



SIGMA

Creating Change Together



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2023 edition

The Principles of Public Administration

November 2023



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The Principles of Public Administration are a comprehensive framework of standards expressing values and behaviours that citizens and businesses expect from a modern public administration. They were designed to guide the European Union (EU) enlargement and neighbourhood administrations in their reform efforts to address the shortcomings in their public administrations and meet the EU requirements on one of the “fundamentals” of the accession process.

The Principles were developed by SIGMA, a joint initiative of the EU and the OECD, principally financed by the EU, at the request of the European Commission (EC). The Principles build on existing EU *acquis*, OECD legal instruments, other international standards, as well as good practices of the EU and OECD countries.



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Table of contents

Introduction	6
Strategy	13
Principle 1: A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.	14
Policy development and co-ordination	15
Principle 2: Public policies are coherent and effectively co-ordinated by the centre of government; decisions are prepared and communicated in a clear and transparent manner.	16
Principle 3: The government plans and monitors public policies in an effective and inclusive manner, in line with the government fiscal space.	16
Principle 4: Public policies are developed based on evidence and analysis, following clear and consistent rules for law making; laws and regulations are easily accessible.	17
Principle 5: All key external and internal stakeholders and the general public are actively consulted during policy development.	18
Principle 6: Public policies are effectively implemented and evaluated, enhancing policy outcomes and reducing regulatory costs and burdens.	19
Principle 7: The parliament effectively scrutinises the government policymaking and ensures overall policy and legislative coherence.	20
Public service and human resource management	21
Principle 8: The employment framework balances stability and flexibility, ensures accountability of public servants and protects them against undue influence and wrongful dismissal.	22
Principle 9: Public administration attracts and recruits competent people based on merit and equal opportunities.	22
Principle 10: Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.	23
Principle 11: Public servants are motivated, fairly and competitively paid and have good working conditions.	24
Principle 12: Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants and promote civil service values.	24
Organisation, accountability and oversight	25
Principle 13: The organisation and management of public administration foster accountability, effectiveness and efficiency.	26
Principle 14: Responsibilities are clearly distributed between levels of government, embracing the principle of subsidiarity and local autonomy, and facilitating inter-institutional co-ordination with effective oversight mechanisms.	27
Principle 15: Public administration is transparent and open.	27

Principle 16: The parliament, ombudsperson and supreme audit institution effectively scrutinise public administration.	28
Principle 17: The right to good administration is upheld through administrative procedure, judicial review and public liability.	29
Principle 18: A coherent and comprehensive public sector integrity system minimises the risks of corruption.	30
Service delivery and digitalisation	31
Principle 19: Users are at the centre in design and delivery of administrative services.	32
Principle 20: The public administration delivers streamlined and high-quality services.	32
Principle 21: Administrative services are easily accessible online and offline, taking into account different needs, choices and constraints.	33
Principle 22: Digitalisation enables data-driven decisions and effective, efficient and responsive policies, services and processes in the whole of government.	34
Public financial management	35
Principle 23: The annual budget is comprehensive and formulated within a credible and rolling medium-term framework, balancing policy needs with fiscal constraints.	36
Principle 24: The government supports budget implementation and service delivery by ensuring liquidity in the short and medium term.	36
Principle 25: The government implements the budget in line with estimates and reports on it in a comprehensive and transparent manner, allowing for timely scrutiny.	37
Principle 26: Public administration bodies manage resources in an effective and compliant manner to achieve their objectives.	38
Principle 27: Internal audit improves the management of public administration bodies.	39
Principle 28: Public procurement legislation, including public-private partnerships and concessions, is based on principles of equal treatment, non-discrimination, transparency, proportionality and competition, and supported by a sound governance framework.	40
Principle 29: Contracting authorities conduct public procurement operations, including public-private partnerships, efficiently and economically.	41
Principle 30: An independent procurement review system ensures effective, rapid and competent handling of complaints.	42
Principle 31: All public funds are effectively audited by an independent auditor that provides assurance on the use of public resources and helps improve the functioning of the public sector.	43
Principle 32: Regional and local governments have resources and adequate fiscal autonomy for exercising their competences, with financial oversight to foster responsible financial management.	43

Introduction

Aim and focus of the Principles of Public Administration

SIGMA, a joint initiative of the European Union (EU) and the OECD, principally financed by the EU, developed the Principles of Public Administration (“the Principles”) in response to a request from the European Commission (EC). The aim was to distil the values and standards of good public governance that can guide the EU enlargement and neighbourhood administrations in their reform efforts and to address the shortcomings in their public administrations.

The Principles are a comprehensive framework of standards expressing values and behaviours that citizens and businesses can expect from a modern public administration. While there is no single model for the organisation and functioning of public administration, the Principles can be used, together with the accompanying monitoring framework, as a guide for reforms of the public administration and a tool for assessing progress.

The Principles build on existing EU *acquis*, OECD recommendations, other international standards, as well as good practices of the EU and OECD countries. The Principles are the primary framework to guide EU enlargement countries on how to build better public administration. Monitoring against the Principles informs the European Commission’s (EC) analysis, along with other international standards, to determine countries’ alignment with EU standards. In those areas of the Principles where there is EU legislation, the Principles align with the EU *acquis*. If in doubt, the wording of the EU legislation prevails.

For the OECD, the Principles constitute an instrument for dissemination of the OECD standards of good public governance and for increasing the impact of the Organisation in the administrations where SIGMA works. Politicians and public servants from other transition countries can also use the framework as a tool for continuous improvement of public administration systems and as guidance to enhance the capacity of their public administration to develop better policies for better lives, provide high-quality and user-centred services, and manage public funds efficiently, as well as in their efforts to foster transparency and accountability and build citizens’ trust in public institutions.

The importance of good public administration for the EU and the OECD

The EU and the OECD recognise that good public governance is a crucial factor to achieve sustainable development, economic growth, competitiveness and better quality of life, as well as to address key challenges in society both today and in the future. The two organisations share views on the values defining good public governance.

The OECD and the EU help governments navigate their increasingly complex contexts and improve public governance by providing a platform for policy dialogue and exchange of experience, developing recommendations and supplying the needed comparative international data and analysis.

In the EU, the concept of “good administration” has been defined gradually and is included in the EU Charter of Fundamental Rights, Article 41.¹ In 1993 (Copenhagen) and 1995 (Madrid), the European Council highlighted that the administrative and institutional capacities to effectively implement the *acquis*

¹ <https://fra.europa.eu/en/eu-charter/article/41-right-good-administration>.

and the ability to take on the obligations of membership are key conditions for EU membership.² In 1999, SIGMA set out the notion of a European Administrative Space.³

In its 2014 Enlargement Strategy⁴, the EC highlighted public administration reform as one of the “fundamentals” of the enlargement process and outlined the six thematic areas that would later form the structure of the Principles. The EU’s revised enlargement methodology adopted in 2020, puts the “fundamentals cluster” at the core of the accession negotiations:

“Credibility should be reinforced through an even stronger focus on the fundamental reforms essential for success on the EU path. These fundamentals will become even more central in the accession negotiations. Negotiations on the fundamentals will be opened first and closed last and progress on these will determine the overall pace of negotiations”.⁵

The fundamentals address key cross cutting and interlinked issues ranging from the rule of law, fighting corruption, and human rights, to the functioning of democratic institutions and public administration reform. Negotiations in these fields will be guided *inter alia* by roadmaps; a roadmap on public administration reform will be among the benchmarks required of the negotiating countries.

In October 2022, The European Commission’s Communication on EU Enlargement Policy outlined the key purpose of public administrations to be responsive to emerging concerns and deliver for the benefit of the citizens, as well as the main shortcomings in the enlargement countries:

“Public institutions and administrations need to be responsive to societal concerns and effective in delivering policies. Modernising public administrations remains a key concern throughout the enlargement countries. Politicisation continues to erode capacities and public administrations’ attractiveness as an employer. While there is awareness of key reform needs for creating more professional and merit-based administrations overall, more leadership and effort will be needed for improving policy planning, public finance, people management and accountability”.⁶

To increase coherence, the EC is aligning its approach to the dialogue with Member States and candidate countries on the importance of quality public administration:

“The Commission aims to ensure a high degree of coherence in its policy approach, including after accession, by continuing to highlight the importance of quality public administration, and by providing an equivalent assessment framework for measuring the quality of public administration.

² <https://eur-lex.europa.eu/EN/legal-content/glossary/accession-criteria-copenhagen-criteria.html>.

³ OECD (1999), *European Principles for Public Administration*, SIGMA Papers No. 27, OECD Publishing, Paris, <https://doi.org/10.1787/5kml60zwd7h-en>. The European Administrative Space included components such as reliability, predictability, accountability and transparency, as well as technical and managerial competence, organisational capacity, financial sustainability and citizen participation.

⁴ COM(2014) 700 final, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Enlargement Strategy and Main Challenges 2014-15, https://neighbourhood-enlargement.ec.europa.eu/system/files/2016-12/20141008-strategy-paper_en.pdf

⁵ COM(2020) 57 final, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Enhancing the accession process - A credible EU perspective for the Western Balkans, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0057>.

⁶ COM(2022) 528 final, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 2022 Communication on EU Enlargement Policy, p. 20, <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/2022%20Communication%20on%20EU%20Enlargement%20Policy-v3.pdf>.

This is to avoid a situation where ‘hard-earned’ positive reforms, for example for a professional and merit-based civil service, are reversed after a country becomes a member of the EU”.⁷

In March 2022, European ministers responsible for public administration further emphasised the need for attractive, modern and innovative civil services that lead by example, transparent and resilient public services that meet users’ expectations, and high quality and inclusive digital public services that respect European values.⁸

In November 2022, in a meeting of the Public Governance Committee at Ministerial Level, OECD ministers committed to “reinforce, promote and strengthen the foundations of democracies acknowledging that they should rise to the challenges of growing and changing citizens’ expectations in terms of representation, responsiveness, open government, and integrity of institutions, as well as green policies including through innovative approaches in the public sector” and to “continue efforts to build professional, effective and efficient public institutions, and high-performing leadership and civil servants in support of stronger democracies.”⁹

Rationale for a revised (2023) edition of the Principles of Public Administration

The first edition of the Principles of Public Administration was published in 2014. SIGMA has developed this revised edition to: 1) update the framework in line with the most recent standards and practices in the EU, OECD and other international organisations; and 2) better respond to the challenges facing society today and tomorrow and the need for responsive and agile public administrations to address evolving political priorities and citizens’ demands. The Principles are designed to be “policy neutral”, enabling public administrations that follow them to better deliver on their governments’ political priorities, economic, social, environmental or security objectives.

Public administrations are today expected to be more digital, agile, innovative and green than in 2014. The new version reflects the importance of fully embracing the potential of digitalisation, lessons learned during the global COVID-19 pandemic (strengthening agility and resilience of public administration and, flexibility of working arrangements), as well as the expectation that public administration contributes to addressing the environmental challenges, including those of climate change and loss of biodiversity.

This new version unifies the Principles for the EU enlargement and neighbourhood regions, and even more clearly and succinctly expresses the EU values and standards of good public administration. Where EU accession-specific standards exist, they are highlighted separately. The 2023 Principles also extend the scope beyond central government to include regional and local levels of government, with the aim of fostering a coherent policy approach. The revision also reflects the experience and lessons learned by the EC and SIGMA since 2014, through direct engagement with national administrations and regular monitoring exercises.

The new edition focuses on values of good public administration without being prescriptive, as practical approaches of EU and OECD countries to attaining the common values and standards expressed by the Principles vary. SIGMA’s mission is to promote and explain those values and standards, and support EU

⁷ EU (2021), *Supporting public administrations in EU Member States to deliver reforms and prepare for the future*, 29 April 2021, p 21, https://ec.europa.eu/info/departments/structural-reform-support/supporting-public-administrations-eu-member-states-deliver-reforms-and-prepare-future_en.

⁸ *Strasbourg Declaration on the Common values and challenges of European Public Administrations*, (2022), https://www.transformation.gouv.fr/files/presse/Declaration_common_values_challenges_european%20public_administrations_1.pdf.

⁹ *Declaration on Building Trust and Reinforcing Democracy*, (2022), <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0484>.

enlargement and neighbourhood administrations with advice on possible approaches and good practices of EU and OECD countries to achieve those values.

The pace and method of aligning national public administration with the EU and OECD standards have to be decided by the national government, taking into account the national context, administrative traditions and expectations of their citizens. In this sense, change management is of vital importance for the success of reforms. Change has to be planned realistically and communicated effectively to ensure buy-in by the stakeholders, including political leaders.

Scope of application of the Principles of Public Administration

The Principles should apply as universally as possible to all bodies of public administration. This includes centres of government, line ministries, government agencies, regulatory bodies and other institutions of central government performing the core functions of public administration: policymaking and policy implementation, including delivery of administrative services. Special arrangements for specific institutions, should be limited, justified and proportionate.

The application of the Principles extends to the judiciary, parliaments and independent constitutional bodies, such as the ombudsperson or the supreme audit institution, respecting their constitutional independence and the specificities of these institutions.

The Principles also apply to the sub-national (regional and local) levels of government. Two dedicated Principles (14 and 32) guide decision-makers on subsidiarity, fiscal autonomy and other key structural aspects of multi-level governance.

Structure of the Principles of Public Administration: 6 areas of Public Administration, 32 Principles, 270 sub-principles

The structure of the 2023 edition of the Principles of Public Administration still follows the six thematic areas set out in the 2014 Enlargement Strategy. To better reflect the content of the Principles, the fourth thematic area, previously called "Accountability", is now "Organisation, accountability and oversight". "Digitalisation" has been added to "Service Delivery".

Thematic areas	Core values
Strategy	The government ensures a strategic vision and leadership for an agile, innovative and continuously improving public administration responsive to new challenges.
Policy development and co-ordination	The government ensures that policies and budgets are harmonised, effectively planned, co-ordinated across whole of government, implemented, monitored and evaluated against clearly defined policy objectives. Ministries develop coherent public policies through an open and participatory process, informed by sound evidence and analysis.
Public service and human resource management	Public servants act with professionalism, integrity and neutrality. They are recruited and promoted based on merit and equal opportunities and have the right competencies to deliver their tasks effectively.
Organisation, accountability and oversight	The organisation of the public administration is efficient and effective across all levels of government. Public administration bodies are open and transparent and apply clearly defined internal and external accountability mechanisms. Strong oversight bodies protect the rights of citizens and the public interest.
Service delivery and digitalisation	The public administration places users at the centre and delivers high-quality and easily accessible services online and offline to all people and businesses. Digitalisation enables data-driven decisions, effective and efficient processes, as well as high-quality and accessible services.
Public financial management	The public administration plans and manages public finances to ensure that they are sustainable and transparent and allow the delivery of policy objectives. Control, procurement and oversight arrangements are in place to ensure the economic, efficient and effective use of public resources shared across all levels of government.

The **32 Principles** outline values, behaviours and outcomes, while the **270 sub-principles** provide more detailed guidance on how to achieve these results and ensure adequate administrative capacity.

The following prerequisites are crucial for effective implementation of the values stated in each Principle. They are reflected at the level of the monitoring framework rather than repeated in each Principle.

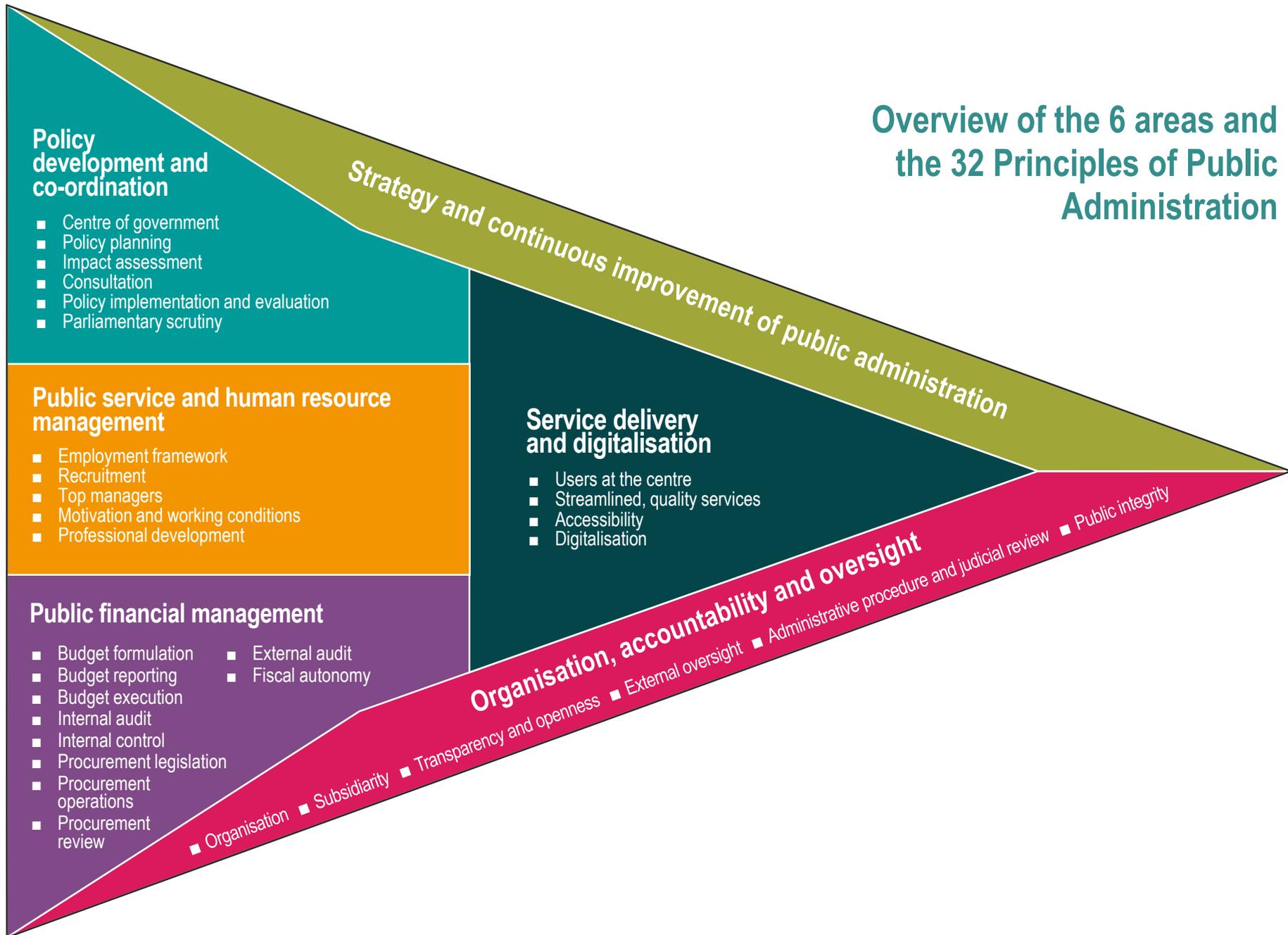
- adequate legislative framework (both primary and secondary legislation)
- established institutional and organisational set-up with clearly defined responsibilities, as well as adequate capacities of responsible institutions
- the right people with the right skills, supported by good management
- orientation towards outcomes for citizens and businesses
- government decisions informed by reliable evidence and data
- systematic monitoring and evaluation of performance to create a learning and feedback loop
- organisational culture internalising the desired values and behaviours
- change management

Monitoring framework

A monitoring framework complements the Principles and sub-principles by defining criteria and performance benchmarks, assigning weights to the criteria and establishing corresponding indicators and sub-indicators. The criteria measure the enablers of and the above-mentioned prerequisites for successful reforms and the actual implementation of reforms (how the administration performs in practice) and subsequent outcomes and impacts (how its performance impacts society). The indicator values express the maturity of relevant components of public administration, providing an overall value between 0 (lowest) and 100 (highest) for each Principle.

The overall approach recognises that no single measurement method can fully capture the complex issues related to organisational change and changes in social behaviour. To arrive at a balanced assessment, it is necessary to obtain as much information as possible from administrative data, surveys, statistics, interviews, etc. and then to cross-check it. The indicators therefore build on a combination of sub-indicators, drawing on different methodologies.

Overview of the 6 areas and the 32 Principles of Public Administration





Strategy

The government ensures a strategic **vision and leadership** for an agile, innovative and continuously improving public administration responsive to new challenges.

Principle 1: A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.

- a. Public administration reform (PAR) is acknowledged as a political priority and is reflected in the relevant political agendas.
- b. A comprehensive PAR agenda, established through dedicated planning documents, covers all reform areas and fosters continuous improvement, agility and responsiveness of the public administration to evolving national and global priorities and challenges.
- c. PAR is co-ordinated at political and administrative levels; sufficient resources are allocated and the planned reforms are effectively implemented and monitored.
- d. All relevant stakeholders are regularly consulted and involved in PAR planning and monitoring; PAR is effectively communicated and values of good public administration are promoted.
- e. Public administration bodies encourage and share innovative solutions and approaches across the whole public administration.



Policy development and co-ordination

The government ensures that **policies and budgets are harmonised**, effectively planned, co-ordinated across the whole of government, implemented, monitored and evaluated against clearly defined policy objectives. Ministries develop coherent public policies through an open and participatory process, informed by sound evidence and analysis.

Principle 2: Public policies are coherent and effectively co-ordinated by the centre of government; decisions are prepared and communicated in a clear and transparent manner.

- a. The centre of government (CoG)¹⁰ enables and facilitates policy co-ordination across ministries and relevant institutions to ensure overall policy coherence and better and more sustainable policy outcomes.
- b. CoG institutions and their internal units co-ordinate and collaborate actively to ensure good policy outcomes.
- c. Government decisions are prepared, approved and followed up in a transparent, effective and timely manner, based on clear rules and procedures, through the relevant decision-making structures, including government sessions.
- d. The relevant CoG institution consistently reviews all items submitted for final government approval to check their compliance with the established rules and standards.
- e. Central co-ordination of government communication, both internal and external, helps advance the national policy agenda and counters both mis-information and dis-information.
- f. Effective and agile procedures and mechanisms ensure continuous government decision-making in crisis situations and management of external risks; the government uses strategic foresight to anticipate and prepare for future scenarios.

Sub-principle relevant for EU candidate countries and potential candidates only

- g. The government establishes and enforces clear horizontal procedures for governing the national European integration (EI) processes under the co-ordination of the responsible CoG institution. The roles and responsibilities for all relevant institutions involved in the EI process, including for EU law transposition, are clearly established.

Principle 3: The government plans and monitors public policies in an effective and inclusive manner, in line with the government fiscal space.

- a. A harmonised and coherent policy planning, monitoring and reporting system, with clear procedures and key institutional responsibilities, is established.
- b. Political priorities and agenda, as articulated in the government programme or other similar political statements, are effectively planned and implemented through relevant policy planning documents.
- c. Policy and financial planning documents are coherent and aligned with each other in terms of policy priorities, objectives and activities.
- d. Policy planning documents meet quality requirements and contain adequate analysis and information, including on policy objectives, indicators with targets and monitoring framework. They are developed in a participatory manner and are publicly available.

¹⁰ Centre of government (CoG): administrative structure that serves the executive (President or Prime Minister, and the Cabinet collectively). The CoG has a great variety of names across countries, such as General Secretariat, Cabinet Office, Chancellery, Office/Ministry of the Presidency, Council of Ministers Office, etc. In many countries, the CoG is made up of more than one unit.

- e. Policy planning documents include financial cost estimates that are aligned with the medium-term and annual budgets, and financial resources are available to ensure smooth and full implementation.
- f. Performance and results, including achievement of policy objectives and outcome indicators, are regularly monitored and reported on; monitoring reports are published on time to enable public scrutiny.
- g. Guidance, quality assurance and methodological support are provided to institutions during the planning, monitoring and reporting of policy planning documents.

Sub-principles relevant for EU candidate countries and potential candidates only

- h. The European integration (EI) planning process is fully integrated within the overall government policy planning systems. EI plans are coherent and aligned with other government planning documents.
- i. The government effectively implements EI plans through prioritising and costing of EI-related commitments, taking into consideration the available resources and capacities of the administration.

Principle 4: Public policies are developed based on evidence and analysis, following clear and consistent rules for law making; laws and regulations are easily accessible.

- a. A whole-of-government policy to promote better regulation, evidence-based and inclusive policymaking is established and applied in practice during policy development and legislative drafting.
- b. Ministries have clear internal rules and procedures for planning and managing effectively the development of policies and legislative drafting.
- c. Regulatory impact assessment (RIA), or other similar tool(s), is adopted and systematically used to support policy development, facilitate consultation and inform decision-making at all key stages of policymaking, covering both primary and secondary legislation, including the impact on the environment and climate where necessary.
- d. Alternative non-regulatory options, possibilities for regulatory simplifications and effective monitoring and enforcement mechanisms are systematically considered and analysed during policy development.
- e. All possible impacts of policy proposals are systematically analysed; reasonable efforts are made to quantify and monetise key impacts, including additional costs on the state budget, businesses and citizens.
- f. The selection of specific analytical approaches and the level of analysis of policy options are proportionate to the complexity of the issue under consideration and the scale of anticipated impacts.
- g. The RIA oversight, quality control, support and guidance functions ensure full and consistent implementation of existing rules and methodologies, enhance the quality of policy analysis, strengthen capacities and enable continuous improvement of the system.
- h. Laws and regulations are clear, coherent and consistent in content, structure, style and language.
- i. All primary and secondary legislation, including consolidated versions, is easily accessible and available free of charge through a central online database(s). Administrative guidance documents,

forms and materials essential for complying with regulations are easily available for businesses and citizens.

- j. National, regional and local levels of government co-operate and co-ordinate actively to ensure regulatory coherence and evidence-based policymaking across the whole domestic jurisdiction.

Sub-principles relevant for EU candidate countries and potential candidates only

- k. EU *acquis* transposition and legal harmonisation form an integral part of the overall policy-development process. Decisions on individual EU transposition cases are informed by evidence and analysis gathered through RIA and public consultation.
- l. Special rules, procedures and tools, such as tables of concordance and translation of EU law into national language(s), ensure effective legal harmonisation of the national legislation with the EU *acquis* and minimise the risk of gold-plating.

Principle 5: All key external and internal stakeholders and the general public are actively consulted during policy development.

- a. Procedures are in place and consistently applied and monitored to enable pro-active and effective public consultations with stakeholders and the general public, allowing businesses, non-governmental organisations and citizens, including from vulnerable groups to participate in and inform government policymaking.
- b. Consultation with the general public is conducted in an accessible and transparent manner.
- c. Ministries hold constructive dialogue with key external stakeholders and collect, analyse and use all responses when finalising the policy proposal. They transparently report on the outcome of the public consultation process and how consultees' views have shaped and influenced policy.
- d. Interministerial consultations are carried out based on clear rules and procedures, facilitating effective discussions on policy and its outcomes.
- e. The lead ministry reports on the outcome of the interministerial consultation as part of the documentation submitted for government sessions.
- f. Interministerial conflict-resolution mechanisms are built into the decision-making process at both administrative and political levels, and the mechanisms fully utilise the expertise of the administration to enable optimal conflict resolution before the issue is discussed by the government.

Principle 6: Public policies are effectively implemented and evaluated, enhancing policy outcomes and reducing regulatory costs and burdens.

- a. Preparatory activities necessary for effective implementation of laws and policies, such as adoption of secondary legislation and harmonisation with other legislation, preparation of guidance, communication and capacity building, are done prior to the policies taking full effect.
- b. Businesses and citizens receive advance notification about upcoming changes in the rules and regulations that will affect them, and sufficient time is allowed for the affected groups to adjust to and align with the new regulatory framework.
- c. The responsible institutions effectively monitor policy implementation and ensure regulatory compliance, based on robust and relevant data, including evidence gathering through direct feedback and consultations with affected stakeholders.
- d. *Ex post* evaluation of major laws and policies is an integral part of the better regulation agenda and is linked to the analysis conducted during the development of the policy. The public administration makes evaluation results publicly available and uses them to inform future policy.
- e. Review of the stock of regulations is conducted regularly to ensure that regulations remain relevant, up to date and contribute to public policies on simplification and reduction of unnecessary regulatory burden.
- f. Inspections are conducted based on risk analysis and considering the proportionality principle. They are planned and conducted in a co-ordinated and transparent manner to minimise burdens, increase compliance and ensure effective use of public resources.
- g. Compliance with existing regulations is promoted through provision of information, guidance, checklists and other tools. Enforcement actions take into account the profile and behaviour of specific regulated entities.
- h. The government engages in international and regional regulatory co-operation to improve regulatory quality and coherence, increase compliance and achieve better and more sustainable policy outcomes.

Principle 7: The parliament effectively scrutinises the government policymaking and ensures overall policy and legislative coherence.

- a. The parliament effectively scrutinises and oversees government policymaking. The parliament ensures that the legislation enacted is clear, concise and intelligible.
- b. Parliamentary committees debate and scrutinise legislative initiatives, with active participation of government ministers and senior public servants, and ensure consultation with key stakeholders, while also minimising any risks of undue external influence.
- c. The government co-ordinates its legislative work plan closely with the parliament and regularly shares information about new legislative initiatives.
- d. The parliament ensures effective planning and timely consideration of all legislative proposals.
- e. The government shares with the parliament all policy documents and supporting materials, such as regulatory impact assessments and reports on the outcome of public consultation. Supporting materials are revised, if necessary, to reflect any major amendments agreed during parliamentary debates.
- f. Extraordinary and/or shortened procedures for adopting laws are not used excessively, to allow adequate time for preparation and scrutiny. If such procedures are used, an *ex post* review of these laws is carried out at the earliest possible time to assess the relevance and effectiveness of the regulatory rules and procedures.
- g. The government reviews and provides comments on all new legislative proposals initiated by the members of parliament to highlight possible policy incoherence and implementation risks, such as creation of unfunded mandates.
- h. The parliamentary services provide expert advice and support to members of parliament for initiating and drafting new laws based on evidence and with input from key stakeholders.
- i. The parliament regularly reviews implementation of major laws and public policies to assess their effectiveness and hold the government accountable.



Public service and human resource management

Public servants ¹¹ act with **professionalism, integrity** and **neutrality**. They are recruited and promoted based on merit and equal opportunities and have the right competencies to deliver their tasks effectively.

¹¹ Public servants shall, for the purposes of application of the Principles, mean employees of 1) ministries and agencies, including regulatory bodies, 2) offices/secretariats of the Prime Minister, the Council of Ministers and presidential administrations, 3) parliament, supreme audit institution, ombudsperson, courts and other independent bodies; 4) regional and local administrations. The Principles shall not apply to elected and politically appointed officials, judges and prosecutors. They shall also not apply to technical support staff in public administration bodies (for example drivers and cleaners). National legislation may apply a broader scope than the above definitions.

Principle 8: The employment framework balances stability and flexibility, ensures accountability of public servants and protects them against undue influence and wrongful dismissal.¹²

- a. The government has a clear policy on public service, and the political-level responsibility for the area is established.
- b. Legislation on the public service provides for clear and adequate material, horizontal and vertical scopes.¹³
- c. Public servants have the obligation to act professionally and neutrally and the right to reject unlawful instructions, and they have protection against undue political and other interference in their professional judgement.
- d. Public servants are subject to accountability, ethical and disciplinary frameworks and can be held liable in cases where misconduct is proven in due process.
- e. Public servants can only be dismissed or demoted based on objective criteria regulated by law, following a due process and subject to judicial review.
- f. The public administration uses temporary employment in justified situations and within reasonable time limits.
- g. A central body, sufficiently empowered, effectively leads and co-ordinates the human resource management (HRM) system for the public service, provides support to public administration bodies, and monitors implementation.
- h. Public administration bodies have sufficient capacities for professional HRM.
- i. An effective information system supports HRM processes and provides data allowing for evidence-based public service policy.

Principle 9: Public administration attracts and recruits competent people based on merit and equal opportunities.

- a. The public administration analyses human resources (HR) and prepares and implements HR plans aligned with the budget to ensure the appropriate workforce size, mix of competencies, skills and expertise to fulfil its mission, considering both current and future needs.
- b. Public servants are recruited through transparent and open competitions, based on merit.
- c. Inclusive recruitment policies and practices support diversity and equal opportunities in the public administration.
- d. The public administration attracts a good pool of eligible candidates using employer branding and other recruitment tools.

¹² Sub-principles 8 c, d and e must at least apply to public servants of the central government administration with direct participation in the exercise of public authority and duties designed to safeguard the general interest of the state. These functions typically include managers, public servants responsible for law drafting, administrative and public procurement decisions, inspectors, security personnel and diplomats.

¹³ The vertical scope refers to the upper and lower division line between political appointees, public servants and technical support staff. The material scope refers to the topics regulated in the law. The horizontal scope refers to the bodies to which the law applies.

- e. Recruitment is based on accurate job descriptions providing the required candidate profile (experience, knowledge, skills, competencies) for effective performance, reflected in vacancy announcements, along with work and salary conditions.
- f. Selection committees are composed of members qualified to perform the assessment of candidates against the job requirements, without any conflict of interest, and free from political influence.
- g. Selection methods provide fair and valid assessment of the experience, knowledge, skills and competencies necessary to perform the job and enable the selection of the most suitable candidates.
- h. Recruitment and selection processes are efficient, timely, user-friendly and supported by digital tools.
- i. Applicants are informed of recruitment decisions in a timely manner and have the right to ask for justification and appeal through administrative and judicial channels.
- j. The onboarding processes enable a rapid adaptation to the job and the organisation, so that new staff feel confident, competent and perform well.

Principle 10: Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.¹⁴

- a. The law establishes top managers as a specific category. The scope of top management is adequately defined, ensuring that senior managerial positions in ministries and agencies are not treated as political offices.
- b. Top management positions are made attractive through fair recruitment, competitive remuneration, professional challenges, autonomy and mitigation of career risks.
- c. Recruitment procedures are merit-based, professionally led, impartial and transparent, allowing selection and appointment of top managers with sufficient high-level experience, knowledge, skills and competencies to perform their job well against predefined standards.
- d. Recruitment policies and practices support equal opportunities, gender balance and non-discrimination in top managerial positions.
- e. Top managers in public administration have clearly defined objectives, aligned with the mission of the organisation and objectives of the government, and their performance is regularly assessed.
- f. Top managers in public administration have sufficient professional and managerial autonomy, enabling them to assume responsibility for the management of staff, resources and work.
- g. Top managers in public administration develop their skills in line with the needs of the job, both present and future.
- h. Stability of top management fosters the continuity of institutional performance and memory.

¹⁴ The term "top managers" shall apply to the highest levels of professional management in public administration bodies, where managers enter into direct interactions with the political leaders. It shall apply to top-of-pyramid public servants in ministries (general secretaries or professional state secretaries), general directors of ministerial departments or equivalent positions in ministries, and heads of agencies. It shall not apply to political leadership in the executive (prime minister, minister, deputy minister, political state secretary and similar).

Principle 11: Public servants are motivated, fairly and competitively paid and have good working conditions.

- a. The public administration offers a competitive package of financial and non-financial compensation: remuneration and benefits, development and career opportunities, job security, and a respectful and inclusive work environment, to attract, motivate and retain employees and teams with the required skills and competencies.
- b. The public administration promotes equal pay for equal work,¹⁵ both within individual institutions and across the public administration, by determining the basic salary on job classification. It bases allowances and other benefits on objective criteria established in law and ensures that there is no type of discrimination in remuneration.
- c. The salary system is fiscally affordable; the evolution of the wage bill is predictable.
- d. The salary system is transparent to employees and the public, while ensuring a sufficient degree of protection of sensitive personal data.
- e. Grading and pay structures provide for salary progression opportunities.
- f. Performance-related pay, if introduced, constitutes a limited proportion of the salary, is based on clear criteria and provides incentives aligned with the public interest.
- g. The public administration cares about the well-being of the employees, including their safety, health, work satisfaction and engagement. It monitors staff well-being regularly to optimise working conditions.
- h. Flexible work arrangements are available for public administration employees (office, teleworking, part-time, hybrid, etc.) at all levels of the organisational hierarchy to foster productivity and work-life balance and reduce the environmental footprint.
- i. The public administration involves trade unions and employee representatives in social dialogue.

Principle 12: Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants and promote civil service values.

- a. Public servants have clearly established objectives to manage their performance aligned with the mission and objectives of the organisation. Performance assessments provide feedback to public servants, recognise good performers, identify talent and development needs and address underperformance.
- b. The public administration actively promotes continuous learning for public servants, conducts training needs analysis and prepares training plans.
- c. Training plans are effectively implemented and financed through the budget. To enhance learning and job performance, the design and delivery of training programmes consider the current and future of the organisation, the trainees and their needs for skills improvement.
- d. The public administration uses horizontal mobility of public servants to address organisational needs, manage talent and enhance professional development and performance.
- e. Public servants have opportunities for career advancement and promotion based on merit and performance.
- f. Career development and mobility policies and practices in the public service support diversity and inclusion.

¹⁵ Directive 2006/54/EC of the European Parliament and of the Council on 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast), <http://data.europa.eu/eli/dir/2006/54/oj>.



Organisation, accountability and oversight

The organisation of the public administration is **efficient** and **effective** across all levels of government. Public administration bodies are **open** and **transparent** and apply clearly defined internal and external accountability mechanisms. Strong oversight bodies protect the rights of citizens and the public interest.

Principle 13: The organisation and management of public administration foster accountability, effectiveness and efficiency.

- a. The public administration is organised in line with a clear and coherent typology of bodies, based on their main functions.
- b. Effective mechanisms keep the organisational structure of public administration compact and rational. Public administration bodies are created, merged and terminated based on sound *ex ante* impact analysis.
- c. Ministers are politically accountable for the performance of public administration bodies in their respective policy areas.
- d. Ministries have assigned responsibilities for steering, overseeing and managing performance of the subordinated agencies, with appropriate organisational arrangements and sufficient capacities.
- e. Public administration bodies performing executive functions, including regulators, are accountable to the government through line ministries.
- f. Regulatory bodies benefit from a level of autonomy required for effective performance of their functions.
- g. Constitutional bodies and oversight institutions enjoy independence and are accountable to the parliament.
- h. Public administration bodies operate within an accountability framework based on clear objectives and performance indicators.
- i. Internal organisation of public administration bodies contributes to the effective performance of functions and horizontal co-ordination, by ensuring clear assignment of duties and lines of accountability.
- j. Organisations in the public administration use recognised quality management tools to enhance institutional capacities and foster continuous improvement.
- k. Public administration bodies reduce their environmental footprint through organisation of work and management of resources.
- l. Managers at all levels have clearly assigned responsibilities, delegated authority for making decisions and the autonomy and resources necessary to achieve the results they are accountable for.
- m. Public administration bodies co-ordinate and collaborate across organisational boundaries and sectors.

Principle 14: Responsibilities are clearly distributed between levels of government, embracing the principle of subsidiarity and local autonomy, and facilitating inter-institutional co-ordination with effective oversight mechanisms.

- a. The parliament establishes by law the division of competences, rights and duties across levels of government to avoid overlap and strengthen transparency.
- b. Regional and local governments have autonomy to perform their competences within the limits of applicable laws.
- c. The competent authorities exercise supervision over regional and local governments based on law. This supervision is proportional and respects their autonomy in decision-making, distinguishing between own and delegated competencies and providing for remedy in case of breach.
- d. An independent mechanism resolves conflicts of competencies and responsibilities among levels of government.
- e. Effective co-ordination structures facilitate alignment of policies and priorities at all levels of government.
- f. Regional and local governments co-operate and form partnerships to enhance the development and the quality of public services.
- g. Competencies are assigned to the level of government closest to citizens, taking into account the extent and nature of the task, efficiency and economy, as well as the size of regional and local governments.

Principle 15: Public administration is transparent and open.

- a. The government has established strategic objectives to promote openness and transparency of public administration, assigning clear responsibilities to specific actors.
- b. Individuals, including non-residents, and legal persons have the legal right to access public information without justifying their request.
- c. Public information encompasses all information recorded in documents¹⁶ held by the public administration, individuals or legal persons who exercise public authority. Exceptions exist only when there are compelling reasons for classifying information; they are set down precisely in law.
- d. The public administration helps parties to identify the requested information and provides it promptly in the requested format and free of charge, except for the cost of reproduction and delivery.
- e. The public administration communicates the grounds for refusal of access to public information, and parties have the right to appeal this decision to an independent body or the courts.
- f. Responsibility for monitoring compliance with the legislation on public information, providing guidance and imposing sanctions is clearly assigned and implemented.
- g. The public administration maintains up-to-date document registers, lays down and follows rules relative to the preservation and destruction of documents in order to keep easy-to-find proof of public activities and decisions.

¹⁶ “Document” shall mean any sort of holder of information, whatever be its form or format (paper document, electronic document, electronic database, sound or audio-visual tape, photograph, etc.).

- h. Access for re-use of information and the related metadata held by public authorities, public undertakings and publicly financed research data for commercial and non-commercial purposes is widely granted.¹⁷
- i. Public administration bodies proactively disclose public information, which is relevant, complete, accurate and up to date, accessible, understandable, machine-readable, in open-format and reusable.

Principle 16: The parliament, ombudsperson and supreme audit institution effectively scrutinise public administration.

- a. The parliament and its committees effectively scrutinise the executive and monitor the quality of its work, through hearings, questions to government, parliamentary inquiries, evaluations of public policies and budget oversight.
- b. The parliament actively supports the ombudsperson and the supreme audit institution (SAI) in their oversight functions by ensuring adequate resources, considering their reports and urging the government to correct the deficiencies identified by the oversight bodies.
- c. The independence of the ombudsperson is ensured in legislation and in practice. The ombudsperson has sufficient institutional capacities for exercising the organisation's mandate and enjoys public trust.
- d. High moral character, integrity and appropriate professional expertise and experience of the person responsible for exercising the ombudsperson functions are required in the legislation and ensured in practice.
- e. The mandate of the ombudsperson or equivalent institution, covering prevention and correction of maladministration in all public administration bodies, and the protection and promotion of human rights and fundamental freedoms, is enshrined in the legislation and implemented. The ombudsperson has appropriate powers to investigate individual cases and systemic issues.
- f. Public administration bodies effectively implement the recommendations of the ombudsperson, including systemic recommendations.
- g. The independence of the SAI and that of its head and members, in all its forms, is established in the constitution, legally protected and respected in practice.
- h. The SAI has sufficient capacities for exercising its mandate and enjoys public trust.
- i. The mandate of the SAI, covering compliance, financial and performance audits in all bodies of public administration, is enshrined in the legislation and implemented in practice.
- j. Public administration bodies effectively implement the recommendations of the SAI, including systemic recommendations.

¹⁷ Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information (recast), <http://data.europa.eu/eli/dir/2019/1024/oj>.

Principle 17: The right to good administration is upheld through administrative procedure, judicial review and public liability.

- a. Administrative procedures are conducted in line with principles of legality, including lawful exercise of discretion, legal certainty, equality, impartiality and proportionality.
- b. Parties involved in administrative procedures can exercise their right to be heard and access the files of the proceeding.
- c. The public administration states the reasons for its decisions, notifies the parties and informs them of the right to appeal. Exceptions are allowed for cases when the decision is entirely beneficial for the interest of all involved parties and no party requested it.
- d. Internal administrative appeal mechanisms, if established, ensure swift and easy access to effective legal remedies.
- e. The government monitors the functioning of individual types of administrative procedures, the results of internal administrative appeals, as well as judicial appeals, and, if needed, addresses any challenges related to the efficiency, effectiveness and lawfulness of the administration.
- f. Individuals and legal persons have effective access to an independent court to challenge lawfulness of administrative acts and actions, and obtain effective protection of their rights in a timely manner.
- g. The administrative judiciary has the mandate and resources to ensure efficient delivery of quality decisions that are effectively executed.
- h. Individuals and legal persons are redressed and fairly compensated for damages from wrongdoing by holders of public authority.
- i. The public administration analyses the causes of compensation payments and takes action to learn from mistakes to avoid or minimise similar errors in the future.

Principle 18: A coherent and comprehensive public sector integrity system minimises the risks of corruption.

- a. The government has established strategic objectives to reduce the risks of corruption and threats to integrity, based on risk analysis and data.
- b. Regulations define a comprehensive set of corrupt acts and integrity violations as criminal, civil and/or administrative offences, including proportional sanctions.
- c. Rules and values for ethical conduct are in place throughout the public sector and are effectively communicated and enforced.
- d. An easily accessible and trusted complaints mechanism encourages reports on integrity violations and an open organisational culture.
- e. The law protects whistleblowers against all types of reprisals, and they can report confidentially to a body that ensures follow-up.¹⁸
- f. A coherent system manages conflict-of-interest situations, provides guidance and procedures for resolution and a list of incompatibilities between public functions and private activities, and mitigates pre- and post-public employment risks, for example through cooling-off periods.
- g. A public body with authority to issue sanctions monitors a risk-based system of asset declarations, and mechanisms are in place for investigating and sanctioning discrepancies between personal assets and declared incomes.
- h. Lobby and influence activities are defined, transparent and conducted with integrity.
- i. An effective integrity risk management and control system is functioning in all public sector organisations.
- j. Integrity violations are detected, investigated and sanctioned with fairness, objectivity, and timeliness, with an option to appeal.
- k. Public administration bodies share information with law enforcement authorities to allow interagency collaboration and criminal investigations; they inform the public about the outcome of cases, while respecting confidentiality.
- l. The responsible body regularly collects statistical data to monitor the effectiveness of anti-corruption and public integrity systems.

¹⁸ Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law, <http://data.europa.eu/eli/dir/2019/1937/oj>.



Service delivery and digitalisation

The public administration places **users at the centre** and delivers high-quality and easily **accessible services** online and offline to all people and businesses. Digitalisation enables data-driven decisions, effective and efficient processes.

Principle 19: Users are at the centre in design and delivery of administrative services.

- a. The government establishes and co-ordinates a whole-of-government policy to continuously improve design and delivery of public administrative services, based on evolving user needs.
- b. Public administration bodies engage users to understand their needs, expectations and experiences and to involve them actively in the (re)design of public administrative services (co-creation).
- c. The public administration conducts regular reviews of existing administrative procedures to simplify and improve services, reducing the cost, time and physical presence needed.
- d. When designing and implementing new policies and services, the public administration ensures that unnecessary administrative burdens and costs are not being created.
- e. The public administration establishes service standards, defines them with users, communicates them to users, and regularly updates them to reflect changing circumstances and expectations.
- f. The public administration regularly monitors service quality against delivery standards and other metrics, to learn lessons and improve service design and delivery.

Principle 20: The public administration delivers streamlined and high-quality services.¹⁹

- a. The public administration ensures that service delivery is streamlined for the maximum convenience of the service users.
- b. The public administration organises and offers public services in the form of “life events”.
- c. The public administration provides pro-active administrative services, whereby it uses prediction and automation to offer services where appropriate.
- d. Users have the legal right to provide the public administration with information and documents only once. The public administration applies this right consistently.

¹⁹ Regulation (EU) 2018/1724 of the European Parliament and of the Council of 2 October 2018 establishing a single digital gateway to provide access to information, to procedures and to assistance and problem-solving services, <http://data.europa.eu/eli/reg/2018/1724/oj>.

Principle 21: Administrative services are easily accessible online²⁰ and offline, taking into account different needs, choices and constraints.

- a. The public administration applies omni-channel service delivery, combining online and (digitally-assisted) offline channels, so users have a seamless user journey with the possibility to interact digitally with any part of administration, if desired.
- b. All potential users have physical access to high-quality public services within reasonable distance, through collaboration of involved public administration bodies and co-ordination across and within levels of government.
- c. The public administration takes account of the diverse needs of different user groups in delivering services (including with respect to physical and intellectual ability, digital skills and language) and ensures there are no barriers to service access.
- d. The public administration ensures that users can easily find their preferred channels and have easy access to information about their rights, obligations, services and the institutions providing them, for example through a service catalogue.
- e. In their communication tools (websites, leaflets, forms, etc.) and in the context of administrative decisions, public administration bodies use concise and understandable language that conveys all relevant information in a manner appropriate to the diverse circumstances of service users (minority languages according to the law, visual and hearing impairments, etc.).

²⁰ Directive EU 2016/2102 of the European Parliament and of the Council of 26 October 2016 on the accessibility of the websites and mobile applications of public sector bodies, <http://data.europa.eu/eli/dir/2016/2102/oj>.

Principle 22: Digitalisation enables data-driven decisions and effective, efficient and responsive policies, services and processes in the whole of government.

- a. The public administration ensures leadership, co-ordination and capacity for the creation of effective, integrated and digital government strategies and services.
- b. Public registries are digital by design, and data governance is coherent and systematic, to ensure the trustworthiness and high quality of data and access to it, with active use and sharing of data within the public administration and beyond.
- c. Interoperability of public registries (legal, semantic, organisational, and technical) across the public administration improves services and facilitates cross-border integrations.²¹
- d. User-friendly digital identity, digital signature and trust services, digital payment and digital delivery solutions are easily available to everyone, legally enacted, technically functional and widely used.²²
- e. Digital government infrastructure and information systems are scalable, flexible and future-proof.
- f. The public administration promotes digital possibilities and new technologies, such as artificial intelligence, including through a flexible regulatory framework, while mitigating risks adequately.
- g. Mitigation of cyber security and privacy risks ensures data protection, in particular personal data protection, and builds public trust by applying prevention frameworks and building sufficient capacities.²³
- h. The public administration devises and implements targeted policy to attract and maintain digital talent and leadership, and to enhance digital skills and mind-set among public servants.
- i. The public administration actively collaborates with relevant stakeholders to enhance the re-use of digital solutions developed with public budget to boost a collaborative ecosystem for the provision and use of digital services economy-wide.

²¹ In line with available standards at the national and international level, including the European Interoperability Framework: COM (2017) 134 final, *European Interoperability Framework – Implementation Strategy*, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2017:134:FIN>.

²² Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.257.01.0073.01.ENG.

²³ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, (General Data Protection Regulation), <http://data.europa.eu/eli/reg/2016/679/oj>.



Public financial management

The public administration plans and manages public finances to ensure that they are **sustainable** and **transparent** and allow the delivery of policy objectives. Control, procurement and oversight arrangements are in place to ensure the economic, efficient and effective use of public resources shared across all levels of government.

Principle 23: The annual budget is comprehensive and formulated within a credible and rolling medium-term framework, balancing policy needs with fiscal constraints.

- a. The budget is prepared in line with the relevant legislation and a calendar issued by the ministry of finance that allows budget organisations sufficient time to prepare their proposals.
- b. The ministry of finance prepares a medium-term fiscal framework each year that includes policy objectives for fiscal aggregates for a minimum of three years ahead, based on disclosed macroeconomic projections, and respects the fiscal rules established in the legislation.
- c. The medium-term budgetary framework links fiscal policy to sectoral policies by disaggregated medium-term ceilings for line ministries as the basis for annual budget preparation, and the government approves it.
- d. Ministries co-ordinate budget preparation within their sectors to align policy responsibility with in-sector budget allocation.
- e. An independent oversight body improves fiscal discipline by publishing reports on the quality of forecasts and macro-assumptions under the budget estimates and the compliance of the government with the legal fiscal rules and by advising the government on fiscal policy matters.
- f. The annual budget documentation is comprehensive and includes all public expenditures and revenues, fiscal risks, tax expenditures and multi-annual commitments.
- g. The budget is presented in administrative, economic, functional, and programmatic terms, and makes use of non-financial performance information. Expenditures related to policies such as green transition and gender equality are tracked to assess the impact of initiatives where there are relevant targets or goals.
- h. Objective selection criteria underpin the capital investment project pipeline. The budget document presents the costs of multi-annual investments, and their fiscal risks and maintenance costs are assessed.
- i. The parliament has sufficient time and resources to analyse, debate and approve the budget proposal before the start of the new fiscal year.
- j. The government stimulates citizen engagement in the budgeting process by making a complete set of budget documentation publicly available, preparing a citizen budget and using open budgeting tools.

Principle 24: The government supports budget implementation and service delivery by ensuring liquidity in the short and medium term.

- a. The responsible public administration body collects revenues in an efficient and effective manner using electronic tools.
- b. The realisation of revenues is in line with the budget estimates.
- c. The government has a complete overview of its daily cash balance, using a Treasury Single Account and oversight of the balances on all other bank accounts.
- d. The government supports the reliability of its financial data by regular reconciliation between the treasury information system, accounting information systems and bank account data.
- e. The cash management function ensures that liabilities can always be met within the legal timeframe, using cash flow projections and access to the capital market to address cash shortfalls.
- f. A control system ensures that public sector organisations do not exceed their budget appropriations by committing to unfunded spending.

- g. The government meets its liabilities within the legal deadline. It manages, monitors, and regularly reports on any outstanding liabilities, such as payment arrears.
- h. Government borrowing to fund its financing gaps is prudent and sustainable, in line with a published medium-term debt management strategy and fiscal strategy.
- i. The government mitigates the fiscal risk of an unsustainable debt burden by centralising the mandate for central government borrowing and establishing legal constraints for borrowing or guarantees by other public entities.

Principle 25: The government implements the budget in line with estimates and reports on it in a comprehensive and transparent manner, allowing for timely scrutiny.

- a. The government implements the budget in line with the approved appropriations, fiscal rules and performance targets.
- b. The ministry of finance monitors the execution of the budget throughout the financial year and regularly publishes budget execution information to enable effective decision-making and transparency.
- c. The central government continuously monitors fiscal risks and has oversight of the in-year financial performance, including on contingent liabilities of local and regional governments, state-owned enterprises (SOEs) and relevant public-private partnerships.
- d. National standards for financial reporting and accounting are defined and aligned with the minimum requirements in place for EU member countries²⁴ and enable the provision of data compliant with the European system of accounts (ESA2010).
- e. The annual financial report of the government is comprehensive and based on an appropriate financial reporting framework,²⁵ is in a format mirroring the format of the budget, explains variations from the budget figures, includes an analysis of state assets and liabilities, and contains non-financial performance information comparing results with performance targets.
- f. The government provides information on capital investment in its annual financial report or a separate report.
- g. The government, in its annual financial report or a separate report, provides information on the significant economic, social and environmental impacts of its policies, procurements and operations.
- h. Local and regional governments, SOEs and extra-budgetary funds prepare and publish annual audited financial statements.
- i. The government publishes its annual financial report no later than six months after the end of the financial year. The supreme audit institution audits the report, and the parliament discusses it before the next budget debate.

²⁴ Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States, <http://data.europa.eu/eli/dir/2011/85/oj>.

²⁵ International Public Sector Accounting Standards (IPSAS), International financial reporting standards (IFRS) or national financial reporting framework.

Principle 26: Public administration bodies manage resources in an effective and compliant manner to achieve their objectives.

- a. A framework for internal control applies throughout the public administration and is coherent with other relevant regulations, including those on public financial management, and with international standards.
- b. A single ministry co-ordinates implementation of internal control, reviews progress and reports annually to the government on the development of internal control in the public sector.
- c. Public managers are responsible for the implementation of management and control systems that ensure the legal, effective, efficient and economic management of operations, assets and resources.
- d. Managers at all levels have clearly assigned responsibilities, delegated authority for making decisions and the autonomy and resources necessary to achieve the results they are accountable for.
- e. Each organisation produces comprehensive, timely and accurate information for managers on performance and budget execution, including on major investment projects.
- f. Public administration bodies identify and periodically assess the risks that threaten achievement of their objectives, including economic or environmental risks, and implement the necessary measures to mitigate them.
- g. The government clearly defines the relationship between first-level organisations and subordinate bodies, and robust governance arrangements ensure control over dependent state-owned and regional/local enterprises.
- h. Public management and control systems include procedures for preventing, detecting and reporting on irregularities and fraud, ensuring co-ordination and timely investigation and sanction of fraud and corruption.

Principle 27: Internal audit improves the management of public administration bodies.

- a. Internal audit is implemented consistently throughout the public administration, on the basis of operational arrangements established by the legislation, in line with the definitions of the Institute of Internal Auditors.
- b. The government harmonises and co-ordinates internal audit at the central level, issuing subsidiary regulations and methodological guidance that are applicable throughout the public sector.
- c. The structure and organisation of the internal audit function can be adapted to the type, size and complexity of the institution. This includes the possibility of shared internal audit services.
- d. Internal audit provides independent and objective assurance, reporting directly to the head²⁶ of the organisation.
- e. Public administration bodies have an up-to-date and formally approved strategic plan for the implementation of internal audit. Annual plans cover the entire organisation and are based on an assessment on the effective operation of the organisation's risk management, governance, internal control and reporting, including a variety of audit types.
- f. Internal audit units conduct and report on their audits in accordance with internal audit standards, manuals and codes of ethics, which are consistent with the guidelines of the Institute of Internal Auditors.
- g. Senior managers implement internal audit recommendations and internal auditors ensure systematic follow-up and monitoring of acceptance and implementation.
- h. Internal auditors hold a national or globally recognised certificate. The co-ordinating body ensures continuous professional development for internal auditors.
- i. Internal quality assurance and periodic external quality assessment continuously improve the quality of internal audit.
- j. Where financial inspection exists, it is complementary to the role of internal audit.

²⁶ Applies to the individual head or collective governing body.

Principle 28: Public procurement legislation, including public-private partnerships and concessions, is based on principles of equal treatment, non-discrimination, transparency, proportionality and competition, and supported by a sound governance framework.²⁷

- a. Public procurement legislation, including public-private partnerships (PPPs) and concessions, reflects internationally recognised principles, such as value for money, free competition, transparency, non-discrimination, equal treatment, mutual recognition and proportionality.
- b. Public procurement legislation, including PPPs and concessions, is in compliance with applicable international standards, promotes efficiency and ensures a regulatory balance proportionate to the size, nature and risks of the contracts.
- c. The public administration has clear and comprehensive policies in place for the longer-term development of the public procurement system, including PPPs and concessions.
- d. Contracting authorities²⁸ pursue strategic goals of sustainable procurement, including green procurement, while maintaining balance and consistency with primary procurement objectives.
- e. A body with a clear political and legal mandate at central level is entrusted with a policy-making function to steer and manage public procurement reform. The key functions and responsibilities to implement the public procurement system are clearly distributed among central procurement institutions, which have the necessary authority and resources.
- f. A central procurement body monitors, oversees and evaluates the procurement system and identifies possible improvements. It provides public access to consolidated data on public procurement operations (including both contract award and performance).

²⁷ Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concessions contracts, <http://data.europa.eu/eli/dir/2014/23/oj>. Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, <http://data.europa.eu/eli/dir/2014/24/oj>. Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors, <http://data.europa.eu/eli/dir/2014/25/oj>. Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the co-ordination of procedures for the award of certain works contracts, supply contracts and services contracts by contracting authorities or entities in the fields of defence and security, <http://data.europa.eu/eli/dir/2009/81/oj>.

²⁸ The term “contracting authorities” in these Principles includes contracting entities operating in the utilities sectors.

Principle 29: Contracting authorities conduct public procurement operations, including public-private partnerships, efficiently and economically.

- a. Contracting authorities develop annual or multi-annual procurement plans, aligned with budget planning, and publish them on time. A thorough needs analysis and market research guide the preparation of individual procurement, including definition of desired outcomes.
- b. Competitive procedures are standard procurement methods, and contracting authorities use other procedures only in duly justified exceptional circumstances.
- c. Public procurement operations benefit from the use of modern tools and techniques, such as framework agreements, dynamic purchasing systems, and the establishment of central purchasing bodies and arrangements that can reduce transaction costs, provide more competitive prices and simplify tendering.
- d. Contracting authorities widely use e-procurement, which covers all stages of the procurement process.²⁹
- e. Procurement documents contain clear, appropriate and unbiased technical specifications, as well as clear and non-discriminatory criteria for qualitative selection of economic operators proportionate to the specific contract and limited to those ensuring that the economic operator has the legal and financial capacities and the technical and professional abilities to successfully perform the contract. Procurement documents do not impose unjustified barriers to participation in public procurement or any unduly onerous procedural requirements.
- f. Contract award criteria, specified in advance in the procurement documents, are relevant to the subject matter of the contract and ensure objective evaluation of tenders resulting with the award of contract to the most economically advantageous tender in terms of specific criteria of price or cost and quality considerations.
- g. Contracting authorities incorporate sustainability (i.e. environmental and social criteria³⁰) at all stages of the procurement cycle, while ensuring preservation of transparency, non-discrimination and competition.
- h. Contracting authorities integrate innovation procurement into their practices.
- i. The public procurement market is competitive and attracts interest of domestic and international economic operators, especially small and- medium-sized enterprises.
- j. Advisory and operational support on application and interpretation of the public procurement legislation is quick, practical, useful and relevant.
- k. A well-functioning and sustainable system is in place that supports the continuous professionalisation of procurement officers and other actors of the procurement system.
- l. Civil society has adequate and timely access to information in each phase of the public procurement process, including planning and contract performance, to monitor public procurement and act as a safeguard against non-transparent and un-competitive practices and inefficient and ineffective use of public resources.

²⁹ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, and repealing Directive 2004/18/EC, <http://data.europa.eu/eli/dir/2014/24/oj>; Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC, <http://data.europa.eu/eli/dir/2014/25/oj>.

³⁰ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, <http://data.europa.eu/eli/dir/2014/24/oj> and Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors, <http://data.europa.eu/eli/dir/2014/25/oj>

- m. Goods, works or services procured are delivered according to the contract in terms of time, quality, cost and other contract conditions; contract amendments are managed in a timely manner and do not limit competition.
- n. Contracting authorities apply instruments to benchmark the economy, effectiveness and efficiency of public procurement proceedings and to evaluate contract performance.

Principle 30: An independent procurement review system ensures effective, rapid and competent handling of complaints.³¹

- a. The procurement legislation sets out the mechanisms and procedures for handling complaints in compliance with international standards, including interim measures, ineffectiveness of contracts and alternative penalties, and covers public contracts, private-public partnerships (PPPs) and concessions.
- b. In cases where an independent review body is created (instead of a regular court), the institutional set-up guarantees the exercise of the functions of the review body and its members in line with standards of independence and transparency.
- c. The review process provides for rapid, effective and competent handling and resolution of complaints.
- d. The review and remedies system is easily accessible to economic operators, without discrimination, excessive cost or administrative burden.
- e. The review process gives due consideration to achieving the main goals of public procurement (particularly value for money through open, transparent and non-discriminatory competition), as opposed to purely formal errors and omissions, especially those that do not impact on the outcome of the procurement process.
- f. The decisions of a review body which is not judicial in character can be the subject of judicial review or review by another body which is a court or tribunal and independent of both the contracting authority and the review body.
- g. Comprehensive data on the functioning of the remedies, including all decisions of the review body, with full rationale are published without delay on a central, freely accessible public procurement website, ensuring wider access to the case law through a comprehensive search engine.

³¹ Council Directive 89/665/EEC of 21 December 1989 on the co-ordination of the laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts, <http://data.europa.eu/eli/dir/1989/665/oj>, Council Directive 92/13/CEE of 25 February 1992 co-ordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors, <http://data.europa.eu/eli/dir/1992/13/oj>, Directive 2007/66/EC of the European Parliament and of the Council of 11 December 2007 with regard to improving the effectiveness of review procedures concerning the award of public contracts, <http://data.europa.eu/eli/dir/2007/66/oj>.

Principle 31: All public funds are effectively audited by an independent auditor that provides assurance on the use of public resources and helps improve the functioning of the public sector.

- a. The independence of the supreme audit institution (SAI), and that of its head and members, in all its forms, is established in the constitution, legally protected and respected in practice.
- b. The SAI's mandate covers all public funds and policies.
- c. The SAI or other professional, independent auditors periodically audit all public funds in accordance with international audit standards, through financial, compliance and performance audits.
- d. The SAI has unrestricted access to the premises, documents and information of the audited entities for the proper discharge of its statutory responsibilities.
- e. The organisation, governance and human resource management of the SAI, as well as its strategic planning of audits and other activities, allow the SAI to carry out its mandate and continuously improve its institutional and professional capacity.
- f. The SAI maintains procedures for quality management and ethics on an organisational level, in accordance with international standards.
- g. Audit reports are concise and contain relevant and useful recommendations, and procedures are in place to follow up on audit reports.
- h. The SAI communicates widely on its activities and audit results through the media, websites and other means and makes its reports publicly available, in a timely manner.
- i. The parliament and its committees, in accordance with an existing mechanism, regularly consider SAI reports, take decisions based on them and follow up on them.

Principle 32: Regional and local governments have resources and adequate fiscal autonomy for exercising their competences, with financial oversight to foster responsible financial management.

- a. The distribution of finances across levels of government is established by law, guaranteeing diversified revenues and borrowing rights while mitigating the fiscal risk of developing an unsustainable debt burden.
- b. A transparent and predictable fiscal equalisation mechanism balances the resources among regional and local governments.
- c. Financial oversight, by public authorities or external auditors, is performed to consider the financial situation of regional and local governments, supports the effective use of finances and helps prevent financial imbalances.
- d. Regional and local governments partly derive their financial resources from local taxes, fees and charges, for which they have the power to determine the rate.
- e. Earmarked allocations to regional and local governments have functional classification and are restricted to cases where there is a need to stimulate the regional and local implementation of national and/or international policies.
- f. Financial resources of regional and local governments are commensurate with their tasks and responsibilities and ensure financial sustainability and self-reliance.



The Principles of Public Administration

The Principles of Public Administration are a comprehensive framework of standards expressing values and behaviours that citizens and businesses expect from a modern public administration. They were designed to guide the European Union (EU) enlargement and neighbourhood administrations in their reform efforts to address the shortcomings in their public administrations and meet the EU requirements on one of the “fundamentals” of the accession process.

The Principles were developed by SIGMA, a joint initiative of the EU and the OECD, principally financed by the EU, at the request of the European Commission (EC). The Principles build on existing EU *acquis*, OECD legal instruments, other international standards, as well as good practices of the EU and OECD countries.

Find out more



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SIGMA
Creating Change Together



A joint initiative of the OECD and the EU,
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