will be a time-consuming process and will require a substantial programme of training and other team-building activities. This will impose a heavy responsibility on management and other employees over the coming period.

Another problem is that the ongoing development of Treasury functions is creating organisational difficulties and timing problems for both day-to-day activities and the development work itself. Creation of an independent organisation to manage development activities could be helpful, but at the same time might create a schism between those fulfilling current Treasury duties and those preparing for future Treasury assignments.

We expect further changes and growth in the Treasury's activities over the coming years. New organisational units will have to be formed and the number of staff increased. The findings and experiences of the past two years should facilitate the completion of these tasks. ♦

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# Brussels Co-operates with Applicant Countries on Financial Control and Audit

by Alan Pratley

The purpose of financial control and audit in the European Union is to assure the taxpayer that EU funds are well-managed and spent in accordance with the objectives of the Union and the general and sectoral regulations governing the policies to be pursued. Central and eastern European countries aspiring to EU membership must develop effective internal controls to ensure accountability for the management of funds and the execution of projects.

Sound financial management in the European Commission is based on the internal control in the spending departments, which is provided by the resource directorates or financial management units of the departments; on the internal audit provided by the Directorate-General of Financial Control (DG XX); and on the external audit provided by the European Court of Auditors (ECA).

Sound financial management outside the Commission is based on the internal control in the national, regional and local public service organisations responsible for spending; on the internal audit provided by specialist units in the national ministries (or by central bodies like the *Inspection Générale des Finances* in France); and on the external audit provided at national, regional or local level.

Where European Union funds (eg from the EAGGF-Guarantee and Structural Funds) are spent in Member States, the Commission co-operates closely with the Member State as regards internal control and internal audit. The ECA provides external audit in collaboration, as appropriate, with the external audit bodies of the Member States, and to a limited extent in informal collaboration with the external audit bodies of beneficiary countries.

## No Common Model

Most EU applicant countries in Central and Eastern Europe have established budgetary control facilities and institutions. There is,

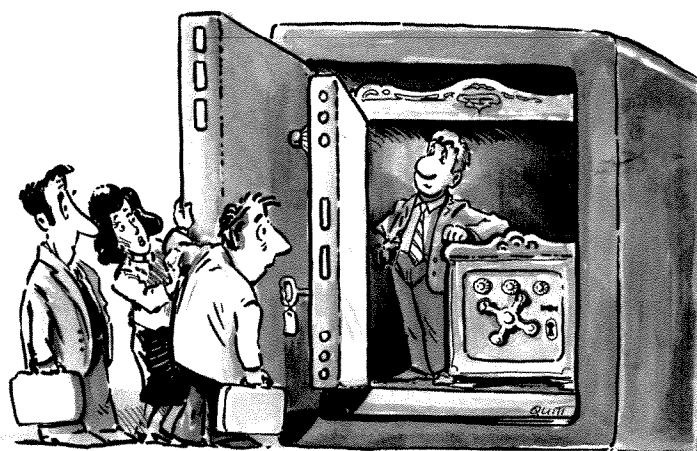


Illustration / Laude Quitt

however, no common concept of internal control, internal audit and external audit in the region. Further, there is neither the model of a financial controller carrying out *ex ante* control of transactions with a centralised internal audit function as in a number of EU Member States, nor the northern European concept of a self-regulating financial management system in each ministry based on strict rules of budgetary execution and accounting, reporting to the parliament and supervised by the finance ministry.

Applicant countries tend to have an external audit function (supreme audit institution or "SAI") on the lines of a court of auditors or national audit office, reporting to the parliament in certain cases. In some countries, the SAI may combine its external audit function with the *ex ante* control of certain expenditure. The notion of the independence of the external auditor is not firmly established everywhere.

Following contacts with DG XX and the ECA, a number of countries have expressed interest in adopting an institutional approach and methodology of the control of public funds, similar to those in the European Union and its Member States. There is a general readiness across countries to use the models developed in the EU to be able to abide by Union requirements and manage aid schemes after accession.

## Developing Effective Internal Controls

DG XX/Financial Control is exploring the possibilities of co-operation with financial control

and audit bodies in the applicant countries. In the run-up to accession, the financial control and audit of the Phare projects can provide the preparation for the internal control and internal audit structures which will be needed after accession. There is, moreover, provision in the Phare funds for institution-building projects and the appropriate technical assistance.

The ongoing objective must be to encourage applicant countries to develop effective internal controls within ministries at central, regional and local level, so that there is proper accountability for the management of funds and the execution of projects. The internal audit function in each ministry will need to be developed from scratch in most countries, with a clear remit to ensure that the internal controls are in place and functioning effectively. The internal audit function, while independent of the external control, should be appropriately synchronised with it so that the external auditor can use the work of the internal auditor.

Independence is a key requirement for both internal and external audit, with the latter reporting to parliament. The EU can contribute effectively to this process, not only by providing advice, technical assistance and example, but by offering clear models for public service institutions which applicant countries can adapt to their particular traditions and circumstances. ♦

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## European Audit Institutions Forge Closer Ties

by Dirk Pauwels

*The European Court of Auditors (ECA) and the presidents of the supreme audit institutions (SAI's) of Central and Eastern Europe established a framework of co-operation in October 1996. This co-operation supports the aim of SAI's in countries applying for EU membership to strengthen control of public finances. Steps have been taken to begin collaboration on priority areas.*

The establishment of a closer relationship between the ECA and SAI's in Central and Eastern Europe should be considered within the framework of the future EU membership of central and eastern European countries. In this context, the EU has put emphasis on the adoption of EU legislation and especially on the creation of the administrative capacity to apply this legislation. Future membership also involves the management of EU funds by a well-functioning national administration. Thus, the responsibilities of national administrations will increase when agricultural and Structural Funds become available to new EU Member States.

### Spending Wisely

The function of "external controller" and the effective control of public finances are fundamental elements in this development. Every democratic system should be expected to spend taxpayer money in a sound way. While the external control function is important regarding national public finances, it is even more important in a European context when candidate countries begin committing EU funds on behalf of the Community. The objective of establishing closer contacts between the SAI's is therefore to be prepared and to anticipate developments.

In 1996, the ECA and central and eastern European SAI's decided to create a platform upon which to build future co-operation.

Together they have begun to act on this platform, which involves co-operation similar to that which takes place between the ECA and the SAI's of the EU Member States.

In the first phase, the collaboration will focus on the identification of priority areas which are of common interest and which are to be developed together. It was decided that this subject should first be prepared on a technical level by representatives (liaison officers) of all participating SAI's before a decision is taken by the SAI presidents at their next meeting (see below).

As a result, several contacts and meetings, on a technical level, have taken place with the objective of defining the priority areas which are to be developed together. In this context, on 7-8 October 1997, the liaison officers from 12 SAI's of central and eastern European countries and the ECA met in Bucharest under the co-presidency of the European and the Romanian Court of Auditors. The European Court of Auditors provided the secretariat for the programme.

### Meeting of SAI Presidents

SAI presidents and the ECA plan to convene in March 1998 in Warsaw. There they intend to determine a common approach to addressing two priority areas discussed at the Bucharest meeting:

- institutional reform in the framework of future EU enlargement (institutional framework, audit methodology, training); and
- co-operation between SAI's in the field of audit.



Courtesy photo

*Representatives of European state audit institutions met in Bucharest in October 1997*

Throughout 1997, a number of practical initial steps have been taken in both of these areas, particularly regarding close collaboration during the preparation and execution of audit tasks of common interest. Also, the liaison officers indicated that SIGMA could play a role in supporting co-operation between SAI's, and the strengthening of control of public finances in Central and Eastern Europe. They also welcomed the comparative and technical information resulting from the SIGMA project on the "Effects of European Union Accession on Budgeting, Financial Control and External Audit."

As reported in the last issue of *Public Management Forum* (Vol. III, No. 4, p.4), this project provides information on how a diverse group of seven EU Member States have in the past adjusted their legislation, administration, systems and procedures in the fields of budgeting, financial control and audit to the demands of the Union. ♦

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# Integrating European Community Finance into Domestic Budgetary

by Nick Ilett

EU membership brings with it obligations and responsibilities towards the Community Budget, as well as benefits. New Member States in Central and Eastern Europe will be significant net recipients from the EC Budget. These receipts will be a factor in their accession negotiations. Candidate countries will need to give careful attention both to their analytical capacity in this area and to their negotiating strategy. They will also need to integrate EC finance into their domestic budgetary and financial management systems. In the following article, Nick Ilett of HM Treasury (UK) outlines some of the implications for finance ministries and for other public authorities.

In principle, the annual Community Budget -- technically the Union has no budget -- is a free-standing entity, separate from the budgets of the Member States, and governed by Articles 199-209a of the Treaty. In practice, there is a close relationship between Community finances and national finances.

Member States supply the Community's revenue, since the Community may not borrow. The traditional so-called "Own Resources" -- comprising agricultural and sugar levies ("first" resource) and customs duties ("second" resource) -- are paid over entirely to the Community. However, these now provide less than one-fifth of Community financing. The balance comes from the "third" resource, which is calculated on a notional harmonised VAT base; and from the "fourth" resource, which is based on gross domestic product at market prices. The financial negotiations now starting are no more likely to agree a new kind of Community taxation or "fifth" resource than past negotiations.

Member States' main duty in this context is to collect traditional Own Resources



efficiently and according to the rules, under the scrutiny of the Commission (DG XIX) and the European Court of Auditors (ECA). National administrations have limited discretion, and can be liable to pay substantial sums if they make mistakes. The Community institutions will also verify the calculation of payments due under the third and fourth resources. National administrations must therefore be properly equipped for all these tasks.

## *Member States Manage EC Funds*

Under the Treaty, the absolute upper limit on expenditure is set by the Own Resources ceiling (1.27 per cent of Community GNP from 1999). In practice, the Community establishes medium-term expenditure plans ("Financial Perspectives") over a period of five to seven years. Consecutive annual EC Budgets translate these into detailed spending plans for individual years. The Commission proposes the Budget in preliminary draft form. The Budgetary

Authority (the Council and the European Parliament acting together) then determines the Budget. The Council has the last word on agricultural spending; the European Parliament (EP) has the last word on other spending. Thereafter the Commission is responsible for "executing" the Budget. Finally, following a report by the ECA, the Commission accounts for its management of each Budget to the "Discharge Authority" (again the Council and the European Parliament in concert).

Even so, Member States manage more than 80 per cent of Community expenditure, notably on agriculture and the Structural and Cohesion Funds. Member States must administer Community funds in accordance with the principles of the Treaty and with the specific requirements of Community law relating to the sector in question. Enforcement is the duty of the Commission, which makes full use of its powers of inspection; the principle of subsidiarity does not apply here. The



## and Financial Management Systems

Commission also has powers to carry out on-the-spot inspections of economic operators where fraud is suspected. The ECA audits Member States' management of the EC Budget.

There is already a system for imposing financial penalties ("disallowance") on Member States for mismanagement in the agricultural sector. This principle of "financial corrections" is now being extended to the Structural Funds. This is likely to form part of the *acquis communautaire* before enlargement, and holds implications for applicant countries which will be expected to apply the *acquis* in its entirety.

Although it is formally the Commission which responds to comments by the ECA during the annual budget discharge process, Member States are now also expected to reply to comments about their financial management of Community funds. In the same spirit of partnership, the Financial Controller of the Commission is setting up formal understandings ("protocols") with the relevant authorities in Member States. While respecting existing national structures, these ensure that a sufficient volume of control and audit activity is undertaken to common standards by the Commission and by national authorities, and that the results are exchanged for mutual benefit.

### Implications for Member States

Community finance is always a sensitive subject. Public and political interest is high. The distributional effects of the Community Budget are significant. Most obviously, there are large transfers between countries (mainly to Spain, Portugal, Greece and Ireland but also to Belgium and Luxembourg where most

Institutions are sited). But there are also transfers between regions, such as from northern to southern Italy, and transfers between sectors, eg from German urban areas to German (and other) farmers. Arguments about money and where and how well or badly it is spent are not new to the Community. But is already clear that the negotiations now starting are likely be at least as difficult as their predecessors.

In budgetary policy and management terms, the Community Budget adds an extra layer to what is usually already a complex set of central/regional/local financial relationships. This can lead to tensions between different levels of government. Where Community finance is concerned, the priorities of a spending ministry may differ from those of the finance ministry; and the view of regional bodies may not necessarily be shared by the national government. Member States have various systems for dealing with these difficulties. In practice, all levels of administration are likely to develop informal relations with the European Commission. There is an increasing tendency for powerful regional entities such as Belgian regions to be represented at discussions between the Commission and national governments.

### UK Transactions Related to EC Budget

The obligation to pay contributions to the EC is set out in Community law, so in at least some Member States, including the United Kingdom, the Government has power to pay contributions without annual parliamentary authorisation. However, in the UK, Parliament is kept fully informed through explanatory memoranda, replies to parliamentary

questions and debates. Similar arrangements exist in other Member States.

The European System of Accounts sets out detailed rules on the classification of transactions with the EC for national accounts purposes. However, these rules make little sense in the budgetary context. There is no obligation to follow them in national budget procedures, which anyway differ between Member States. In the UK, all transactions with the EC Budget are shown on the expenditure side of the national budget.

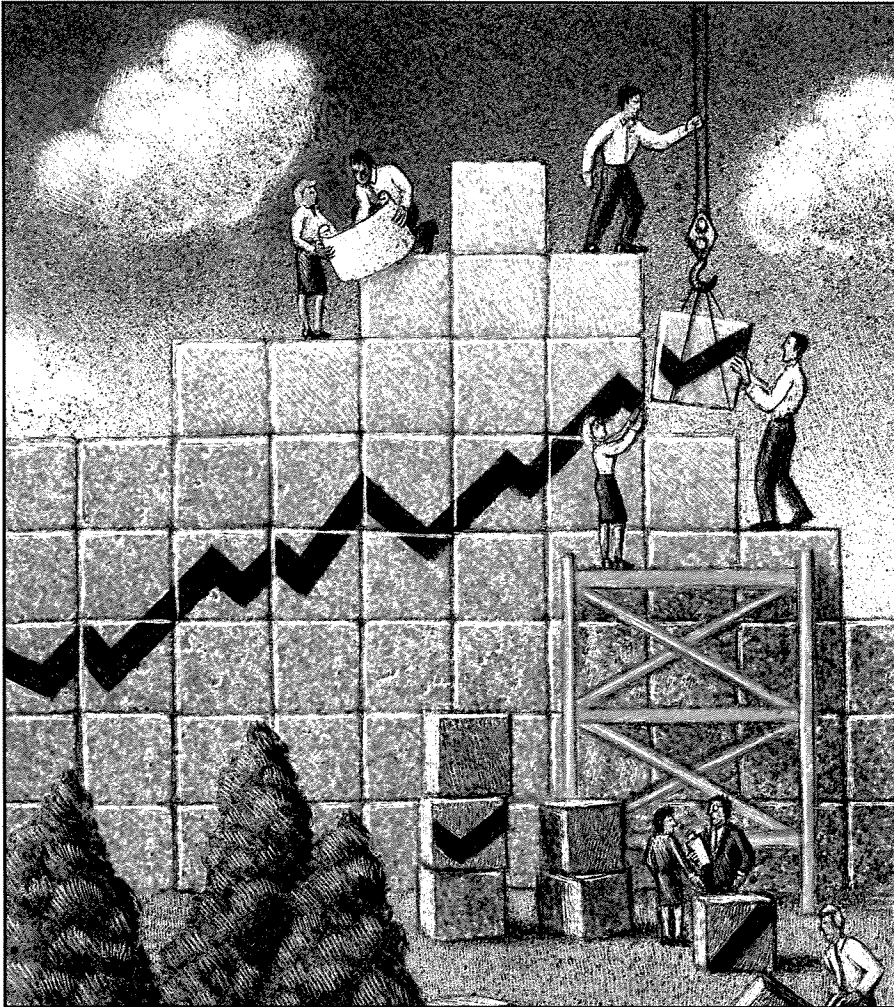
Receipts from Brussels in respect of agriculture and the Structural Funds are shown in the budget provision of the recipient government department. This leaves the UK's net contribution as a key variable in national budgetary planning, with its own budget line. This system is designed to maximise transparency and to give as much information as possible the national Parliament and to taxpayers. Other Member States' systems differ in various ways.

### Conclusion

In conclusion, new Member States will need to integrate financial flows to and from Brussels into their national budgets. They must also set up systems for handling these resources to the standards which Community law prescribes. Further, they will need to develop a high level of expertise in these areas before they join, and indeed before they start to negotiate. ♦

*Nick Ilett, Head, EU Finances, HM Treasury, may be reached in London at tel: (44.171) 270.55.84; fax: (44.171) 389.97.23; e-mail: nick.ilett@hm.treasury.gov.uk.*

# Pension & Welfare Reform, Budget Unification and Control of EU Funds



PMF/Thomas Dammberg

*Improving the handling of public finances is a major goal of central and eastern European governments. The need for capable budget management systems suited to resource restraints, market economies and the demands of European integration have led to the adoption of new institutional arrangements and procedures. In the following interview, Csaba László, Deputy State Secretary at Hungary's Ministry of Finance, describes his country's priorities, challenges and actions in these areas.*

**PMF:** *What is your view of the state of public finances -- expenditure, revenues and borrowing -- in Hungary? What are the prospects for the future?*

**CL:** The changes of recent years have fundamentally transformed the relationship between the public sector and the economy, and society as a whole. However, change was slow to materialise. In 1994, the public sector deficit was close to 9 per cent of GDP and state debt was 86 per cent of GDP. With the implementation of tighter budgets, however, the picture has improved. The public sector deficit (excluding privatisation receipts) declined to 3.2 per cent in 1996, and the state debt is expected to fall below 65 per cent of GDP in 1998.

**"It is a cause of concern that the EU itself is a continuously changing system. We must adapt ourselves to the conditions that are likely to prevail at the time of our future accession instead of to the present circumstances."**

We have clarified the relationship between the government budget and the central bank, and net foreign debt has been transferred from the National Bank of Hungary to the budget to promote transparency. As a result of public sector reform and other measures to promote structural transformation, it seems that sustained economic growth has begun. This increases the room for manoeuvre for fiscal policy management and allows Hungary to meet medium- and longer term objectives. By the year 2000, the public sector deficit should stabilise around 3 per cent of GDP, and state debt at about 60 per cent of GDP. This should enable us to further reduce taxes, particularly those on labour.

**PMF:** *What has been achieved so far in modernising your system of public finance and budgeting? What do you believe are its main strengths and weaknesses?*

**CL:** Since 1995, we have been able to make public finances more transparent. More than 20 extra-budgetary funds have been integrated into the government budget. Hungary was the first country in Central and Eastern Europe to implement an efficient treasury system and to update the financing of state debt. As a result, whilst in 1995 the yield on treasury bills was around 35 per cent and the maximum maturity was 12 months, we now regularly issue five year fixed interest

bonds, and the negative yield curve implies a one-year yield of about 19.5 per cent.

Reforms of the welfare system -- including implementation of means-tested benefits and a new sick-pay plan -- have been essential. Abuses of the sick-pay system, particularly abundant, have decreased significantly in recent years, and the related

## Feature Prominently in Hungary's Management of Public Finances

government expenditure fell by one-third in real terms. The number of employees in the public sector has been reduced on average by 4-5 per cent each year since 1994. Budgetary constraints have also been applied to local governments, which have been forced to introduce stabilisation measures to offset the loss of central government aid.

“... we have to enable public servants to work efficiently under the new conditions. Training and exchange of experiences through ‘twinning’ and other programmes should be given high priority. Phare-funded programmes support this essential activity.”

The greatest accomplishment, however, has been the adoption of pension reform. Hungary is one of the first countries in Europe to launch a mandatory, privately based system of pension funds (from 1 January 1998). This should have an enormous beneficial impact on competition and economic activity in the financial services sector.

So far as the weaknesses in the budgetary system are concerned, we have had to rely too much on mechanistic, across-the-board restrictions in public expenditures programmes such as health care and police operations. Financial information systems also need to be improved.

**PMF:** *What are the main challenges that Hungary faces in budget and financial management areas in order to comply with the requirements of EU membership?*

**CL:** First of all, we have to evaluate the precise nature and scope of the expected requirements and the new relationships we need to build within the European Union. It is a cause of concern that the EU itself is a continuously changing system. We must adapt ourselves to the conditions that are likely to prevail at the time of our future accession instead of to the present circumstances.

From the point of view of budgetary policy, I note that the Maastricht criteria prescribed for general government budgets could be

met, at present, without any special package of stabilisation measures. But we will need to maintain a “conservative” macro-economic and budgetary policy to safeguard this position. The greatest challenge, I believe, is to build up the institutional capacity to make efficient use of EU funds. This will require new systems of budgeting and financial control. Most importantly, however, we have to enable public servants to work efficiently under the new conditions. Training and exchange of experiences through “twinning” and other programmes should be given high priority. Phare-funded programmes support this essential activity.

**PMF:** *In 1996, Hungary introduced a new Treasury system of cash management. How is this working?*

**CL:** Fortunately, the Treasury system works well. The most important lesson we have learned thus far is that we should not throw away all the elements of the old system and attempt to set up the Treasury from scratch. We had to find a solution that added value and “quality” but which was based partly on the former institutions. The Treasury was established as a body to provide services to its “customers,” namely government ministries and agencies. This approach has proved correct. Ministries and agencies have found the changes easy to

accept and manage. In addition, the Treasury itself has focused on delivering an efficient and effective service.

In the coming years, the Treasury's main task will be to prepare for EU accession. To carry out all the financial operations involved in such a complicated legal and regulatory environment will be a very serious challenge. At the same time, the Treasury has to prepare for a gradual transfer of responsibilities for work on foreign debt management. This function, for which the central bank was fully responsible in the past, will be transferred to the Treasury's Department for Public Debt Management from 1999 onward.

**PMF:** *Does your public finance information system meet the needs of the Ministry of Finance and other users?*

**CL:** Following modernisation in recent years, the financial information system is able to provide most of the data necessary for managing fundamental budget policy

“Fortunately, the Treasury system works well. The most important lesson we have learned thus far is that we should not throw away all the elements of the old system and attempt to set up the Treasury from scratch. We had to find a solution that added value and ‘quality’ but which was based partly on the former institutions.”

decisions. However, we are not fully satisfied with the present arrangements, especially because setting up the precise functional classifications for public expenditure -- which are very important for political decision-making processes -- is rather difficult. Procedures for consolidating public sector financial information also need to be strengthened; and we need to complete work on incorporating state-owned assets within a comparative accounting and financial information system.♦

*Csaba László may be reached in Budapest at tel: (36.1) 327.21.17; fax: (36.1) 266.01.82. See also page 5.*

*Public Management Forum* is available on the World Wide Web at :  
<http://www.oecd.org/puma/sigmaweb>

## *Public Administration in the News*

### *Romanian Municipalities to Gain Taxing Powers*

The Romanian Government has approved a draft law extending the powers of local government to collect taxes for the purpose of self-administration. Source: RFE/RL Newswire.

### *Bulgarian Government Approves Draft Law on Civil Service*

The Government has approved a draft law on the public administration which, among other things, will prohibit the dismissal of civil servants following a change in government, and ban certain communist-era officials from filling posts high in the civil service for a period of five years. Source: RFE/RL Newswire.

### *Czechs Create Regional Authorities*

The Czech Parliament has taken a big step towards decentralising the State Government by passing an Act that establishes 14 regional authorities within the Republic, including one in Prague. The Act takes effect in the year 2000 and is expected to give rise to several additional laws establishing the details on how the regional entities will operate and what powers they will enjoy. Passage of the Act was provided for in the Czech Constitution, written in 1992. Source: *The Prague Post*.

### *Expanding Use of IT in Europe*

The European Commission and several central and eastern European countries

(CEEC's) have completed the third of series of fora on the "information society" in Brussels. According to the Commission's report on this latest forum, CEEC's have succeeded in raising public awareness of information technology and in applying it to public administration and services. It added that work is needed in education and training, and in applying communication technology to "transparency in government." Source: RFE/RL.

### *World Bank on Bureaucratic Barriers*

The World Bank has released a cross-country survey providing comparative data on local investors' problems in dealing with the state, including the predictability of laws and policies, the reliability of the judiciary, corruption in bureaucracies, and securing property rights. The study, conducted in 69 countries and covering more than 3,600 entrepreneurs, is entitled *Institutional Obstacles to Doing Business: Region-by-Region Results from a Worldwide Survey of the Private Sector* (WB Paper 1759). Among the findings of the survey pertaining to central and eastern European countries: half of the entrepreneurs distrust government measures, and high taxes and tax regulations are considered the most serious regulation-related obstacles, followed by lack of financing, corruption and inflation. Aymo Brunetti, Gregory Kisunko and Beatrice Weder oversaw the survey project. Source: World Bank.

### *International Pact Against Bribery*

The 29 OECD Member countries have agreed to criminalise the bribery by companies of foreign officials. The pact, signed in December 1997, will go before national legislatures in early 1998. The main thrust of the agreement will criminalise bribes to public officials who have sway over everything from government procurement contracts and infrastructure projects to privatisation tenders. The ban covers bribes to executives at most state-owned companies and to elected parliamentarians. Under the agreement, participating countries will adopt definitions of what constitutes bribery of a foreign official; impose criminal penalties on those who bribe public officials that are comparable to the penalties for bribing public officials in their own countries; and can seize and confiscate the proceeds of bribes and profits of any bribe-induced transactions. Hungary, the Czech Republic and Poland are among the signatory countries. In addition, Bulgaria and Slovakia joined three other non-OECD Member countries in agreeing to abide by the accord's provisions. Source: *The Wall Street Journal Europe*, *Le Figaro*, *Handelsblatt*, and *the Los Angeles Times*.

*"When you don't know what to do, walk fast and look worried."*

<http://www.bazza.com/sj/humour/DilbertsLawsOfWork.html>

# EBRD Recognises Importance of Good Governance

EBRD Transition Report 1997, European Bank for Reconstruction and Development

A new phase of transition has begun in the countries of Central and Eastern Europe and the former Soviet Union, according to the latest annual report (November 1997) of the European Bank for Reconstruction and Development (EBRD). The report states that the region's countries have made strong progress in liberalising markets, privatising state enterprises and stabilising prices. Attention now must turn to creating institutions, policies and practices that generate high, sustained growth in market economies.

Among the publication's findings are that countries which have reformed more vigorously have recovered from recession more rapidly and attracted greater private capital flows. To launch themselves on a path of rapid sustained growth, these economies must

enhance the effectiveness of institutions that support the market, in particular by reducing the legacy of bureaucratic interference and corruption that undermines investment and competition. At the same time, enterprises and financial institutions must adapt further their business practices and skills to the new market environment in order to generate and finance the innovation and investment that will be the engine of this growth.

*Transition Report* indicates that the region as a whole is expected to grow in 1997 for the first time since the beginning of transition. The return of growth has brought with it rising confidence and capital inflows but also rapidly deteriorating external balances. The sustainability of current accounts is a matter that should receive increasing attention from policy-makers.

Looking ahead, the publication foresees a new phase of transition where the key challenges will be to build, consolidate and strengthen the institutions, policies and practices which underpin a well-functioning market economy and the investment that supports growth. In responding to these challenges, good governance will be crucial. In the view of the EBRD, good governance involves openness, transparency and credibility, as well as an absence of bureaucratic interference and corruption. Such traits are seen as vital to the emergence and maintenance of an effective competitive process. The reports adds that good governance both encourages and is supported by the development of civil society. ♦

*EBRD Transition Report 1997*, 252 pages, ISBN 1 89 880207 6, 1997. To order: EBRD Publications Desk, One Exchange Sq., London EC2A 2EH, United Kingdom; Tel: (44.171) 338.75.53; fax (44.171) 338.61.02; e-mail: pubsdesk@ebrd.com.

## INBOX:



### A COMPENDIUM OF RECENT PUBLICATIONS AND ARTICLES

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

#### From SIGMA

SIGMA Papers: No. 17. *Administrative Procedures and the Supervision of Administration in Hungary, Poland, Bulgaria, Estonia and Albania*, 1997, 134 pages. Also in French.

SIGMA Papers: No. 18. *Law Drafting and Regulatory Management*, 1997, 207 pages. French forthcoming.

SIGMA Papers: No. 19. *Effects of European Union Accession -- Part I: Budgeting and Financial Control*, 1997, 175 pages. French forthcoming.

SIGMA Papers: No. 20. *Effects of European Accession -- Part II: External Audit*, 1997, 151 pages. French forthcoming.

To order: SIGMA Information Services, SIGMA-OECD, 2, rue André-Pascal, 75775 Paris Cedex 16, France. Tel: (33.1) 45.24.13.16; fax (33.1) 45.24.13.00; e-mail: sigma.contact@oecd.org.

#### From PUMA

Public Management Occasional Papers: No. 16. *Managing the Cost of Transfer Programmes*, 1997, 236 pages.

To order: OECD Publications Service, 2, rue André-Pascal, 75775 Paris Cedex 16, France. Tel: (33.1) 49.10.42.83; fax: (33.1) 49.10.42.76; e-mail: compte.pubsing@oecd.org.

#### OTHER PUBLICATIONS

DE LEON, Linda. "Multi-Source Performance Appraisals," *Review of Public Personnel Administration* (USA), Winter 1997, Vol. 17, No. 1, pp 22-36.

*Economic Reform Today*, (special issue on "Reshaping Government"), Number 1, 1997.

To order: CIPE, 1615 H St., NW, Washington, DC 20062-2000, USA. Also available on Internet at <http://www.cipe.org/newert.html#RGOV>.

REGULSKA, J., (ed.). "Developments in Public Administration in Central Europe," *Environment and Planning*, Vol. 15, No. 2, 1997, pp 127-160.

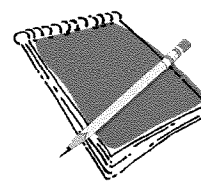
*Project Manual of the Case Project for Central and Eastern Europe* (series of workshops in the case study method conducted for public administration faculty from Central and Eastern Europe), 136 pages.

To order: Cascade Centre for Public Service, University of Washington, Box 353060, Seattle, WA 98195, USA. Tel: (1.206) 685.05.23; fax (1.206) 616.17.84; e-mail: cascade@u.washington.edu.



## Irish Newspaper Acts as Catalyst for Change in the Public Service

by Sean Flynn



*The press plays an important role in defining and explaining issues in the public administration, and it influences citizen opinion as well as the decisions of policy-makers. Newspapers regularly serve as a channel of communication between the state and the population, and can be active participants in the process of administrative reform. A Dublin-based daily offers a good example of serious coverage of the national public administration.*

**T**he question of how to manage and achieve reform of the public service may not excite or captivate the general reader. But it is an issue which any serious-minded newspaper has a duty -- indeed a responsibility -- to address in its columns.

In the Republic of Ireland, the public sector pay bill accounts for one-third of all Government spending. A failure to assess the manner in which the public administration delivers its service to the public would represent a serious dereliction of duty by any newspaper.

In Ireland, there is a special onus on the media to subject the public service to scrutiny. But the task is not always an easy one. The Irish public service, modelled as it is on the British system of public administration, has traditionally been wary of any media attention. With honourable exceptions, there has been a tradition in which senior civil servants believed that they -- and they alone -- knew what was best for the public. There has been an underdeveloped sense of accountability to the public.

### *"Letting in the Light"*

In recent years some of these old moulds have been broken. On his

# THE IRISH TIMES

appointment five years ago, a former *Taoiseach* (Prime Minister) spoke of "opening the shutters" and "letting in the light". A new emphasis was placed on openness, accountability and transparency in all aspects of public life. All of the main political parties embraced this approach. But there remained a view among the general public that the public service was poorly organised and not responsive to change.

It was against this background that *The Irish Times* commissioned several articles on public service reform in the past two years. The objective was twofold: to examine the workings of the public service and to assess whether real progress could be achieved. Most of these articles appeared on the paper's Opinion Page which seeks -- where possible -- to set the agenda for policy-makers and other interested parties.

Many of these articles sought to explain government policy on the way in which the public service should be managed. They noted earlier promises to reform the civil service and explained why these had failed to achieve progress. There was a strong emphasis on how the issue of public service reform is not just an abstract issue for historians and academics. Rather, it is one which can affect all of us in our daily lives.

This coverage was augmented by leaders (or editorials) which pressed the case for nothing less than a "revolution in the culture and working methods of the public service."

The newspaper was not just making the case for a more efficient public service. In calling for a more transparent and more accountable public service, it was also seeking to establish an environment in which political corruption would have no place.

The record of individuals in the Irish civil service in this regard is impeccable. But there have been cases in which different governments have sought to flout established procedures in order to serve the party political -- and not the wider public interest. More transparency in the workings of each government department could help to prevent this.

### *Reforms on the Way*

It is difficult to assess the role of *The Irish Times* in helping to achieve change. Substantial progress has been made. A team of senior government officials has published an ambitious blueprint for change -- *Delivering Better Government: A Programme of Change for the Irish Civil Service*.

Many of the kind of changes favoured by *The Irish Times* are now on the way to being implemented. It may be that these changes would have come about anyway because of pressure from both the Government and the public. But at the very least, *The Irish Times* has acted as an important catalyst for change. And that is no small boast. ♦

Sean Flynn is Opinion Page Editor of The Irish Times. He may be reached in Dublin at (353.1) 670.92.48. See also: SIGMA Paper No. 9: Effective Communications Between the Public Service and the Media, 1996.

# Institute Extends Comparative Research Framework to Central and Eastern Europe

by Turkia Ould Daddah

Since 1930, the International Institute of Administrative Sciences has conducted comparative studies and research, organised conferences and other programmes, and published reports. In recent years, the Institute's activities have addressed public administration issues in Central and Eastern Europe.

The International Institute of Administrative Sciences (IIAS) represents about 100 countries and includes corporate members, national and international sections, states and international organisations. IIAS comprises three specialised associations: the International Association of Information and Documentation in Public Administration (IAIDPA), the International Association of Schools and Institutes of Administration (IASIA), and the European Group of Public Administration (EGPA).

The Institute has adopted the theme "Learning and Transition" to guide its work during the decade ahead. The activity programme has been prepared with the following considerations in mind:

- collapse of central planning and the move towards the market and democracy in several countries;
- questioning the role of the state as a regulator and producer;
- the increasing emphasis put on the state's function as regulator and manager of policies and social programmes; and
- emergence of conceptual frameworks such as the "New Public Management."

## *Interaction with Central and Eastern Europe*

IIAS work with countries in Central and Eastern Europe dates back to 1936, the year in which the Congress of Warsaw took place. Since then, the IIAS has maintained contacts with the scientific communities of the region's countries through the upheavals of history,

including radical political, economic and social changes.

Current activities in Europe's formerly communist countries are based on the conclusions of exploratory assessments made during meetings with representatives of those countries. The assessments have concluded that there is a need to take into account the diversity of situations and specific requirements of each country. In addition, there is the need to:

- carefully identify the obstacles and assess the nature of constraints encountered by each country;
- seek appropriate solutions, taking account of historical realities and the cultural context; and
- give priority to reflection and research on reform methods and progressive change that may be attained by controlled and managed phases.

IIAS comparative advantages include its international character, mixed professional community, and flexibility of action. Its international character permits it to work with a view to finding practical solutions through, for example, exchanges between members from technologically advanced countries and those of Central and Eastern Europe.

The IIAS brings together a mixed group of professionals, scientists and administrators, decision-makers and researchers, civil servants and academics with different training backgrounds and disciplines. By being flexible in the development and implementation of its actions, the Institute facilitates quick decisions and interventions, streamlined procedures and minimisation of costs.

## *Programmes During the 1990s*

Since the collapse of communism, the Institute has organised several events in Central and Eastern Europe. For example, in

October 1991, IIAS conducted a seminar on the administrative organisation of a federal state, the evaluation of civil service systems in technologically advanced European countries, and the economic intervention of the state in these countries. In the following month, a seminar in Sofia addressed administrative justice and legal instruments. During 1995, IIAS organised, in the framework of the Phare-TACIS Programme for Local Democracy, a cycle of five seminars in Lithuania, Latvia and Poland. These seminars addressed the conditions under which decentralisation encourages the advancement of local democracy.

More recently, IIAS has organised events in Hungary, including a seminar held in July 1996 and financed by the European Commission and UNESCO on the protection of human rights and the role of public administration agencies. In August 1996, the EGPA held its annual meeting in Budapest under heading of "New Trends in Public Administration and Public Law."

## *Participation in IIAS Governing Bodies*

A number of central and eastern Europeans occupy key posts in IIAS governing bodies. For example, Attila Rácz (Hungary) serves as Vice President for Central and Eastern Europe on the IIAS Executive Committee, and Imre Verebélyi, Hungary's Government Commissioner for the Modernisation of Public Administration, serves on the Editorial Committee of the IIAS publication, *International Review of Administrative Sciences*. Maria Gintowt-Jankowicz (Poland) is a member of the IASIA Board of Management, and György Jenei, Deputy Chairman of the Budapest-based Centre for Public Management and Public Policy, is a member of the EGPA Steering Committee. ♦

*Turkia Ould Daddah, IIAS Director General, may be reached in Brussels at tel: (32.2) 538.91.64; fax: (32.2) 537.97.02; e-mail: toda3347@euronet.be.*

# SIGMA

**S**IGMA -- Support for Improvement in Governance and Management in Central and Eastern European Countries -- is a joint initiative of the OECD Centre for Co-operation with the Economies in Transition and the European Union Phare Programme. The initiative supports public administration reform efforts in thirteen countries in transition, and is principally financed by Phare. The Organisation for Economic Co-operation and Development is an intergovernmental organisation of 29 democracies with advanced market economies. The Centre channels the Organisation's advice and assistance over a wide range of economic issues to reforming countries in Central and Eastern Europe and the former Soviet Union. 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; Administrative Oversight, 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*

11-12 December 1997, Paris, France. Seminar on "Agenda 2000 -- Starting the EU Enlargement Negotiations." Contact: Marcel van Herpen, Cicero Foundation. Tel: (33.1) 43.80.18.21; e-mail: cifo@compuserve.com. In English.

12-23 January 1998, Gainesville, FL, USA. "Third International Training Program on 'Utility Regulation and Strategy.'" Collaborative event of the Public Utility Research Centre (PURC) and the World Bank. Contact: PURC, Matherly Hall 205, University of Florida, Gainesville, FL 32611, USA. Tel: (1.352) 61.48; fax: (1.352) 392.77.96; e-mail: purcecon@dale.cba.edu; http:// www.cba.ufl.edu/eco/purc. In English.

2-3 March 1998, Paris, France. SIGMA Liaison Group meeting. Contact: SIGMA-OECD, 2, rue André-Pascal, 75775 Paris Cedex 16, France. Tel: (33.1) 45.24.13.04; fax (33.1) 45.24.13.00; e-mail: sigma.contact@oecd.org. In English and French.

8-10 March 1998, Prague, Czech Republic. NISPAcee's Sixth Annual Conference on "Public Administration and Social Policies in Central and Eastern Europe." Contact: NISPAcee, Hanulova 5/B, P.O. Box 92, 84002 Bratislava, Slovakia. Tel: (421.7) 78.53.57. 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 of interest to Public Management Forum readers, please send details to the editors (address on page 2).*