



Hellenic Presidency of EUPAN

January – June 2014

Thematic Paper Series
Structural Reforms within Public
Administration



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Thematic Paper

Structural reforms within Public Administration

1. Introduction

The thematic paper focuses on the paragraph 5.1 of the Medium Term Plan (MTP), A “Fit for purpose” Public Administration (resilient). Its core objective is to conduct a survey on structural reforms in public administration of EUPAN member states in times of economic crisis. Therefore, responses from EUPAN members on the relevant questionnaire, as well as comments and remarks during the IPSG/HRWG meeting in Athens on 7th and 8th April 2014, are taken into account. The paper sets emphasis on:

- making a comparative analysis among EUPAN members’ structural reform programmes in public administration and their contribution to the improvement of administrative capacity and
- presenting successful reforms so that all member states will benefit from each other’s experience.

The Thematic Paper is divided into three paragraphs, theme presentation, data analysis and conclusion. Theme presentation includes background information concerning the survey. In data analysis, the most important findings are presented along with examples retrieved from the questionnaires we have received. Finally, the conclusions include the outcomes of the total of the questionnaires. The Ministry of Administrative Reform and e-Government (MAREG) team for the Hellenic Presidency of the European Union 2014 has sought to reflect the responses as accurately as possible.

2. Theme presentation

In general terms, administrative reform aims at improving the capacity of public organizations to serve public interest and accomplish their goals in accordance with social and geo-economic conditions. The context of administrative reform is related to the development of a country and citizens’ standard of living. Consequently, the perception of what constitutes the appropriate reform varies from time to time and

among countries. For the past few years, European public administrations have operated within a framework of uncertainty. Not only have administration reform been imposed by the financial crisis but it is greatly influenced by it as well.

The following analysis takes into consideration the fact that each member state is organized under a different system (decentralized, federal etc) and consists of a great number of entities of different status. Therefore, we focus mainly on ministries as the entities responsible for designing and implementing the guidelines of public policies.

In order to provide general findings about the reforms EUPAN members have adopted and the challenges they have faced, we asked them to provide information on the following questions:

- **On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.**
- **What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?**
- **What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?**
- **Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.**
- **What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?**
- **Implementation of structural reforms:**
 - a. **Describe the effect of structural reforms on the size of public agencies comparing before and after.**
 - b. **How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**
- **Evaluation of your structural reform programmes:**
 - a. **What performance indicators are used?**
 - b. **Who conducts the evaluation (ex post, on-going, ex ante)?**
- **Mention one reform concerning structures emphasizing on the:**
 - a. **factors that led to the reform,**
 - b. **agents involved,**
 - c. **cost and benefit,**
 - d. **timeline,**
 - e. **sources used,**
 - f. **means of implementation (law, ministerial decision etc) and**
 - g. **expected outcome and degree of achievement.**

Reforms aim at creating a modern public administration capable of meeting both current and future challenges. Although EUPAN members have adopted a different approach to reform, it is totally accepted that the public administration landscape has changed and that policy and service delivery models that may have worked well in the past are no longer sustainable.

3. Data analysis

The aforementioned MAREG team forwarded the Questionnaire-Response Template and the Discussion Note to all EUPAN members on 7th February, 2014. As of 30th April 2014, twenty-four (24) filled questionnaires were received (twenty-two of the respondents were members of the EU, one was from an observatory country and one from the European Commission). It is worthwhile mentioning, that in four (4) countries (Belgium, Denmark, Poland, Sweden) structural reforms are not related to the economic crisis. Specifically, structural reforms in Belgium were launched in the beginning of 2000s. Poland has not implemented any specific reform program emphasizing on structural reforms in the ministries related to the economic crisis. Medium and long-term strategies aiming at sustainable growth have been built. In Sweden the present economic crisis does not consist a crucial factor of reform. Streamlining and reforms of the overhead of agencies is a reform that Sweden has been working with for many years and it is doubtful whether this can be linked to the present economic crisis. In Denmark, a major reform to the public sector was implemented prior to the economic crisis (in 2007).

3.1 Fields of reforms in ministries and reform programmes.

When we talk about “**structural reforms**”, we refer to the abolishment and/or merger of the existing units, as well as the possible establishment of new ones with the purpose to improve the effectiveness of ministries. The main fields where reforms have taken place are reduction of structures, administrative procedures and human resources. Efficiency, effectiveness, operational cost and overlapping functions constitute the key factors for the abolishment, merger or **reduction of structures** whereas reforms in **administrative procedures** focus mainly on delivery of services, simplification of procedures, reduction of administrative burdens for business and citizens and eliminating duplicities and overlapping functions. Finally, the reforms launched in the area of **human resources** (i.e. staff downsizing, mobility, redeployment, recruitment, remuneration system, selection system, performance improvement) aim at streamlining staff allocation according to fiscal restrictions and public interest.

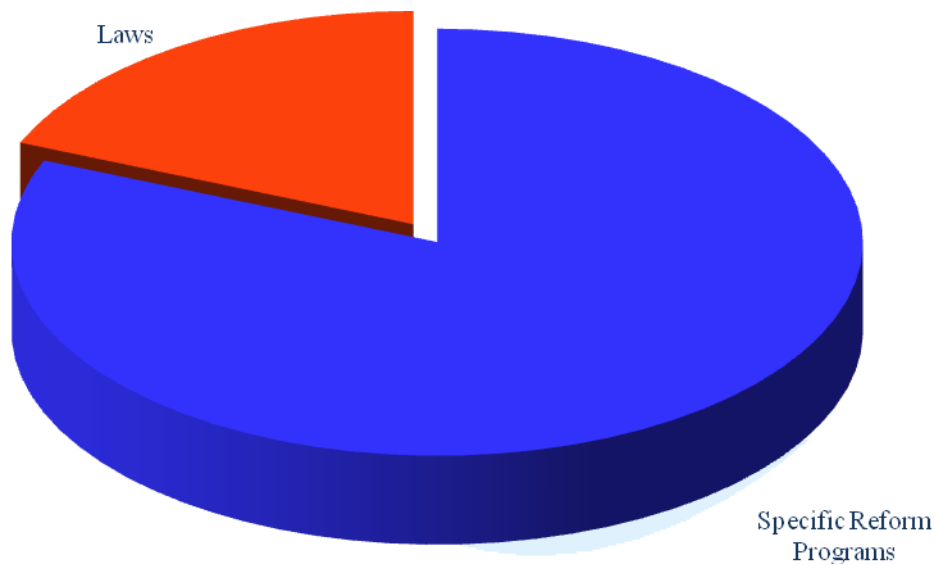


For example, in **Luxembourg** there has been a strong tendency to realign the structure of the ministerial departments and administrations to the public policy domains, since 2009. Furthermore, the new government from October 2013 reorganized several ministerial departments. The government in **Lithuania** adopted a three-phase policy regarding the restructuring of public sector in 2012. The first and second phases included reduction of the number of structures. The third phase comprised the functional analysis of structure and number of bodies within ministries, public agencies and public institutions that perform administrative tasks, and their merger or inclusion in other administrative structures. In **Hungary**, structural reforms focused among others on reduction of administrative barriers for entrepreneurs, citizens and non-governmental organizations, simplification of administrative procedures, raising public administration quality of services and availability and development of public administration employees. In the **Commission**, the structure is reviewed every five years with the nomination of a new Commission, to align the structure to Commissioners' portfolios. Furthermore, the Commission selects which programmes should be outsourced to one of the six executive agencies.

In the majority of the network members (thirteen out of twenty-three)¹, reforms were drawn in specific structural reform programmes with the form of national strategies, whereas in three (3) countries² the reforms were stipulated in legal texts.

¹ MT, HU, PT, BG, SK, EE, BE, LT, NL, PL, SI, CY, TR.

² EL, IT, LV.

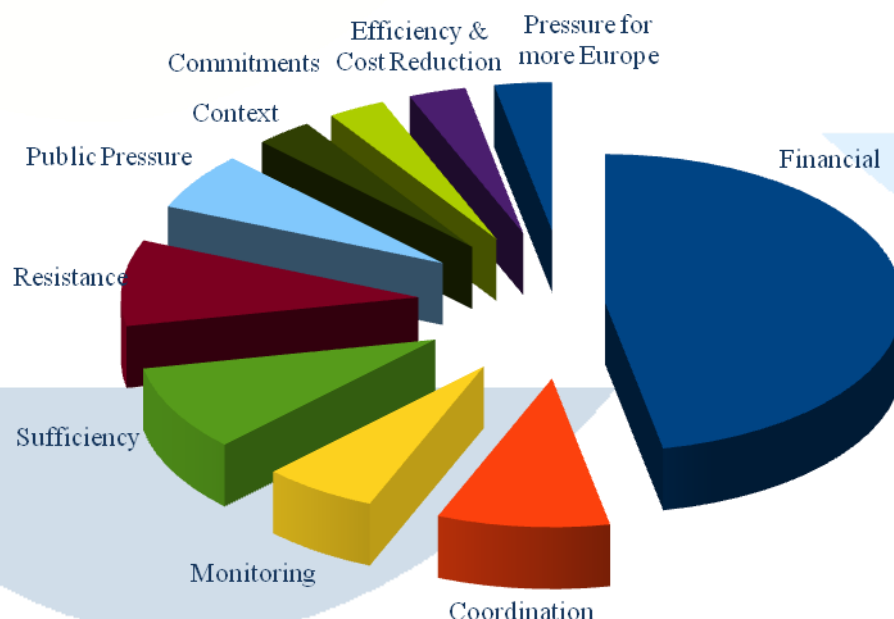


*“The Capacity Building Exercise mechanism on HR” of **Malta**, the “Margyary Programme” of **Hungary** and the “Efficient State 2020 strategy” of **Poland** are the titles of some national strategies. In **Greece**, reforms were stipulated in the law 4024/2011, art. 35. In **Italy**, reforms concerning the reduction and consolidation of several agencies and the reduction of a large number of offices of the central government and their managers have been made with a number of legislative texts (from the Decree-Law of 25 June 2008, 112, converted into Law, with amendments, by art. 1, Law 6 August 2008, no. 133, until July 6, 2012 Decree Law no. 95, converted into Law, with amendments, by art. 1, Law 7 August 2012, no. 135).*

3.2 Challenges that led to the reforms, obstacles and mechanisms.

The term “**challenges**” refers to the conditions that led to certain reform initiatives that would not have taken place otherwise. Challenges may occur either at local or national level or both and determine the context, the timeline and the expected outcome of the reforms. We consider challenges as a factor that offers an impetus to the whole reform process. On the other hand, “**obstacles**” imply the factors that impede the process of the reforms. Consequently, the mechanisms adopted to overcome the obstacles are equally important, since they enhance the successful implementation of the reform.

a. Concerning **challenges**, for the majority of the respondent countries (sixteen out of twenty-four)³ the most important challenge mentioned is **financial**, which includes global economic and fiscal crisis, the obligation for some member-states to achieve fiscal consolidation within a certain framework, the problems deriving from low level municipal budgets and financial constraints. The extent to which the implementing agencies are able to realize the planned improvements in terms of qualifications and previous experience (**sufficiency of the agents of the reform**) as well as skepticism towards reforms (**resistance to change**) are placed in the second position. **Insufficient coordination** not only among different public administration entities and/or stakeholders obliged to implement horizontal policies, but also among different administration levels (state, autonomic and local), is also mentioned as an influential challenge by two of the participant countries (ES, BG).

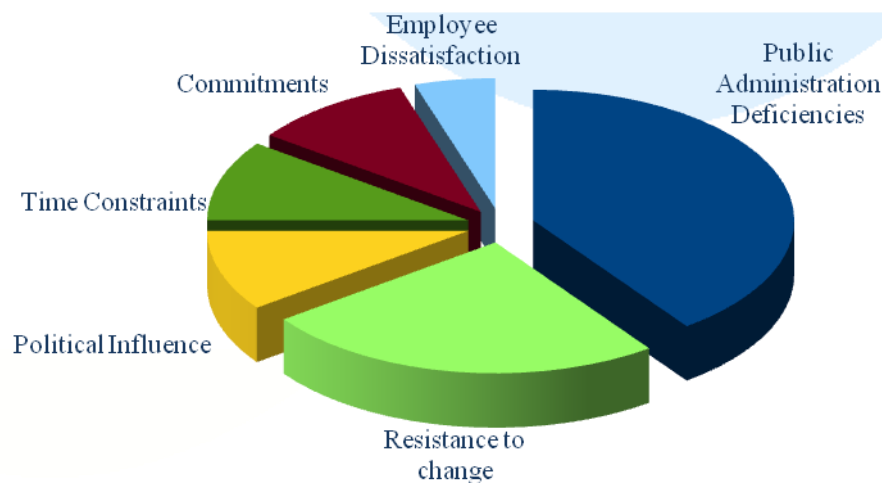


For example, in **Estonia** an important challenge was the reduction of state agencies budget, which forced ministries and their subordinated government to find ways to operate in a more effective form. The improvement of budgetary discipline and

³ EC, EL, MT, PT, ES, HU, IT, FR, HR, BG, SK, EE, NL, LV, SI, CY.

control over public finances in order to fulfill the rules fixed of fiscal consolidation is the crucial challenge for **Spain**.

b. Concerning obstacles, public administration deficiencies is the most common for almost 35% of the respondents⁴, followed by **resistance to change** (22% of the respondents)⁵. The term public administration deficiencies includes overlapping activities and functions, enhancing collaboration and coordination between different public administrations, dissimilar nature of means to adopt, oversized entities, bureaucracy, complexity of legal framework, professionalism, retraining and education of new employees. In addition to the above, **Greece** and **Belgium** refer to **tight timetables** as another impediment that hampers transition to another administrative realm, whereas **Denmark** mentions, as a substantial obstacle, employee dissatisfaction due to personnel reductions.

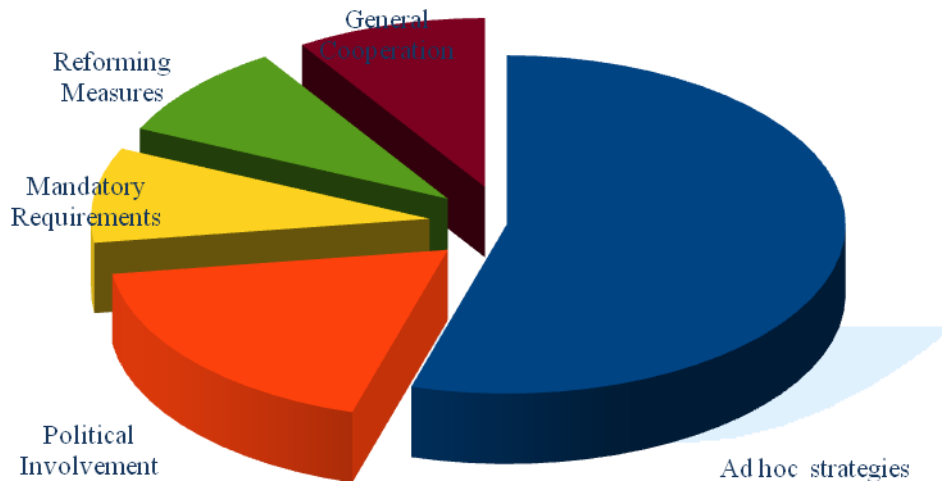


As already mentioned, for almost 22% of the participants in the survey, **resistance to change**, deriving either from fear of the impact of the reform on the autonomy of the entities and the position of the civil servants or from the limited degree of acceptance to the overall reform process, constitutes another negative element. Moreover, for **Austria, Latvia** and **the Republic of Slovakia**, **political influence** may constitute an obstacle. Political influence is analysed in two ways: first of all, it refers to changes reform programmes suffer due to governmental priorities. Secondly, it implies the effect political cost it has on a comprehensive reform strategy. In addition, it may be difficult to combine national demands with the **commitments towards other institutions**, mainly supra-national ones, such as the European Union or the Troika (**Croatia** and **Portugal**).

⁴ EL, PT, ES, BG, FR, LV, SK, TR.

⁵ MT, HR, NL, CY, EL.

c. Concerning **mechanisms**, a variety of solutions were adopted to overcome the above. In 26% of the cases⁶, **ad hoc strategies** and **reforming measures** are used. There is also recourse to **political intervention (Belgium, Greece)** as well as **mandatory requirements (Malta)** in order to ensure compliance with the reforms decided. In **Denmark**, **general cooperation** within the framework of collective bargain is promoted.



3.3 Entities competent to design, implement, monitor and evaluate structural reform - their role to the overall procedure (e.g. coordinating, supervising etc).

What we are trying to find out is the kind of entities (public, private or quasi-autonomous) that have the overall responsibility for the structural reforms in each EUPAN member.

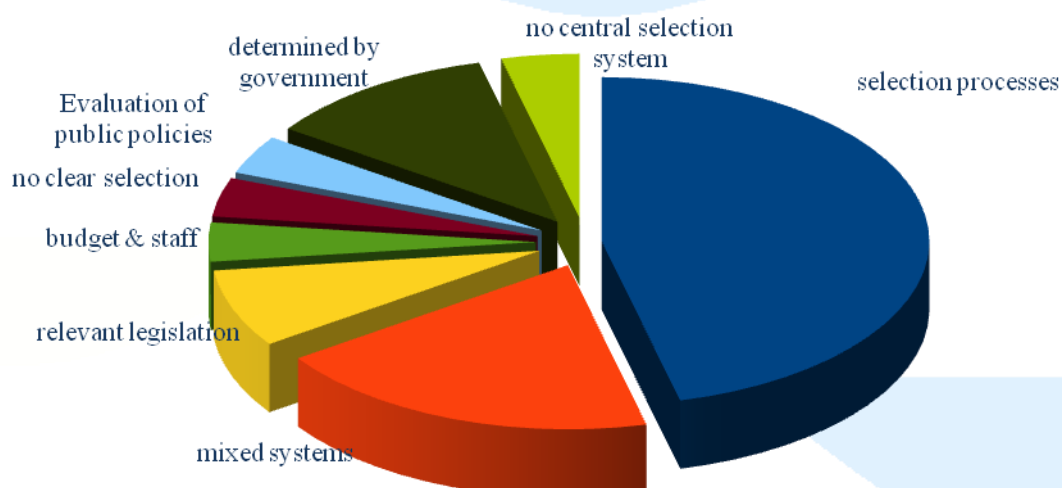


⁶ EC, PT, BG, SK, NL, CY.

As mentioned in the majority of the questionnaires we have received (75% of the answers)⁷, **existing structures** hold an important role in all phases of the reform. These structures can be line Ministries, the Ministry of Finance, the Ministry for the Interior, the Council of Ministers and Secretariat General. Less common (30% of the answers)⁸ is **the establishment of ad hoc structures**, which act either individually or in cooperation with the aforementioned structures.

3.4 Processes followed to select the entities reformed.

Reform process is not simultaneously applied to all public sector agencies. Accordingly, different methods are used to select the entities under reform. For instance, **selection processes**, such as evaluation, situation analysis and surveys, are the most popular among 52% of EUPAN members⁹.



Turkey, Hungary and Italy are some EUPAN members which applied selection processes to identify and determine the aforementioned agencies.

In **Latvia and Italy**, **relevant legislation** was established whereas in **France** an innovative method was applied: sixty areas of public policies were evaluated, instead of evaluating public entities themselves. In **Cyprus**, the first batch of the Ministries

⁷ EC, EL, CY, DK, PT, HR, BG, SK, EE, IT, BE, LT, SE, NL, PL, SI, HU, AT.

⁸ EL, CY, MT, ES, FR, LV, TR.

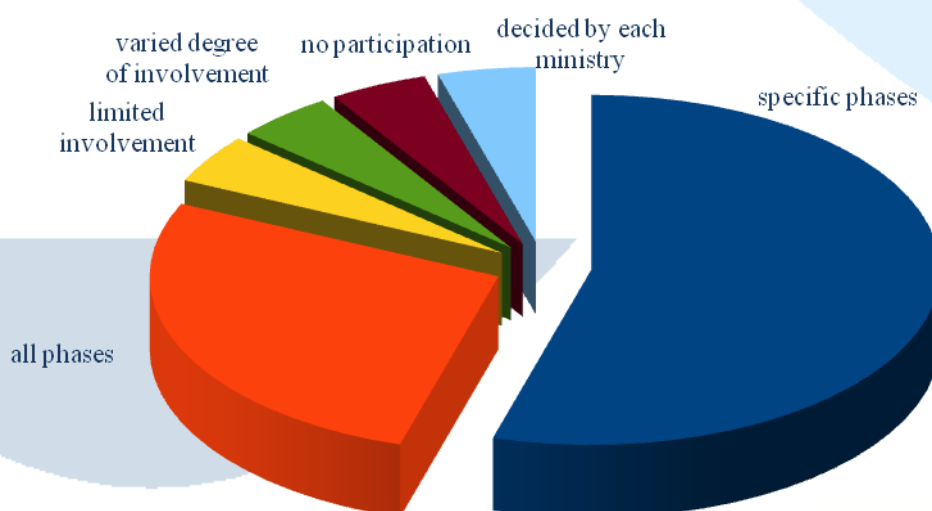
⁹ EC, EL, SI, ES, SE, HR, PT, BG, BE, IT, SK, TR.

was chosen by an ad hoc body called Steering Committee under the **criteria of budget and staff**.

Finally, in some cases (**Spain, Portugal, Italy, Greece and the European Commission**) **mixed systems** have been adopted. What is implied with “*mixed systems*”, is the combination of one of the aforementioned systems with a supplementary method. For example, in **Portugal**, data from the Information System of State’s Organisation (SIOE) and a selection process, i.e. the survey of entities carried out by ministerial interlocutors, are taken into account to define the agencies to be reformed.

3.5 Degree of involvement of the civil servants in each phase of the reform process (i.e. design, implementation, monitor and evaluation).

The rationale of this question is to identify both the degree of participation of the civil servants in the reform process as well as their contribution. Only in 11% of the network members (**Malta, the Netherlands, Sweden, Latvia, France, Hungary**) civil servants are involved in all phases of the reform structures. According to 52% of the questionnaires received¹⁰, civil servants have an active participation in different fields of the process. Specifically, the involvement of civil servants is mostly evident in the preparatory phase and the implementation. Analysis of the situation and consultation come next. The fields with limited participation are monitoring and assessment, management of change, program management and communication of change.



¹⁰ EC, EL, CY, BG, BE, SK, ES, SI, IT, PT, HU, PL.

The following table presents the answers given concerning the participation of civil servants in the reform process:

Countries	INVOLVEMENT	NO/CERTAIN FIELDS	OTHER
1. Commission		In the fields of 1. program management with the support of a private contractor for the Cost and Benefit Analysis 2. implementation	
2. Greece	In the preparatory phase (design via evaluation teams) and the implementation.		
3. Cyprus	Take part in the functional reviews, management of change, act as partners and facilitators, coordinate with advisors and the communication teams		
4. Bulgaria		1. Consultation process 2. Preparation of relevant legislation & regulation	
5. Belgium		1. Analysis of the situation 2. implementation	
6. Slovak Republic	High	preparation and implementation	
7. Spain	Analysis definition of actions for implementation, monitoring, assessment		

8. Slovenia		Involvement at the micro level => implement activities regarding changes in internal reorganization, systemization and internal acts.	
9. Italy		Participation in technical working groups in the fields of spending review	Technical working groups were set up for the spending review process involving the senior representatives of administrations who were required to decide common savings objectives and reallocate the functions of abolished agencies.
10. Portugal	Implementation	No inv.: design, monitor, evaluation	
11. Hungary		During planning and developing the system we got help from the County League of Cities and the Association of Local Governments. They were partners in negotiation, provided comments and suggestions to the regulations.	
12. Poland		Via trade unions and the Forum of DGs in consultation process.	
13. France	In all stages		
14. Malta	In all stages		
15. Netherlands	In all stages		
16. Croatia	High in all stages		
17. Sweden	High in implementation		

18. Latvia	In all stages		
19. Turkey	There is a top-down approach which excludes civil servants		
20. Denmark	Varied implementation		
21. Lithuania			The purposes of the reform and the results of it are introduced to the civil servants.
22. Estonia			The degree of involvement of civil servants was decided by each ministry. No central involvement process exists.
23. Luxembourg			<p>The Government manifesto mentions explicitly the importance of implication of personnel in the reform programme.</p> <p>For the screening of key procedures, the task force will apply e.a. the CAF model, whose strength is the implication of personnel in the global improvement process.</p>
24. Austria	Participation of civil servants varies from case to case.		

3.6 Implementation of the reforms: their effect to the size of public agencies and to the number of hierarchical levels.

Although not depicted in a uniform way, the data sent by member states and the European Commission indicate that the **reduction in the size of the entities** is the general trend (43%)¹¹. For instance, in **Greece** the average reduction of structures in Ministries is approximately 48%. In **Hungary**, the Ministries were reduced from 13 to 8 within a period of four months (June to September 2010). In **the Republic of Bulgaria**, the size of the administration was downsized to 14% from 2009 to 2014, whereas in **Latvia** the number of public agencies was reduced by 51%, from 2011 to 2013.

In **Italy**, in addition to the reduction and consolidation of numerous agencies, with reference to the number of offices of the central government and, correspondingly, the workforce management and non relating thereto, there has made a reduction of:

- 36% of the general manager,
- 44.92% of manager and
- 34.39% of non-managerial staff.

In addition, without the above principles of reorganization, the additional constraint that no more than 15% of human resources in service can be used to support functions was imposed.

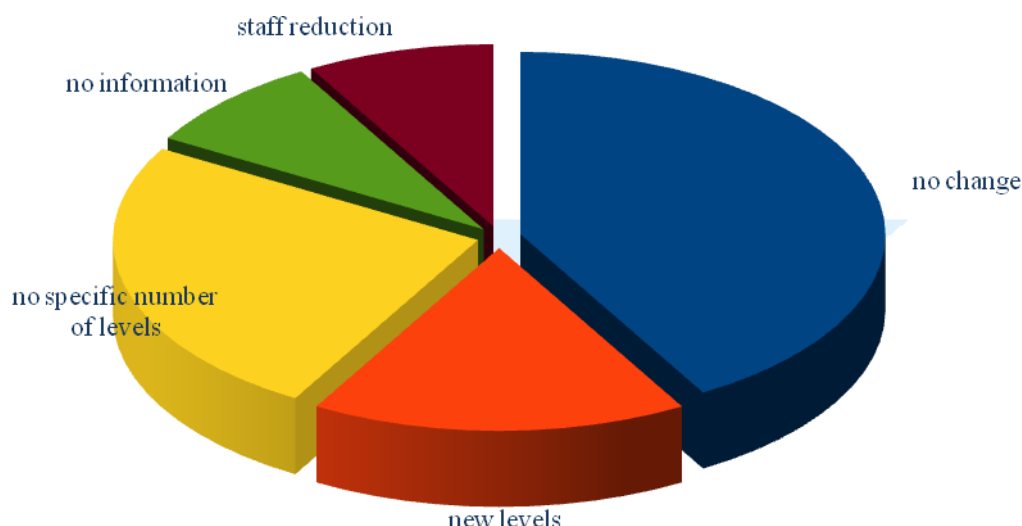
Downsizing of structures is still on-going for some countries. As we see from the table below, **Croatia**, for example, is among the countries that intend to further reduce structures, as follows:

BODY	YEAR 2012	YEAR 2013
State offices of the government	5 offices	4 offices
State administrative organisations	8 organisations	7 organisation
Customs Administration	7 regional units	4 regional units
BODY	CURRENT STATE	BY THE END OF 2014
Tax Administration	21 regional units	5 regional units
State Administration Offices	20 offices	5 offices
Police Administration	20 county units	5 units

¹¹ EC, EL, SK, HU, LV, IT, ES, HR, PT, BG, TR.

Also, the **European Commission** is planning to decrease by 5% its staff over the 2014-2020 period, and in line with its structures.

On the contrary, the number of the hierarchical levels remains almost invariable.



An increase in the number of hierarchical levels has taken place in **the Republic of Bulgaria** and in **Croatia**. Specifically, in **the Republic of Bulgaria** the hierarchical structures have been closed, and 10 new ones created. In December 2011, **the Croatian Government** adopted a new Decree on Principles for Internal Organisation of State Administration Bodies, rationalising the internal organisation and management structure in state administration bodies. Lower internal organisational units (sections, sub-sections and units) were abolished, and a three-level management structure was established at the level of civil servants, instead of the previous six management levels. State administration bodies in Croatia are now organised into directorates, divisions, services and departments.

The **European Commission** is a remarkable case given that in some agencies, no new hierarchical levels will be added to the existing ones (Director, Heads of Department and Heads of Unit), but in other agencies, where no Heads of Departments existed, this new hierarchical layer will be added.

3.7 Evaluation of the reform programmes: performance indicators and agents of the evaluation (ex post, on-going, ex ante)

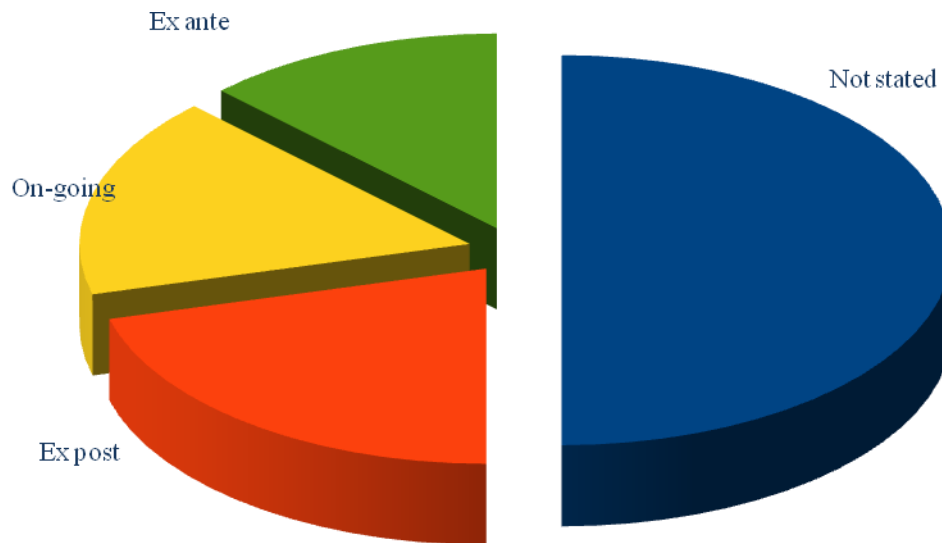
Evaluation process helps to assess the success of a reform programme and to make the necessary amendments in order to facilitate its implementation and increase its effectiveness. Approximately 57% of EUPAN members¹² use specific performance indicators, whereas 17% doesn't¹³.



In **Estonia**, for example, customer satisfaction, the number of ministries who are using the services of Shared Support Service Centre and the number of entries per accountant per day, constitute examples of performance indicators used to evaluate the performance of Shared Support Service Centre. Other examples come from **the Slovak Republic** and include the number of offices and of the employees, the complaints made by citizens, the time for handling citizens' inquiries or the cost of services.

¹² EC, DK, EE, BG, SK, PT, NL, PL, HR, SE, SI, HU, LV.

¹³ BE, FR, MT, TR.



Concerning the evaluation process as a whole, with the exception of twelve countries which do not make any reference (52%), most respondents focus on the evaluation prior to the implementation of the reform program (ex-post)¹⁴. Evaluation during the implementation (on-going)¹⁵ and after (ex-ante)¹⁶ comes next. **Belgium** and **Portugal** adopt a comprehensive approach since they emphasize on all three stages.

3.8 Mention one reform concerning structures emphasizing on the: factors that led to the reform, agents involved, cost and benefit, timeline, sources used, means of implementation (law, ministerial decision etc) and expected outcome and degree of achievement.

In this question EUPAN members were invited to analyse a reform that took place in a period of economic crisis. The purpose is three-fold:

- to provide tangible examples of reform programmes and/or actions,
- to highlight the best administrative reform practices according to the experience of member states and
- to deduce conclusions on how each country has dealt with public administration issues aroused by economic crisis through comparative analysis of the answers given.

The question is divided into subquestions in order unified information on certain aspects of the reform to be provided.

¹⁴ BE, FR, PT, HR, SI.

¹⁵ NL, BE, PT, SI.

¹⁶ NL, BE, PT.

As we can see from the content of the reform programmes put down, financial crisis and the imperative to meet its challenges constitute the common ground for the reforms undertaken by the majority of the respondents. According to the administrative culture and deficiencies of each EUPAN member, the word “challenges” encompasses the following pillars:

- **streamlining the number of public agencies,**
- **reduction of operational cost,**
- **better use of human resources,**
- **improving quality of services and citizens’ satisfaction and**
- **reduction of administrative burdens.**

Accordingly, eight (8) out of twenty-five (25) countries (33% ¹⁷) have launched structural reform programs of horizontal nature given that the scope of these programmes includes all central public administration agencies. On the contrary, a percentage of 54% ¹⁸ has enhanced reforms addressing mainly to specific fields of public administration. Concerning the first group, indicatively mentioned, **Belgium** has initiated global structural and functional reforms under the program “Copernicus Reform”. On the other hand, **Denmark, Slovenia** and **France** lay emphasis on merging agencies and **Cyprus** mentions reforms in specific ministries (Agriculture, Natural Resources and Environment, Education and Culture and Health).

¹⁷ LT, SI, EE, SK, NL, EL, HU, IT.

¹⁸ DK, CY, LV, SE, PT, FR, EC, BE, BG, AT, HR, PL, NL. The Netherlands presented two reform programmes-the one has been completed whereas the other is still on-going. As a result, the Netherlands are mentioned in both categories.



There is a variety of fields where sectoral reforms have taken place. For instance, in **the Netherlands**, the reforms presented aim at improving both transfers of personnel between ministries and public procurement system. To combat with the aforementioned deficiencies, a single administrator employer for central civil servants was created, procurement points were reduced and a pool demand system was introduced. In **Latvia**, a set of actions has been promoted in order to make public services accessible and friendly to people and business. In addition, the core aim of the **Austrian** reform programme is to improve court system through the establishment of two courts on federal level, whereas in **Poland** there has been an attempt to reorganize tax administration.

In most cases (58%)¹⁹ the reform programmes are still on-going. Only 25%²⁰ of them has been completed so far.

¹⁹ EL, LU, AT, EC, SK, PT, NL, PL, HR, SE, EE, LV, CY, IT.

²⁰ SI, BE, FR, BG, NL, LT. The Netherlands presented two reform programmes- the one has been completed whereas the other is still on-going. As a result, the Netherlands are mentioned in both categories.



However, there is a varied degree of achievement. Approximately for half of the reforms the expected benefits are yet to come. More specifically, **Belgium** explicitly mentions that there is a partial implementation of the reform targets. In the case of **Slovenia** reform expectations seem to have been fulfilled at the organisational level as well as in the field of human resources. Reform activities at the functional level will still be implemented after the implementation of the reform. Both **the Netherlands** and **Lithuania** have presented completed reform actions. Public administration in these countries is still going to be benefited by these actions in the future.

Accordingly, unified conclusions cannot be reached as far as time framework is concerned. Time framework ranges from a few months to many years even for reform programmes of the same type. For instance, merger of Ministries in **Slovenia** took four (4) months to be completed but the reform programme of **the European Commission** started as an exercise in 2012 and the implementation will last six (6) years, from 2014 to 2020.

On the contrary, the majority of EUPAN members²¹ (50%) have resorted to legal measures as means of implementation of the reforms. Laws, decrees, ministerial decisions and other forms of legal texts have widely been used. In two cases (**Sweden** and the **Netherlands**) alternative methods have been used. Indicatively mentioned, **Swedish** means of implementation are questionnaires, education of employees in new systems and procedures or development of plans for launching and communication. In **the Netherlands** the use of information and communication technologies are among the means of implementation.

²¹ CY, IT, SI, LV, HR, PT, SK, FR, EL, EC, BE, BG.

The agents involved come mostly from public administration. In some cases, ministries are involved (e.g. **the Slovak Republic, Belgium**) and/or relevant agencies (e.g. in **Greece** MAREG and the Government Council for Reform, or in **the Republic of Bulgaria** the Council of Ministers, the Bulgarian National Assembly, the National Veterinary Service, the National Service for Plant Protection, the regional health inspection services, and the National Grain and Feed Service). In some others, small evaluation teams which consist of civil servants (e.g. **Greece**) are among the agents involved.

Preference in public administration capacity has also been given in the case of resources (both financial and human) used for the implementation of the reform programmes. In rare cases, private sector and policies of the European Union have additionally been used. For example, consultancy firms have contributed to the implementation of **Swedish** reform. Also, in **the Slovak Republic** some resources came from the structural and cohesion funds of the European Union.

4. Conclusions:

The ultimate target of all EUPAN members is to transform traditional public administration into a resilient, effective and professional one in order to better serve the interests and the needs of the state and the citizen. Though connected with the economic crisis, all the above have constituted an imperative for a long time. Economic crisis indicated that the time had come for groundbreaking solutions to be adopted in the field of public administration. Therefore, various national reform strategies have been launched with distinct characteristics but one common goal.

As we can see from the content of the reform programmes put down, reforms aim at launching various improvements, which can be categorized in the following pillars: reduction of operational cost and improving citizens', businesses' satisfaction and better use of civil servants. Within this framework, reduction of structures, simplification of administration procedures and human resources are the major fields where structural reforms take place. Reforms have led to the reduction of the size of the agencies, but hierarchical structure has not been affected. The need for structural reforms is widely recognized since EUPAN members have either depicted their reform programmes in separate, comprehensive texts or stipulated reform procedures and relevant timeline in legal texts.

Innovations may have both sides: a positive and a negative one. The positive aspect is determined by the catalysts that led to the reforms. On the other hand, experience has shown that innovations usually stir controversy and provoke great resistance. Financial factors, sufficiency of the agents of the reform, resistance to change and insufficient coordination are the more important catalysts that gave boost to the reforms in EUPAN members. The most high-ranking obstacles are deficiencies of public agencies to complete the reforms, tight timetables and resistance to change. Various mechanisms were adopted to overcome the obstacles, such as ad hoc strategies and reforming measures, political intervention, mandatory requirements and

general cooperation. In general, more challenges than obstacles are mentioned, which implies that structural reforms are conceived as something positive regardless of the difficulties. It is worth mentioning that the mechanisms to overcome obstacles vary among EUPAN members even for the same type of obstacles. Another important remark is the fact that what is mentioned as a challenge by one member state, it can also be considered as an obstacle by another. Consequently, it is explicitly shown that although there is a common background and a common target, there are different conceptions of the aspects of the reform. Each member state deals with the issues of structural reform in a separate way. The fact that different methods are used to determine the agents under reform (i.e selection processes, ad hoc measures, relevant legislation and mixed systems) also supports the above.

Concerning the role agents hold in the overall reform process, there are variations, too. Resources come mostly from public administration and the means of implementation are the tools used by public agents. However, the participation of civil servants was not the same in all EUPAN members. In most cases, civil servants had an active role in specific stages of the evaluation. Civil servants are active mostly during preparatory phase (prior to the reform) and implementation.

Structural reforms consist long-term strategies, which aim at introducing a new era in the function of public administration. In few countries the reforms have been completed (e.g. **Denmark, Slovenia**) and they are considered successful in delivering the expected outcomes. Most of the reform programmes are still on-going (e.g. **Cyprus, Luxembourg**) and there has not been enough evidence to make an assessment so far. As a result, undoubtedly, as research has shown, structural reforms are necessary for the future of public administration since they guarantee its ability to serve public interest and meet European citizens' needs. Successful reforms are the prerequisite for economic growth and social stability.

APPENDIX



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmed.gov.gr

Name	Vanessa Uytborck
Email	Vanessa.uytborck@ec.europa.eu
Country	European Commission
IPSG member	yes

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

DELIVERY MODEL

The Commission began to reform its structure 10 years ago to reduce costs and increase efficiency. In this sense, it created decentralized offices (named OIB, OIL, PMO, EPSO) to deal with pay, pension recruitment, offices, as well as executive agencies. It also creates a new category of staff, contractual agents, to perform those duties. This staff in offices and agencies is not official but can on specific conditions have an undetermined contract. Their salary is lower than the ones of officials.

In the recent years, to manage efficiently the new generation of EU programmes, the Commission chooses to make greater use of Executive Agencies. Executive Agencies are distinct legal entities

but they perform their tasks under the supervision of the Commission. They have been created to manage the 2007-2013 EU programmes and they are considered as successful instruments. They are more specialized into projects management and funding than the Commission. Through entrusting the agencies with these tasks, the Commission can then concentrate on policy making.

SIZE

In this time of economic crises, the Commission is reducing its staff by 5%.

All services had to give back posts, sometimes for more than this 5%, to a pool in order to reallocate the surplus to some services dealing with high top political priorities (namely services dealing with the responses to the crisis, DG MARKT, ECFIN, etc).

COST

In terms of costs, the new Staff Regulations entered into force on 1st January 2014 is the best example. We could quote concretely the creation of a new category of staff (AST/SC) with lower pay than the previous AST, the postponement of the retirement age up to 66 years with possibility to work event up to 70, and the decrease of the accumulation rate for pension from 1.9% to 1.8%

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

In the recent years, the signal from member States to ask more to Europe to face the crisis while to reduce its administrative costs was a challenge.

While its tasks are therefore increasing, the Commission, as any other EU institution, is facing a reduction of staff of 5% over the 2012-2017 period.

1. The Commission decided to entrust Executive Agencies with more programmes management over the 2014-2020 period. Staffing in the Commission will then be on the one hand decreased (to compensate the additional needs in the Executive Agencies with a basic principle that one post in Commission allows to create two positions in an Executive Agency) and on the other hand redeployed (due to synergies, Executive Agencies would need less staff than the Commission used for the same activities) on other priority tasks.
2. The screening exercise that was presented to EUPN during the Irish Presidency was another mechanism to overcome this staff reduction challenge versus more tasks to perform. As explained in question 1, all services had to give back posts, sometimes for more than this 5%, to a pool in order to reallocate the surplus to some services dealing with high top political priorities (namely services dealing with the responses to the crisis, DG MARKT, ECFIN, etc).

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The three horizontal services: the Secretariat General, DG Budget and DG Human Resources and Security.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

In order to entrust Executive Agencies with new programmes to manage, it is a legal obligation to perform a Cost and Benefit Analysis. In accordance with the legal framework, the Commission entrusted a private company to perform the Cost and Benefit Analysis. The contractor identified different scenarios (each time with costs and benefits) entrusting different future EU programmes to one or the other existing six Executive Agencies. Once the report has been finalised, the Commission chose the most appropriate scenario.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The delegation of programmes management has been led by civil servants within the Commission with the support of a private contractor for the Cost and Benefit Analysis. Civil servants concerned by the reform have been regularly informed through corporate messages, local communication activities and staff representatives' involvement.

Internally, all civil servants are involved in this reform process as the implementation of the reforms have consequences for any official. Information sessions, discussions, presentations are prepared by the local HR units with the help of DG HR to present those reforms and to get acceptance from staff.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

a) The Commission will decrease of 5% over the 2014-2020 period. On the contrary the six Executive Agencies altogether will increase over the same period.

b) In some agencies, no new hierarchical levels will be added to the existing ones: Director, Heads of Department and Heads of Unit. In other agencies, where no Heads of Department existed, this new hierarchical layer will be added.

7. Evaluation of your structural reform programmes:

- a. What performance indicators are used?**
- b. Who conducts the evaluation (ex post, on-going, ex ante)?**

a) The Cost and Benefit Analysis that led the Commission to delegate more programmes management to Executive Agencies used the following indicators:

- estimation of future staffing needs;
- calculation of costs (staff costs and other costs);
- impact on Commission staff;
- assessment of non-budgetary impacts (beneficiaries perception, quality of service, etc.).

b) The Cost and Benefit Analysis has been performed by an external contractor (see question 4).

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

As far as the delegation of programmes management to Executive Agencies,

- a) The factors that led to the reforms are many: the context of reduction of staff in the Commission, the good performance of Executive Agencies in the past, the fact that Executive Agencies perform with less costs than the Commission, etc.
- d) the exercise started in 2012 and the implementation started on 1.1.2014 until at least 2020.
- f) the whole package of decisions is a mix of political commitments and legal instruments.
- g) Expected outcome: less cost, easier for the beneficiaries, faster achievement of programmes (shorter time to grant), the Commission can concentrate on policy making.



Hellenic Ministry of Administrative

Response Template – Structural reforms within Public Administration

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Name	Pavlina Mela
Email	pmela@papd.mof.gov.cy
Country	Cyprus
IPSG member	Yes

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

(A) The need for structural reforms has become imperative due to the economic crisis. To this end, one of the key objectives of the **Memorandum of Understanding (MoU)** is “to implement **structural reforms** to support competitiveness and sustainable and balanced growth, allowing for the unwinding of macroeconomic imbalances...”. In addition, it should be noted that, the objective for Public Service Reform coincides with the government programme.

Within this framework, the Cypriot authorities **commissioned an independent external review** of possible reforms of the public administration which includes a horizontal and a sectoral element. **Both the horizontal and the sectoral element have been undertaken by advisors.**

The **Horizontal element** includes the review of the appropriated system of remuneration and working conditions/ conditions of employment in the public sector and the

introduction of a new performance based appraisal system in the public sector.

The **Sectoral element** (Functional Studies/ Reviews) focuses on:

- the examination of the role, competences, organizational structure and size/staffing of relevant ministries, services and independent authorities;
- the examination of the possibility of abolishing or merging/consolidating non-profit organizations and publicly owned enterprises;
- the re-organization /re-structuring of local government

The **Sectoral element/ Functional Reviews** comprise of two phase/ batches:

(1) The first batch includes the reviews of the Ministries of:

- Agriculture, Natural Resources and Environment,
- Education and Culture, and
- Health.

In addition, it includes the Department of Registrar of Companies and Official Receiver and the Local Government.

(2) The second batch includes the Ministries of:

- Labour and Social Insurance,
- Communications and Works,
- Energy, Commerce, Industry and Tourism,
- Interior,
- Defense,
- Justice and Public Order,
- Foreign Affairs, and
- Finance (including the Treasury and the Planning Bureau).

In addition it includes all State Owned Enterprises (SOEs), the President's Office, the

Council of Ministers, as well as the Constitutional and Independent Services.

Moreover, within the context of the MoU, under the section titled “Revenue administration, tax compliance, and international tax cooperation”, the Cypriot authorities will reform the revenue administration with the objective to reinforce the efficiency and effectiveness of revenue collection capacity and the fight against tax fraud and evasion, with a view to increasing fiscal revenue. The reform will comprise of:

- a programme of short-term measures to enhance compliance, efficiency and effectiveness as well as a comprehensive long-term reform, and
- **the establishment of a new integrated function-based tax administration structure, integrating the existing Inland Revenue Department and VAT services.**

(B) Furthermore, based on a Council of Ministers’ decision, the following organisations/ Departments were abolished:

- Wine Products Council
- Cyprus Milk Industry Organisation
- Central Slaughterhouse Kofinou
- Land Consolidation Department

(C) Reorganization and Improvement of the Administrative Capacity of the Public Service - Co-financed projects by the European Social Fund (ESF)

The Public Administration and Personnel Department (PAPD) is currently implementing a project for the “Re-organization and Improvement of the Administrative Capacity of Departments in the Public Service” (co-funded by the ESF in the framework of the Operational Program “Employment, Human Capital and Social Cohesion” 2007-2013).

This project aims at re-organizing specific Departments (Department of Town Planning and Housing, Department of Lands and Surveys, One-stop shops, District Administration Offices), re-engineering and simplifying their processes, as well as introducing benchmarking methodologies, using specific performance indicators. The project also involves the development of a series of methodological tools that will be horizontally implemented in the public service, so as to enhance the efficiency and effectiveness of

other Public Service Organizations.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The **main challenge** that led to specific structural reforms was the **economic crisis** and consequently, the need to increase efficiency, improve the services offered to the public and to create a modern Public Service which can function effectively while, at the same time, providing quality services to the citizens. To this end, the **MoU with Troika** has reinforced the need for structural reforms as well as the **Government Public Service reform plan**.

With regards to the **obstacles** faced, it should be noted that we are at an early stage of structural reforms, since the studies are underway however, there is an issue of **resistance to change** which we foresee that will become even more intense at the implementation of structural reforms and measures.

To minimize resistance to change and to ensure transparency, awareness and involvement of staff, **change management and communication teams** were formed in each Ministry, based on the Functional studies/reviews underway, which were provided with training **on change management and communication issues**.

In addition, it is important to mention the strong political support and commitment which is fundamental in making change happening. Both the Ministers and the Permanent Secretaries lead the initiatives for structural reforms.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

As mentioned in Question 1 above, Functional reviews have been undertaken by advisors therefore, the responsibility for designing structural reforms, under the strict timeframes of

the MoU, lies on the advisors. However, the bodies responsible for the implementation, monitoring and evaluation of structural reforms are the following:

- The Public Administration and Personnel Department (PAPD), which has the responsibility of formulating the HR Policy
- The Commissioner for the Reform of the Civil Service (CRCS), which has a coordinating role

In addition, it should be noted that a **Ministerial Committee for the Reform of the Civil Service** has been appointed, by the Council of Ministers, to monitor the implementation of the reform of the Civil Service and to promote the timely decision making for the adoption of suggestions/recommendations arising from the Action Plan for the Reform of the Civil Service. The Committee consists of the Ministers of Finance (President), Agriculture, Natural Resources and Environment, Justice and Public Order, Labour and Social Insurance and the Under Secretary to the President. The Office of the Commissioner for the Reform of the Civil Service is the Secretariat.

Furthermore, the Government of Cyprus has established a **Steering Committee (SC)** to oversee the implementation of the advisory services. The SC is co-chaired by the Permanent Secretary of the Ministry of Finance, or his representative, and the CRCS on behalf of the Presidency. Its' members are the Director of Budget and Fiscal Policy, Ministry of Finance, the Director of PAPD or representatives, and a representative of the ministry of Finance and independent experts appointed in agreement with the EC/ECB/IMF, and officials from the EC/ECB/IMF.

Moreover, the SC has established **task force teams** within each of the Ministries participating in the Functional Reviews and include representatives of the Ministry of Finance, the PAPD, the CRCS, the Directorate General for the European Programmes, Coordination and Development (former Planning Bureau) and staff identified by the respective Ministries.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

First, it should be clarified that all Ministries, as mentioned in Question 1, will go through a

Functional review. The Steering Committee discussed the issue and decided on the first batch of Ministries and other organizations that will be subject to structural reform/functional reviews. The decision to go with the Ministries of Agriculture, Natural Resources and Environment, Education and Culture and Health was based mainly on the fact that these three Ministries have high budget and a high number of staff.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

As mentioned in question 3 above, task force teams have been established within each of the Ministries participate in the Functional Reviews, which include a number of employees in the respective Ministries. These teams coordinate with the advisors and provide information and data necessary for the Functional Reviews. In addition, the members of these teams have a role in the management of change, acting as change ambassadors along with the change management and communication teams which have a role for facilitating the participation of staff, where possible, through submission of suggestions / proposals.

In general, the reviews are interactive and the advisors work closely as partners and facilitators for the Ministry of Finance, the CRCS and the ministries' task force teams, under the overall direction of the SC.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

As mentioned above, the Functional Reviews are underway therefore, there is no information related to the implementation of structural reforms.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

Answer as per question 6 above.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

Structural Reform of the three Ministries

(Agriculture, Natural Resources and Environment, Education and Culture, and Health)

Although Functional Reviews are underway, we provide below information related to the Structural Reform of the three Ministries.

The main reason for structural reform was the economic crisis and consequently, the MoU which led to the need to increase efficiency and productivity, given that those three Ministries have high budget and a high number of staff. The reviews are carried out by advisors who cooperate closely with the Steering Committee and the task force teams. With regards to the timeframes, within the 2nd quarter 2014, the Cypriot authorities will agree on the reform plan which will be approved by the Council of Ministers (CoM). The relevant legislation in relation to the reforms indicated as high priority will be adopted by the House of Representatives (HoR) by the 3rd quarter 2014 and the reform will start to be implemented by the 4th quarter 2014. The financial resources used for the reviews come from the annual budgets. In terms of human resources, civil servants are involved from the PAPD, CRCS, Ministry of Finance and the competent Ministries. As already mentioned,

with regards to the implementation of structural reforms, the CoM will approve the reform plan and the relevant legislation will be adopted by the HoR. As far as the expected outcomes are concerned, where applicable, the reviews will assess and, as necessary, recommend adjustments in participating Ministries' organizational structure, performance management arrangements, and the allocation and application of human and financial resources to align to sector goals and improve service delivery outcomes.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	
Email	
Country	ITALY
IPSG member	

1. In quali campi di riforme strutturali nei ministeri sottolineano ? Si prega di citare specifici programmi di riforma strutturale nel tuo ministero in tempi di crisi economica.

The Italian central administration organization is regulated by legislative decree no. 300 of 30 July 1999 on the reform of the organization of Government, in compliance with art. 11 of Law n. 59 of the 15 March 1997, providing for the rationalization, reorganization, abolition and merger of ministries, the establishment of agencies, the reorganization of local administrations.

More generally, the legislation identifies the types of central and local bodies, basically ministries and agencies, that make up the whole public administration.

In particular, it specifies the responsibilities, functions and general organization of each Ministry.

The current organization of Italian central public administration is the result of several pieces of legislation passed in the last years to reduce the size of public administrations and rationalize their

organization.

The first major reorganization provision is included in art. 1, par. 404 of Law no. 296 of 27 December 2006.

This provision aimed at rationalizing and optimizing the organization of expenditure and running cost of Ministries contains the following rationalization criteria:

a) reorganization of General Directorates and Units, by reducing DGs by a percentage not lower than 10% and Units by at least 5%, as well as abolishing existing duplications, while ensuring the possibility to hire new managers between 2007-2011, in compliance with art. 28, par. 2, 3 and 4, of Legislative Decree no. 165 of 30 March 2001, n. 165, for a percentage not lower than 10% of Units;

b) unified management of HR and common service also through technological and administrative innovation tools;

c) reconsidering the number of local bodies, by reducing them or, where possible, by establishing regional offices or by including them within Prefectures/Local Government Offices, where this is sustainable and more functional based on the principles of efficiency and cost-effectiveness after a joint evaluation between the relevant Minister, the Minister of Home Affairs, the Minister of Economics and Finance, the Minister for Relations with Parliament and Institutional Reforms and the Minister for Reforms and Innovation in Public Administration, through the joint implementation of logistics functions and the management of capital goods, the establishment of common services and the use of public real estate as a priority;

d) reorganization of inspection and control offices;

e) reduction of highly specialized bodies for analysis, consulting and study;

f) reduction of staff so that the HR used for support functions (HR management, IT management, maintenance and logistics, general affairs, accounting) do not exceed 15% of total HR in each administration, by implementing specific processes to reorganize, train and retrain the abovementioned staff so as to reduce their size by a percentage not lower than 8% every year until the goal is achieved;

g) the Ministry of Foreign Affairs shall start to restructure the diplomatic and consular network as well as the network of cultural institutes as a result of the new geopolitical context, especially in Europe and, in particular, the unification of the accounting services of the offices of the diplomatic network located in the same foreign city, by establishing that the functions mentioned in articles 3, 4 and 6 of the regulation contained in the Decree by the President of the Republic no. 120 of 22 March 2000, are performed by the relevant staff of the unified office on behalf of all diplomatic representations.

Article 1, par. 76, of Law no. 244 of 24 December 2007, as replaced by par. 1 of art. 1 of Law no. 172 of 13 November 2009, subsequently modified by par. 3-*bis* of art. 15 of Law-Decree no. 195 of 30 December 2009, (law 26/2010), provides that the number of Ministries shall be thirteen. The total number of the members of the Cabinet, including Ministers without portfolio, Deputy Ministers and State Secretaries, shall not exceed 65 and the composition of the Cabinet shall be consistent with the principle mentioned in the second sentence of the first paragraph of art. 1 of the

Constitution.

In the following years, additional legislation was passed to enhance the efficiency and effectiveness of the organization of central State.

In particular, in the last five years, the following measures to reduce the organizational structure of central administrations were passed: art. 74 of Decree Law 25 June 2008, no. 112, converted into Law, with modifications, by art. 1, par. 1, Law 6 August 2008, no. 133; art. 2, par. 8bis and following, of Law-Decree 30 December 2009, no. 194, converted into Law, with modifications by art. 1, par. 1, of Law 26 February 2010, no. 25; art. 1, par. 3, of Law-Decree 13 August 2011, no. 138, converted into Law, with modifications by art. 1, par. 1, of Law 14 September 2011, no. 148; art. 2, par. 1, of Decree-Law 6 July 2012, no. 95 converted into law, with modifications, by art. 1, par. 1, of Law 7 August 2012, no. 135.

The above provisions imposed the reduction in the number of offices in public administrations and the corresponding reduction of managers for the following amounts

- 36% of managers/heads of units
- 44.92% of Director Generals
- 34.39 % of non-managerial staff.

The rule was also established that no more than 15% of employed staff can be used for support functions.

The said Decree-Law 95/2012 also imposed a process of spending review as a consequence of the financial crisis.

The objective of public spending reduction, especially for intermediate consumption, is included in Decree Law 95/2012, on the one hand, through specific measures to rationalize and cut the purchase of goods and services, reduce the size of PA and the organisation of administrations and administrative rationalization, including the reorganisation of the presence of the State across the country; on the other hand, by quantifying savings and transfers in relation to expenditure for intermediate consumption and, more generally for Ministries and the Prime Minister's Office, through the participation in the achievement of planned public finance objectives.

Each Ministry was given a savings target to be achieved by cutting expenditure on activities to be identified among their functions and mission.

Specific measures were also envisaged for some ministries, the Prime Minister's Office and for the armed forces. Additional organisational and financial measures were introduced for the education sector.

As to cutting expenditure in ministries, beyond reducing the allocations from special reserve funds, art. 7 of law 95/2012 provides that central state administrations shall reduce their spending in the period 2013-2015 in compliance with the relevant legislation.

This mechanism is based on a proposal made by Ministries before the Budget Law is drafted in order to better define the correction measures needed to achieve the spending cuts established by the relevant legislation.

Single administrations started the spending review process internally and proposed the needed measures to achieve the above goals.

2. Quali sono state le sfide a livello locale e nazionale, che hanno portato a specifiche riforme strutturali , nonché gli ostacoli che avete dovuto affrontare ei meccanismi per superarle ?

3. Qual è / sono i principali corpo / i nel vostro paese responsabili per progettare , attuare , monitorare e valutare le riforme strutturali e qual è il suo / loro ruolo nella procedura generale (ad es coordinamento, supervisione ecc) ?

In the procedure described above, the role of engine and coordination of rationalization and reorganisation measures is played by the Prime Minister's Office and the Ministry of Economics and Finance, according to their respective sphere of competence, notwithstanding the levels of organisational autonomy enjoyed by each administration.

4. Si prega di descrivere il processo / es (valutazione o altro) seguiti per selezionare le pubbliche agenzie / enti che sono oggetto di riforma.

When duplications of functions and inefficiencies are identified, public agencies are either abolished, merged or incorporated. These are selective processes often encouraged by supervisory bodies.

However, art. 26 of Law-Decree 112/2008 has introduced a provision to abolish non economic public bodies with less than 50 staff, with the exception of some categories of bodies and agencies expressly confirmed by the Minister for Public Administration. The article also provides for the abolition of non economic public bodies with 50 or more staff that have not been mentioned in reorganisation legislation by 31 October 2009.

5. Qual è il grado di coinvolgimento dei funzionari di un'agenzia durante e dopo il processo di riforma (ad esempio progettazione, realizzazione , monitoraggio e valutazione) ?

Technical working groups were set up for the spending review process involving the senior representatives of administrations who were required to decide common savings objectives and reallocate the functions of abolished agencies.

6. L'attuazione delle riforme strutturali :

- a. Descrivere l'effetto di riforme strutturali delle dimensioni di enti pubblici confronto prima e dopo .**
- b. Di quanti livelli gerarchici consisteranno le nuove strutture? Si prega di fare riferimento alla struttura gerarchica delle agenzie prima della riforma**

Implemented reorganisation actions do not normally affect the vertical structure of administrations since the hierarchical and functional organisation of administrations is established by laws and regulations. Consequently, the impact of actions tend to either abolish agencies and transfer their functions or merge those agencies into other structures at a superordinate level.

7. La valutazione dei programmi di riforma strutturale :

- a. Quali indicatori di prestazioni sono utilizzati ?**
- b. Chi effettua la valutazione (ex post , in corso , ex ante) ?**

Notwithstanding the technical evaluation usually performed by the abovementioned administrations responsible for proposing and coordinating rationalization and reorganization measures, the final evaluation of reform programmes is performed by Parliament, the body holding ultimate legislative power.

8. Menziona riforma concernente una strutture sottolineando:

- a. i fattori che hanno portato alla riforma,**
- b. gli agenti coinvolti,**
- c. i costi e benefici,**
- d. la timeline,**
- e. le fonti utilizzate,**
- f. i mezzi di attuazione (legge, decreto ministeriale, ecc)**
- g. l'esito e grado di realizzazione previsto.**

See above



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	Mrs. Maija Anspoka, senior expert of One Stop Shop Agencies Division, Public Services department. The Ministry of Environment Protection and Regional Development. Mr. Jānis Glazkovs, Head of One Stop Shop Agencies Division, Public Services department. The Ministry of Environment Protection and Regional Development. Mr. Ģirts Blumers Deputy Head of the Department for public administration Development State Chancellery of the Republic of Latvia
Email	Girts.Blumers@mk.gov.lv ; maija.anspoka@varam.gov.lv ; janis.glazkovs@varam.gov.lv
Country	Latvia
IPSG member	Mrs. Maija Anspoka, Mr. Jānis Glazkovs Mr. Ģirts Blumers

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

Structural reform programmes are focused to :

- 1) support for the planning, implementation and monitoring of structural reforms, including an assessment of the country's competitiveness, structural reform implementation and evaluation, improving the analytical capacity;
- 2) evaluation process improvement, including the establishment of feature analysis and modeling

tool in the implementation of audits of functions, as well as facilitating the transfer of functions to the private and voluntary sector;

3) quality of human resources.

4) Reduction of administrative barriers for entrepreneurs, citizens and non-governmental organizations, improving the business environment, contributing to simplification of administrative procedures, as well as raising public administration quality of services and availability. Develop public administration employees (including municipal level) understanding of the problems of the administrative burden, as well as to management of staff working knowledge of how to reduce the administrative burden and simplification of administrative procedures.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Latvia in 2008 adopted the Local government reorganization law and Administrative Territories and Settlements Law. According to the Laws was created 118 local administrative areas - 9 cities and 109 counties. Since January 2011, after amendments in Administrative Territories and Settlements Law, Latvia has 119 municipalities - 9 cities municipal and 110 county governments.

Local governments had identified several factors in 2011 what interfered performance of the functions: lack of finances in local government level, excessive bureaucracy, poor roads situation, a gap between laws and regulations, budgeting by belonging to political parties. Consequences after Administrative and territorial reform was presented as follows: poor development of e-government, lack of local government autonomy, lack of municipal staff qualifications, large distances to the center of regional significance ect. Local government expenditure decreased by 22% in 2009 compared to 2008, and decreases by 9% in 2010.

A survey of 2011 shows what local municipalities are able to provide public services to citizens, making one stop shops in local level, unified citizens portal for public services www.latvija.lv and cooperate with central government institutions.

The further development of local government raised the following proposals: build a large counties around regional and national development centers, develop a system to guide municipal mergers (center and rural area in one district), explore opportunities to pass separate central government functions to local government.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

Implementation of the reform strategies and the plans is supervised by the Public Administration Reform Council, which is a consultative body consisting of representatives of non-governmental

organizations, businessmen, universities, courts, local governments, the *Saeima* and public administration institutions.

Coordination and supervising functions is fulfilled by State Schancellery, Crosssectoral coordination center and Ministry of Finance.

Monitoring and evaluation of structural reforms is in competence of State Schancellery in cooperation with ministries.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

The Concept for Improvement of Public Service System has been elaborated and in 19th February 2013 adopted by the Cabinet of Ministers. Public Services Law has been developed in 2013 under The Concept and comes into force in 2015. Public Services Law is a single legislative act which shall suit needs of citizens, business, government institutions and local governments. The Law provides single approach of use principles and obligations regarding delivery of public services.

- The law applies to all holders of public services, public service providers and customers, if this Law and the relevant public services regulatory laws do not specify otherwise.
- This Law shall not apply to the Parliament, the Central Election Commission, the Central Land Commission, the courts, the judicial system`s institutions and persons, Chancellery of the President, State Audit Office, the National Electronic Media Council, the Ombudsman's Office, Public Utilities Commission and the Regulator, the Financial and Capital Market Commission.
- The Law does not apply to institutions with state and local government capital's.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

Civil servants are involved in all stages of reform process.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

During the period 2008-2012 reduced the number of employees by 26%

Reduced the number of public agencies by 51% (at 2008 – 73, 2010 – 36 agencies), from 2012 – 3 agencies (not financed from state budget).

Closed Three secretariats of Minister for Special Assignments

Reduce the average wages by 24%.

Performed inventory of state functions:

- reduction in the function: saving for 1000 MEUR;

Data 2014:

13 ministries + the State Chancellery

93 institutions

3 agencies (not financed from state budget)

58 schools

2 public foundations

1 independent institution (established by law)

7.Evaluation of your structural reform programmes:

c. What performance indicators are used?

d. Who conducts the evaluation (ex post, on-going, ex ante)?

Development planing document performance indicators (OECD indicators, Doing bussines), budget performance indicators.

8.Mention one reform concerning structures emphasizing on the:

e. factors that led to the reform,

f. agents involved,

g. cost and benefit,

h. timeline,

i. sources used,

j. means of implementation (law, ministerial decision etc) and

k. expected outcome and degree of achievement.

The Cabinet of Ministers has adopted the Concept for Improvement of Public Service System in 19th February, 2013. The Concept is actual and innovative in Latvia, and so far here has not been no single and coordinated system of public service nor a single public service legislation.

The Concept of a Public Service System Development supports a set of activities that are aimed at customers - citizens, business and other service recipients in the appropriate services and reducing the administrative burden, improving the business environment, providing services in regions and promoting efficient public administration. The main aim is to implement accessible public services that are people and business-friendly.

The Concept proposes five vectors: 1) elaborate framework or a system of coordinated delivery of public services; 2) creation of a single customer service network; 3) electronisation and optimization of services using information and communications technology; 4) determination of financing and payment policy of public services; 5) arrangement of coordination and control mechanism.

So far in realisation of the Concept activities the following results have been achieved: 1) adaptation of the Concept for Improvement of Public Service System as a base; 2) preparation of Public Services Law and submission to the Cabinet of Ministers for reconciliation. The existing legal framework for public services is fragmented and the law governing the public service area is dispersed in different regulations. Public Service Law is a new regulation which defines principles of delivery public services for all stakeholders. Public Services Law has been a frame for public services delivery for government institutions and local governments establishes a single legal basis for public services and define principles of delivery for government institutions and local governments. 3) The Cabinet of Ministers has approved an informative report on the implementation of a pilot project of the customer service network in 20th June, 2013. The network of customer service centers shows cooperation with customers, stakeholders, society and includes process and change management for public services. The network includes "one stop shop" principle, reducing duplications of resources and facilitating customer access to public services. The necessity of pilot project was reasonable with demands to identification of the best model of the inter-institutional cooperation providing services, development of services including electronisation and improvement of technical and organizational capacities. The participation in this pilot project is voluntary and ten institutions are taking part. Organisations, involved in above mentioned pilot are the following: 1) The Ministry of Environmental Protection and Regional Development of the Republic of Latvia; 2) The State Environmental Service; 3) Rural Support Service; 4) The Register of Enterprises of the Republic of Latvia; 5) State Revenue service; 6) The State Social Insurance Agency; 7) The State Land Service; 8) Municipality of Auce; 9) Municipality of Riga; 10) Municipality of Roja. Public institutions provide their services on a single physical location, in a single customer service center. According to the results of the project information will be given for the government to decide on a future scenario that covers the entire country and will serve as a modern-day major reform in public service organization.

Expected Public Services Law comes into force in 2015. The pilot project has started in January 2014 and data has collected for choosing the most efficient and effectiveness model for Latvia for creation of a single customer service network. Other directions on the Concept will be developed in time frame 2014 – 2015.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmmed.gov.gr

Name	Wagener Guy
Email	Guy.wagener@mfp.etat.lu
Country	Luxembourg
IPSG member	Guy Wagener,

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

Since the former legislature (2009), there is a strong tendency to realign the structure of the ministerial departments and administrations to the public policy domains.

- Creation of the Ministry for sustainable growth and infrastructures is the result of the merge of the former departments of environment, public transport and infrastructures (e.g road maintainance).

The new government from October 2013 reorganized several ministerial departments:

- The merger of the department for economic affairs and foreign trade with the department for small and medium enterprises

- The department of education includes all the aspects of youth policy
- The Ministry of civil service and administrative reform encompasses all aspects of administrative reform, reduction of administrative burdens and better regulation, and Information and Communication Techniques within Public administration.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The main challenge is to overcome compartmentalization and to improve the cooperation between administrative bodies operating in the same public policy field.

In this respect it remains challenging to overcome the differences of administrative cultures and traditions and to ensure support to the common objectives. This can't be achieved without strong support from leadership, broad implication of personnel as well as good working conditions in the new environment, including the management of facilities and ICT.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The new governmental agenda for the legislature period 2013-2018 has created an inter-ministerial board (platform) dealing with reform and innovation within public administration and encompassing all domains of public management reform, including matters as structure of public administration.

This body ensures coordinating functions as well as supervising and reports progress directly to the Government Council.

4. Please describe the process/esp (evaluation or other) followed to select the public agencies/entities which are subject to reform.

An operational task force under the authority of the inter-ministerial board will be screening key procedures (e.a. permission and authorization procedures) and draw reform proposals in cooperation with the concerned ministries and administrative bodies.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The Government manifesto mentions explicitly the importance of implication of personnel in the reform programme.

For the screening of key procedures, the task force will apply e.a. the CAF model, whose strength is the implication of personnel in the global improvement process.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

The result of the merger of the ministries as mentioned in answer 1 didn't have an impact on the global size of ministerial departments, but grouped together under the same political authority departments which used to be dependant on different authorities.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

N/A

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

As mentioned above, the new initiatives were launched recently respectively are in process so that it is too early to have already relevant information.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	Jacques DRUART
Email	Jacques.druart@p-o.belgium.be
Country	BELGIUM
IPSG member	

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

We didn't have this structural reform in time of crisis in Belgium. A global structural and functional reform of the Belgian civil service took place in the beginning of the years 2000, under the name "Copernicus reform". It covered the aspects of structure (number and types of ministries, internal structure of ministries), HR (careers, managers, remunerations, selection, training, evaluation, culture...), organisation (processes, management, ...), monitoring (control, results,...).

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The challenge was a severe fall in the population's trust in government and public services due to several malfunctionings in public affairs.

The challenge was to push such a global reform in a short time through the whole civil service system, and to overcome the inevitable scepticisms and slownesses.

The main mechanism to realize it was the strong implication of the Prime Minister who gave the responsibility of the whole reform to one strong minister whose it was the only job, and supported him, so that the entire government had to follow.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The whole reform was the responsibility of the Minister of Public Service alone, who had to report before the Prime Minister and government.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

All federal ministries were involved in the reform, it was a political decision.

As in your country, several consultants realized analyses of the existing situation (structures, staffs, processes) before proposing the new structure type of the ministries (single one, standardized), the specific applied structure of each ministry, the distribution of processes, the staffs needed.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The analysis of the existing situation by the consultants was based on the inputs of the civil servants of the departments, at all levels. The implementation of the reform was realized by the civil servants.

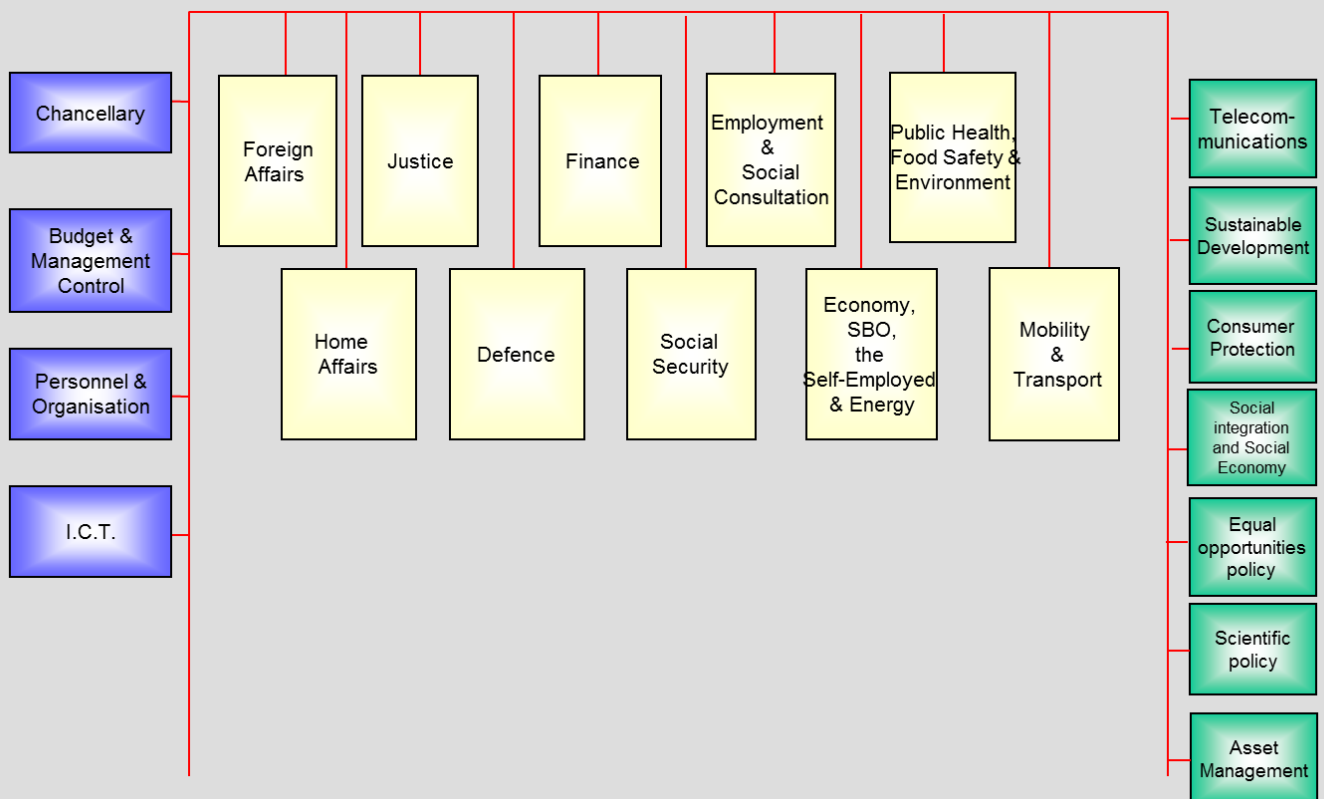
6. Implementation of structural reforms:

9. Describe the effect of structural reforms on the size of public agencies comparing before and after.

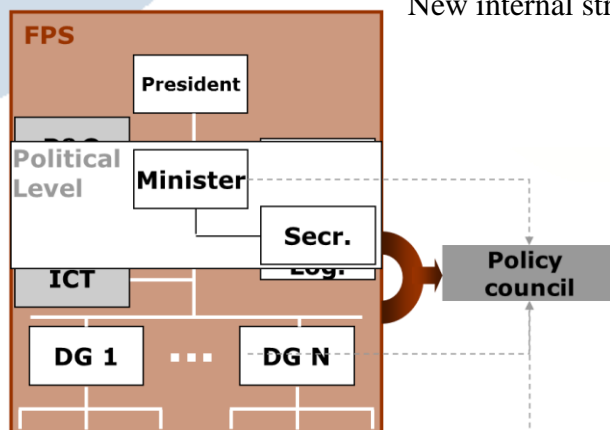
10. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

The result of the reform was the following:

New organisational structure:



New internal structure of the ministries :



7. Evaluation of your structural reform programmes:

c. What performance indicators are used?

d. Who conducts the evaluation (ex post, on-going, ex ante)?

No specific reform indicators were used. The indicators are those used for the usual functioning of the administration.

Ex ante evaluation was made by consultants + minister of public service + government.

On-going evaluation was made by minister of public service + government.

Ex post evaluation is made by government on the basis of the results of the administrations.

8. Mention one reform concerning structures emphasizing on the:

h. factors that led to the reform,

i. agents involved,

j. cost and benefit,

k. timeline,

l. sources used,

m. means of implementation (law, ministerial decision etc) and

n. expected outcome and degree of achievement.

See above since it was one global reform.

Timeline : 5 years.

Sources : existing situation and needs analysis, international benchmarking in public and private sector.

Means of implementation: Law, Royal and Ministerial Decrees.

Outcome: more effective administration.

Degree of achievement: partial.



Hellenic Ministry of Administrative
Reform & E-government (MAREG)

Response Template – Structural reforms within Public Administration

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Name	Daniel AUNAY
Email	daniel.aunay@modernisation.gouv.fr
Country	FRANCE
IPSG member	X

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

In terms of mergers of administrative units, major structural reforms were implemented during the previous Government period (2007-12). Most ministries experienced the merging of a number of directorates. For example, two important directorates were merged within the Ministry of Finance: the Tax directorate (70 000 employees) with the Public Accounts directorate (50 000 employees) which were both in charge of levying and collecting different taxes. Other examples are mentioned in the OECD Public Governance review on France published in 2012 (page 93).

Another important feature was the reorganisation of the central governments' territorial administration (where most Government employment is located) both at the regional and departmental levels. At the regional level, the number of deconcentrated units of the line ministries was reduced from 20 to 8 directorates. At the departmental level, deconcentrated units of the line

ministries were merged and consequently their number was reduced from 12 to 4 or 5 directorates, according to the size of the territory population.

More recently, a few more mergers concerning State agencies have been announced, such as the merging of the Agency for the promotion of foreign trade with the Agency for the promotion of foreign investment (February 2014).

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The challenges were threefold :

- contributing to the consolidation of public finances
- improving the quality of service and relations between users and administrations
- modernising central government's management of human resources

Regarding these challenges, the policy followed in the 2007-2012 period which consisted in the non-replacement upon retirement of 50 % of retiring civil servants led to productivity increases. About 150 000 positions were slashed within this period (- 6.5 % of central government workforce). Half of the financial gains resulting from this policy were redistributed to employees, according to a category-based return mechanism.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

A Secretariat-General for Government Modernisation (SGMAP) was set up in October 2012. It is under the direct authority of the Prime minister and reports to the Minister for State Reform, Decentralisation and the Civil Service. Its main functions consist in monitoring and supervising structural reforms, including through *ex ante* evaluation of public policies. Each ministry is responsible for the implementation of reforms and can request assistance and advice from the SGMAP.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

Our approach is not based primarily on organisations but on public policies. Sixty different public policies representing approximately 25 % of total public expenses have already been or are being evaluated. All policies are expected to be evaluated by 2017. For instance, the evaluation of public support measures to the business sector has led to a decision to cut support to the business sector by 2 billion €.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The modernisation policy launched in the second half of 2012 relies on the consultation and participation of all stakeholders, including civil servants in all stages of the reform process.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

The reduction in public employment in the 2007-12 period resulted from the non-replacement of 50 % of retiring central Government employees. In fact, 50 % was an average percentage and some ministries (Justice, higher Education...) were less affected than others. No rule was set regarding the hierarchical structure of administrations and agencies.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

As previously mentioned, a wide evaluation programme covering major public policies has been launched. Until 2017, all public policies are expected to be reviewed. Performance indicators are not determined in a centralized manner. Evaluation is carried out *ex ante* by teams of senior civil servants (including inspectors from the civil service), under the responsibility of a Minister.

- 8. Mention one reform concerning structures emphasizing on the:**
- a. factors that led to the reform,**
 - b. agents involved,**
 - c. cost and benefit,**
 - d. timeline,**
 - e. sources used,**
 - f. means of implementation (law, ministerial decision etc) and**
 - g. expected outcome and degree of achievement.**

As already mentioned, the merger (2007-2011) of the two directorates in charge of levying and collecting taxes within the Ministry of Finance was the most important one, as regards the number of Government employees (122 000) involved. From a historical viewpoint, it can be noted that a former attempt to merge in 2000 was a failure.

1) Two main factors led to the reform. From the user's (ie, individual taxpayers) point of view, it was not always clear whether it was one or the other directorate which was responsible for dealing with taxpayers' questions or complaints. The merger led to simplification for taxpayers. The second factor was related to cost. We had two different organisations, with different offices and differences in information systems, HR management rules etc. The merging and sharing of support services is expected to lead to a reduction in operating and investment costs.

2) The decision to merge the two administrations was officially announced in a Council of Ministers meeting in June 2007, shortly after the presidential election. Several decrees were necessary to implement the reform. It took 4 years to achieve full completion of the merger.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	Radoslav Milanov
Email	rmilanov@government.bg
Country	The Republic of Bulgaria
IPSG member	

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The structural reforms in the ministries are mostly in the field of staff reduction, optimization and consolidation of the administrative structures with overlapping functions. The principal aim is the improvement of efficiency and coordination. The optimization reforms include the closure or merger of duplicating structures, affiliation of state agencies with ministries, and reorganization of the territorial divisions of state administration so that a ministry may have only one division in a given oblast (province). The Council of Ministers Decision No. 560 of 2010 adopted a plan for the implementation of the measures of optimization of the state administration. The measures aim at the optimization of functions, improving the efficiency of the administrative structures, and reducing administrative burdens. The implementation of the 2013 programme “State System, Development, Justice – Economic and Social Priorities of the Government of the Republic of Bulgaria” involved the adoption of a plan for the optimization of the administration, which comprised measures in the fields indicated above.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The main challenges at national level include the excessive number of civil servants, overlapping of functions, insufficient coordination between the different structures in implementing horizontal policies, oversized general administration, inefficient use of financial resources, and deficiencies in the legal framework. At local level, the challenges include the low level of municipal budgets,

insufficient coordination, inflated administrative burdens. The mechanisms for dealing with these problems include the improving of coordination both at local level and with the central administration, improving the legal framework, carrying out functional analyses of the administration, and improving the work process in the providing of services that facilitates the administration functioning too.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The principal body responsible for the implementation, monitoring and evaluation of structural reforms is the Council of Ministers, whose Modernization of the Administration Directorate develops and proposes measures for the optimization of the public sector and measures of administrative reform at the central, provincial (oblast) and municipal level, and makes proposals for increasing the efficiency of the state institutions. All the legislation and regulations related to structural reforms are approved by the Council of Ministers. The Council of Administrative Reform coordinates the government policies in the field of state administration. The Council reviews the structure and competences of the administration and makes proposal for the transformation and closure of administrative structures. The Ministry of Finance has also certain competences in the implementation and monitoring of the structural reforms. All these bodies have coordinating and supervising competences in the process of structural reforms.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

The selection of the public entities that are subject to reform is based on a functional analysis of the administrative structures and their performance, which is a process of research and evaluation of the relevance of the functions, the efficiency of the particular structures. Another evaluation used in the selection of entities subject to administrative reform is the analyses of the National Audit Office on the efficiency of the public expenditure.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The civil servants of an agency during and after the reform process take part in the consultation process and in the preparation of relevant legislation and regulations.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

Since 2009 the size of the administration has decreased by 14%. During the same period 30 administrative structures have been closed, and 10 new ones created.

The hierarchical levels of the reformed structures remain the same as before, in compliance with

the Law for the Administration.

7. Evaluation of your structural reform programmes:

- a. What performance indicators are used?**
- b. Who conducts the evaluation (ex post, on-going, ex ante)?**

a. Number of optimized structures; percentage of overall number of employees reduction; number of duplicated functions performed by different structures.

b. The Council of Administrative Reform under the Council of Ministers.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

The creation of the Bulgarian Food Safety Agency in 2011, which incorporated in particular the National Veterinary Service, National Service for Plant Protection, and also took over part of the competences of the regional health inspection services and of the National Grain and Feed Service.

A factor that led to the reform is the fragmentation of the state agencies responsible for the governmental food policies. In particular, the functional subordination of the abovementioned four structures used to be divided between the Ministry of Agriculture and the Ministry of Health; relevant coordination between the two ministries was provided by the National Food Safety Council which was closed as a part of the reform.

The agents involved were the Council of Ministers, the Bulgarian National Assembly, the National Veterinary Service, the National Service for Plant Protection, the regional health inspection services, and the National Grain and Feed Service.

The timeline of the reform is February 2010 – January 2011.

The means of implementation included the Law on Bulgarian Food Safety Agency, and relevant Council of Ministers decisions.

The outcome, as expected, is the improved the efficiency, synchronization of control, and reducing the overall staff by 200 employees.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	Adrián Jenčo (Director General of the Public Administration Section at the Ministry of Interior of the Slovak Republic) Monika Filipova (Public Administration Section at the Ministry of Interior of the Slovak Republic)
Email	monika.filipova@mvsr.vs.sk
Country	Slovak Republic
IPSG member	

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The key national strategies that create government policies are principally based on the Programme Declaration of the Government of the Slovak Republic (4 years, at present the Programme Declaration of the Government for 2012-2016 is in force) and they are usually created for the respective electoral term. These are focused mainly on mitigating the crisis impacts, public finance consolidation, supporting the economic growth, reducing the high unemployment rate of young people, increasing law enforceability, public health care consolidation, strengthening co-responsibility for meeting strategic objectives of the European Union, strengthening the economic, social and local cohesion and establishing long-term tendencies for the economic, social, environmental and scientific and technical development of Slovakia and for improving the quality of life. The tasks proposed therein are subsequently elaborated by the individual entities of the public administration budget into the individual policies of the affected sectors. The plan of reforms for the nearest three years in Slovakia is presented in the National Programme of Reforms of the Slovak Republic 2013. The National Programme of Reforms represents a set of policies the objective of which is especially to overcome the crisis at present and support the growth of economy and employment. The priorities have been set based on the GDP decomposition, the evaluation of aspects, except for wealth of the country, that are key for the quality of life, and based on the Programme Declaration of the Government. The Financial Policy Institute of the Ministry of Finance is responsible for its preparation.

The currently ongoing ESO program (effective, reliable and open state administration) is part of the public administration reform undertaken by the Ministry of Interior of the Slovak Republic in the period 2012-2016. Its main objectives include the simplification of dealing with matters ensured by the state, better arranged and more accessible state administration bodies to citizens and businesses and sustainable, transparent and effective functioning of the state administration.

Besides the ESO program, the public administration reform is realized through other strategic documents as well, which are partly based on strategies and policies of the European Union including the Europe 2020 Strategy. These strategic documents include the following:

- The national concept of the informatisation of public administration;
- Informatisation society strategy;
- Innovation strategy 2007 – 2013
- National program of quality of the Slovak republic;
- National strategy of information safety of the Slovak republic;
- Strategic and conceptual materials on the reform of the judiciary, prison service, recodification of civil law and amendment to more legal regulations falling under its competence for the period until 2020;
- Strategy on Lifelong Education 2011.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The main challenges at local and national level inducing the realization of structural reforms were the following:

- reducing operative expenses of public administration,
- cutting red tape,
- optimisation of the structure of state administration bodies;
- increasing effectiveness and strengthening long-term sustainability of public finances,
- enhancing quality, capacity and availability of public administration services for citizens and the business sector,
- increasing performance and effectiveness of public administration employees.

The main impediments while implementing these structural reforms have so far been the following:

- Financial securing: in case of a lack of resources it is difficult to prepare and implement strategies, especially due to the fact that the state administration is not competitive in terms of remuneration, i.e. it has not enough resources for paying to experts or their retention in the state-employment relationship;
- Personnel securing: another problem is high fluctuation of employees and the related unprofessionalism, retraining and education of new employees;
- Missing continuity of statistical indicators;
- Political changes are being reflected in changes of tools for achieving strategic objectives;
- Non-existence of central co-ordination department for strategic planning (in case of some ministries) that would have close interconnection to the individual ministries and especially to the Ministry of Finance – Financial Policy Institute;
- There are no monitoring departments.

Within the reform it has been essential to simplify and enhance the access of citizens and businesses to public services via optimizing the structure of local state administration bodies (integration of offices into single district offices) and also through the creation of one-stop shops. It has also been necessary to increase the transparency and efficiency in the management of public finances, in particular by centralizing supported activities.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The Government of the Slovak Republic (therein “Government”) has the main overall co-ordination task resulting from the Competence Act. The Programme Declaration of the Government defines the main priorities for the respective electoral term. With respect to the dynamics of social and economic relations influenced by the domestic political and international development, individual ministries, in accordance with their positions based on the Government’s decision, their own analyses and long-term strategies or international obligations, propose

measures aimed at identifying policies and priorities that, after their approval by the Government and – in case of statutory standards – by the Parliament, regulate and direct the further development of the individual sectors within their competence. The Competence Act also stipulates that the individual ministries and other central state administration authorities shall cooperate closely in performing their tasks. They exchange necessary information and materials and discuss measures affecting them with other ministries. Ministries and other central state administration authorities participate in the development of the unified state policy in the individual spheres; they implement this policy and perform state administration to the extent of their competence.

The Government Office of the Slovak Republic performs tasks related to the professional, organizational and technical support of the Government's operations; it is the central state administration authority responsible for the control of performance of tasks related to performing the functions of state administration and for the control of handling petitions and complaints. In addition, it is the national coordinator of the Europe 2020 Strategy wherein it fulfills the coordination role in relation to central state administration authorities, local self-government and partners. The Government Office coordinates the utilization of EU structural and cohesion funds and, as of November 2013, is responsible for human resources management in the public administration.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

In this period, the Slovak Republic is still facing high pressures on its public finance consolidation and, in order to achieve the defined targets of the budget deficit, it is inevitable for it to make major changes in a very short period of time not only on the revenue side of the state administration budget, but also on its expenditure side. The state administration was regarded as inefficient and costly, therefore, the Government has decided to enhance its efficiency and guarantee a sustainable level of public finance expenditures. For sustainability of ensuring performance of the functions of state administration at a required level, it is inevitable to make in particular systematic changes in its functioning, as solutions on the basis of general reduction in expenses are already reaching their limits in some budget chapters.

In the initial phase, the public administration reform concentrates on the optimization of local bodies of state administration, while in the upcoming phases it shall focus on the central bodies of state administration. One of the important tools for monitoring and evaluating the performance of public administration is the audit of processes on the level of district offices. Its main objective is the optimization of processes of local state administration bodies.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The degree of involvement of civil servants in the reform process is high. Civil servants are closely involved in the preparation and implementation of the reform in terms of their respective professional knowledge and experience. Broad discussions within advisory, coordination or other bodies are significant for the reform process as well, in which civil servants participate as active members.

There are numerous permanent and ad hoc committees, groups and bodies on the political and professional level to ensure cooperation and exchange of information between ministries and other government bodies. These committees, groups and organs usually also involve stakeholders from the non-governmental environment and perform advisory rather than executive function.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

In line with the first phase of the ESO program, as of January 1, 2013, 64 specialized regional structures of local state administration bodies were abolished. The scope of the regional school authorities, the regional construction authorities and the territorial military administration was moved into district offices in the county. The scope of the regional environmental authorities, the regional authorities for road transport and roads, the regional land authorities, the regional forest authorities and the cadastral authorities was transferred into specialized district offices in the county. This created the conditions for further integration of the scope of the regional structures of local specialized state administration in the structure of general application offices in order to create a single integrated system of local state administration bodies.

The new structure consists of 72 district offices as integrated local state administration bodies (*for more detailed information see answer to question no. 8*).

7. Evaluation of your structural reform programmes:

a. What performance indicators are used?

b. Who conducts the evaluation (ex post, on-going, ex ante)?

a. The reforms mentioned above have not yet been finalized, and for this reason it is currently not possible to rigorously evaluate them. Concrete data on the change of the situation before and after the reform (number of offices, number of employees, complaints by citizens, time for handling citizens' inquiries, cost of services etc...) will serve as indicators for evaluation. Currently it is possible to evaluate for example data on the reduced number of offices. The integration has helped to simplify and clarify the local state administration structure.

b. Evaluation is carried out by the responsible ministries themselves. The compliance with strategic plans is monitored by the Government of the Slovak Republic. The reforms are also under the close scrutiny of the media, which keep the public informed.

8. Mention one reform concerning structures emphasizing on the:

a. factors that led to the reform,

b. agents involved,

c. cost and benefit,

d. timeline,

e. sources used,

f. means of implementation (law, ministerial decision etc) and

g. expected outcome and degree of achievement.

As mentioned above, the ESO program, besides other objectives, focuses on reforming and optimizing the state administration structure.

a. Principal factors, which led to the creation and implementation of the ESO program include the complicate structure of the local state administration bodies, their inefficiency and complexity for citizens and their high costs.

b. The Ministry of Interior of the Slovak Republic is responsible for the implementation of the ESO program and cooperates closely with other relevant ministries. These bodies of central state administration have coordinated the local state administration bodies during the reform, which at the first phase concerned 64 specialized regional local state administration bodies (abolished as of 1 January 2013) and 248 local state administration bodies (abolished 1 October 2013). Currently there are 72 district offices, into which all competences of these specialized bodies of local state administration have been integrated.

c. One of the reform objectives is to reduce expenditures on the state administration. By fulfilling the ESO program, by 2016 a significant reduction in the state budget spending on the state administration is expected (approximately 700 million €, which represents 1 % of GDP).

d. During the first phase (*abolition of specialized regional offices*), efficient as of 1 January 2013, the specialized regional structures of local state administration bodies were abolished and integrated into the district offices in the county, respectively into the specialized district offices in the county. During the second phase (*abolition and integration of specialized local*

authorities of state administration), efficient of 1 October 2013, the specialized structures of local state administration authorities were integrated into the newly established district offices (together 72 district offices). In the next currently ongoing phase, one-stop shops are being created besides district offices as front offices supporting the district office as the back-office and the integration of further specialized bodies of local state administration is in the process of planning.

e. The structural changes originating in the ESO program have brought a decrease in the spending on state administration; therefore there was no need of extra resources. The reform is aimed at reducing costs. Resources for establishing one-stop shops mainly came from the state budget; however, some resources were gained from the structural and cohesion funds of the European Union as well.

f. The implementation of the ESO program is based on and highly supported by the Program Declaration of the Slovak Government for 2012-2016, in which key national strategies are formulated for the respective electoral term. Principal means for the realization of the ESO program include the introduction of new legislation (Act no. 180/2013 Coll. on the organization of the local state administration) efficient as of 1 October 2013 and the amendment of respective legal acts in line with the new structure of state administration.

g. Expected results on one hand include the enhancement of the structure of local state administration bodies and the improvement of its transparency and efficiency towards citizens and businesses, while on the other hand significant savings are expected in the budget allocated for the state administration. The integration managed to decrease the number of offices which improved the quality of access to public services. It is possible to handle more agendas at one place (district office). However, due to the fact that the reform is still ongoing, currently it is objectively difficult to evaluate the results.



Hellenic Ministry of Administrative
Reform & E-government (MAREG)

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmed.gov.gr

Name	Teresa Ganhão
Email	teresa.ganhao@dgaep.gov.pt
Country	Portugal
HRWG member	

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The most recent reforms since the economic and financial crisis in 2008 have been focusing, on the first phase, on organisational structures reduction, through the *Restructuring Programme for the State's Central Administration* (PRACE); staff downsizing without recourse to dismissal; change of the mobility regime, including the creation of a new special mobility system that allowed a better workforce rightsizing; reform of the civil service regime (legal employment relation, careers, remuneration, recruitment, ...); the revision of Managers' Statute - MS; general application of the MS' rules to public institutes, which led to the Public Manager Statute's revision, mainly in remuneratory terms; modernization and administrative simplification and development of the e-administration.

The second phase of reforms, started from 2011, has focused again on the: organisational structures and managers reduction through the new *Plan for Central Administration Reduction and Improvement* (PREMAC); staff downsizing by the mutual agreement termination programmes

implemented in 2013 for less qualified workers and teachers and in 2014 for the university education staff; better workforce redeployment through the requalification programme to be implemented in 2014; PA de-politicisation by the open competition for top managers' recruitment and selection and on the convergence between the civil service social system with the social security social system, with regard to retirement conditions and pension calculation.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The need to make PA more efficient and rational in the use of public resources and the compliance with objectives of public debt reduction to which the country is attached at external level (commitments assumed with Troika) have become key drivers for structural reforms. More than ever, the simultaneous materialization of objectives of State structures rationalization and a better use of its human resources are crucial for the modernization and optimization process of Public Administration operation. There was a need to rethink and reorganize the State structure, with a view to providing it with greater coherence and response capacity in the performance of functions that must ensure, by eliminating redundancies and substantially reducing its operational costs.

In this process, the Administration has to cope with overlapping situations of activities of public services and other inefficiencies. In order to overcome these disfunctions the Government set up the Plan for Reduction and Improvement of Central Administration (PREMAC) in 2011, which aimed to reduce the State's weight for the limit of financial possibilities of the country, with a view to a better State, through the reduction of structures and state central administration management positions, with simplification of rules setting organic units and public administration matrix structures and through the creation, in 2013, of the programme for requalification of employees in public functions targeting a better assignment of public administration human resources.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The reform design lies with Government together with Secretary of State for Public Administration to define its implementation, monitoring and coordination. This task is backed up by the Directorate General for Administration and Public Employment whose mission is to support the definition of policies for Public Administration, with regard to organization and management for employment and human resources management schemes, providing information and promoting measures adopted which may contribute to assessing their implementation. The evaluation of the organizational structure of the central administration was made with recourse to specific teams of each ministry, in close articulation with the Secretary of State for Public Administration and with the Follow-Up Structure of Memoranda (ESAME). Subsequently, such evaluation was also carried out by the Court of Auditors.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

The above mentioned reforms in the public administration field are transversal and are applied to all organizations and public employees. In the case of the PA organizational restructuring, the number of organizations which were the object of abolishment, merger or restructuring by ministry was defined by the government .

Ministries developed an in-depth reflection on their model of internal organization and the configuration of central administration entities that were under their management, supervision or superintendence. This reflection also involved the organization of the own State's functions that are fulfilled under its responsibility. The rethinking of the organization of the State's structure aimed at providing it with greater coherence and response capacity in the fulfilment of functions, by eliminating redundancies and reducing substantially the operational costs.

In methodological terms, the initial universe of organizations was defined taking into account data of the Information System of State's Organization (SIOE) and the survey of entities carried out by ministerial interlocutors designated for this purpose, which resulted in the choice of a universe of 359 entities, broken down by: direct – central and peripheral administration; indirect administration – public institutes; advisory bodies; and other organizations, excluding courts, schools, universities, health establishments, embassies, armed and security forces.

The works subsequent to the passage of the PREMAC Report elapsed in 6 weeks in which the entities and respective appropriations of senior managers were identified and nominally characterized. In 27 October 2011, in line with the schedule established, the Council of Ministers approved the eleven organic laws of ministries; it has adopted structures with more reduced and lesser costs organizational models, by promoting simultaneously greater efficiency and operational effectiveness.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

There is no involvement of civil servants during the reform process, namely in the reform design. However, they are called on to intervene in its implementation. Monitoring and evaluation are conducted at a higher level.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

Taking into consideration the need for a greater reduction of central administration costs and implementation of more efficient models for its operation, in 2011 the *Plan for Reduction and Improvement of Central Administration* (PREMAC) was passed. This plan enabled a reduction of 40% of central administration high level structures and 27% decrease of hierarchical levels has been achieved, as well as a better rightsizing of human resources and further use of shared services and reorganization of central administration peripheral services in order to eliminate potential overlapping of activities and other inefficiencies between these services and local administration. In the 2005-2009 period, the *Programme for State Central Administration Restructuring* (PRACE) led to the reduction of 36,7% of central government structures and 25% of hierarchical levels. These main ones are as follows: director general; deputy director general; head of department; head of division.

In Portugal, public administration's hierarchical structure has three levels: Division; Department/Services' Directorate and Directorate General. However, there are some public services that have lower organic levels, at the Division level (up to six levels). Both with PRACE and PREMAC many of these structures were abolished or object of merger or restructuring. Moreover, it should be noted the case of some public institutes, which changed to directorates-general, such as, the National Institute of Administration that in 2012 lost the financial autonomy and was transformed into a Directorate General for Qualification of Employees in Public Functions, which brought about a reduction of costs, particularly at the pay of top managers level.

7. Evaluation of your structural reform programmes:

- a. What performance indicators are used?**
- b. Who conducts the evaluation (ex post, on-going, ex ante)?**

The performance indicators used were the reduction of the number of structures and managers and the inherent cost reduction.

The ex post and on-going evaluation is conducted by the Government, namely by the Secretary of State for Public Administration supported by the Directorate General for Administration and Public Employment and the ex ante evaluation is undertaken by the Court of Auditors.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**

- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

Structural and organizational reform - PREMAC

a. Factors that led to the reform

Need for a greater reduction of costs of central administration, the implementation of more efficient models for its operation and better use of its human resources, as crucial factors for the modernization process and optimization of Public Administration's operation.

b. Agents involved

The Office of the Secretary of State for Public Administration, all the ministries and the Directorate General for Administration and Public Employment. Trade unions are not consulted in matters pertaining to the organic structure of public administration.

c. Cost and benefit

As regards the benefits, the PREMAC contributes to reducing the public expenditure, through the decrease of the number of structures and managers, the use of shared services and better staff deployment.

d. Timeline

The Plan for Reduction and Improvement of Central Administration's operationalization lasts 2 years.

e. Sources used

The Information System of State's Organization (SIOE) and the survey of entities carried out by ministerial interlocutors designated for this purpose. SIOE is a data base related to the characterization of public entities and respective human resources with a view to providing the government with information indispensable for defining State organization policies and the respective human resources management. At the same time, it enables both citizens and administration to have access to comprehensive and up-to-date information.

f. Means of implementation (law, ministerial decision etc)

The PREMAC implementation was carried out by Government decision and was materialized by decrees laws, regulatory decrees and orders.

g. Expected outcome and degree of achievement

The expected outcome was a higher reduction of public expenditure by the structures and managers downsizing as well as a better rightsizing of human resources and a more efficient public services management through a further use of shared services, in the financial area, of human resources and information technologies systems.

The use of shared services in these supporting areas has provided considerable savings of current costs, and enabled an overall perspective of solutions. In addition to the cost reduction it should be added that the harmonization of processes and quality control also require new sustained behaviours.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmmed.gov.gr

Name	Marta Kuzawińska
Email	mkuzawin@kprm.gov.pl
Country	Poland
IPSG member	yes

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

Poland has not implemented any specific reform program emphasizing on structural reforms in the ministries related to the economic crisis. We have built medium and long-term strategies aiming at sustainable growth. Issues of public administration are tackled in The Efficient State 2020 strategy, adopted in the end of 2012.

Institutional changes are being implemented in ministries, in line with the above mentioned strategy.

In 2011 there was a split in the competencies of the Minister of Interior & Administration – as a consequence two ministries were established: **Ministry of Administration and Digitization** and Ministry of Interior Affairs. The mission of the new ministry is to create a digital boost for the development of Poland. The main tasks of the new ministry in this area are to develop broadband infrastructure, support the creation of web content and e-services and promote digital competences among citizens. Digitization is also thought to be a key to modern administration. The other branch

of its activities is organization of public administration offices and administrative procedures, reforms and organization of the structures of public administration, joint government administration in voivodeships, i.e. supervising the activity of the voivodes (regional governors). The Ministry of Administration and Digitalization is officially charged with coordinating disaster prevention and recovery since September 2012. The new model of crisis management has been tested. The Ministry of Administration and Digitalization role is to supervise and coordinate the actions of the government administration, and to allocate funds to help the victims of disasters.

Another important change, in 2013, was a recent merging of Ministry of Regional Development with the Ministry of Transportation, Construction and Naval Economy into the new **Ministry of Infrastructure and Development**.

Those reorganizations are mainly resulting from needs of better coordination and rising effectiveness in particular fields.

Above particular ministries, there were some global initiatives undertaken as well, clearly linked to the crisis-related financial constraints, as **freezing of pay allowances** since 2008 in the whole Civil Service.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The first of above mentioned structural changes is related to the strategic goals in the field of enhancing public administration effectiveness & efficiency, among others by development of e-administration and digital technologies both in public and private sector.

The reason for bringing together regional development with construction and transportation fields is big infrastructural developments to be carried on in upcoming years.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

In Poland, each Ministry has the competencies to design, implement, monitor and evaluate its own reformative initiatives. There is a special role however assigned to the Ministry of Infrastructure and Development and two departments in the PM Chancellery.

The Coordination Committee for Development Policy is monitoring all scope of data and law projects related to the Regional Development at ministerial level. It has been established in the Ministry of Infrastructure and Development in the framework of the law on Supporting the Regional Development,

The Department of Strategic Analysis at PM Chancellery supports the Prime Minister and his team

with data and analysis of current and future effects of public interventions. It also delivers analysis to design the best possible shape of public interventions.

Department of Programming and Law Assessment Impact is mainly responsible for monitoring the legislation process and assessing impact of law projects, reporting to the ministers in the PM Chancellery.

There is a number of non-profit bodies monitoring and evaluating structural reforms as well.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

n/a

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The civil servants are involved (via trade unions) in the consultation process as far as some aspects of public policies and law projects/draft legislation are concerned.

At the political and strategic level the consultation are being conducted via social dialogue tool. The unions are represented in the Tri-Partite Commission for Social-Economic issues. Despite of lack of collective bargaining in Polish Civil Service, this Commission is gathering government, employers and unions representatives to deal with matters of projects of budget law, remuneration etc. Thematic teams within the Commission body are dedicated to specific areas. For example in years 2009-2011 an ad hoc team had been working on local government and civil service issues. Recently, as in many other countries, the unions' involvement is being weakened or stopped.

The other body, at administrative level is the Forum of Directors General of 63 central public institutions, established by the Head of Civil Service in 2009. The Forum shares its opinions and advises on the civil corps functioning and human resources management.

6. Implementation of structural reforms:

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

Employees of ministries are a part of civil service corps (together with employees of all above

2,000 governmental administration units in the whole country). The size of civil service corps is about 120,000 people and is slightly diminishing since 2010. The same trend is being observed for the employees of the ministries itself, diminishing since 2010 – the figures are 13 050 in 2010 and 12 549 in 2013. However, the downsizing of public agencies is not a goal of public administration in Poland.

The number of hierarchical levels has not been changed and it includes three levels structure for ministries: ministry>departments>units/teams. Changes in the Law on the Council of Ministers from 2010 left the Head of Office more freedom in creating the structure of its own ministry. It enumerates the possible departments to be created for effective management but the list is not obligatory as it had been before. Still, it doesn't encompass the possible change in the hierarchical levels.

On the other hand, the Head of Civil Service supervises projects carried by the Civil Service Department in the Chancellery of the Prime Minister financed from the European Social Fund within the framework of the Human Capital Operational Programme 2007-2013. The projects aimed at modernizing public administration in Poland, enhance the potential of public administration as regards development of law and policies and providing high quality services, and strengthening partnership mechanisms. As a result 164 offices have already implemented new public management tools, including process management approach.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

Central Statistical Office in Poland has created a system "Strateg", dedicated to program and monitor development policy. It gathers indicators that are being used to monitor implementation of the ongoing Polish strategies (at national and regional level) as well as European ones (Europe 2020). Additionally the system delivers statistical data important for cohesion policy implementation. The scope of indicators is very large, for the fields of state effectiveness and public safety there are over 50 indicators established.

The evaluations in Poland are conducted in cooperation with external experts, recruiting from international of Polish think-tanks. No specific, unique body would be dedicated for the purpose.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

As mentioned above, no specific crisis-related structural reform has been implemented in Polish ministries.

An interesting and important reform of recent times is however the reorganisation program in tax administration.

Polish tax administration consists of 400 tax offices (local level of administration) and 16 tax chambers (regional level). Tax offices are independent in both, tax matters and administrative issues. The reform will lead to consolidation of the administrative tasks at regional level. The consolidation program of administrative processes aims at meeting the numerous offices` needs in a possibly rational and efficient way. The scope of consolidated processes encompasses financial administration, HR, assets management, renovation and investments building works, public procurement, IT, audit & control, communication, secret information protection etc.

The project is a part of a bigger “e-Taxes” program implemented by Ministry of Finance. It aims at improving the organisation and quality of services as well as the cost effectiveness. Another benefit will be the standardization of the procedures and possible deeper specialization of personnel members.

The project is in its preliminary phase, to be carried on in the upcoming years.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmed.gov.gr

Name	DARIJA GRADSKI
Email	dgradski@uprava.hr
Country	CROATIA
IPSG member	Yes.

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

Croatian state administration consists of central state administration bodies (ministries, state offices of the government and state administrative organisations) and state administration bodies of the first instance (state administration offices in counties).

Currently undergoing big structural reforms regarding reorganisation of state institutions, agencies and state administration offices, the number of bodies as well as their organisational units is and will further be significantly lowered.

The Public Sector Staff Register was put into work in 2011. It comprises of a set of data on employees in the public sector, kept for the purpose of establishing a quality and efficient HRM and centralised payroll system (CPS). The quality of established standardised reports from the Register is constantly under improvement, including the Register application upgrade for the purpose of the full centralised payroll (currently, the implementation is being broadened from central state administration bodies to all public sector bodies).

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Main challenge connected with reforms seems to be the existing deficit. As far as obstacles are concerned, there is always a certain degree of opposition towards change as well as some EU demands in the field of agencies (the growth in the number of agencies coincides with the process of the EU accession; in times of economic crisis, the questions of the number of agencies and competences of their employees connected with their salaries, are being raised) and various reforming measures are taken to overcome them.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

Each line ministry is responsible for reforms in its specific field.

The system that governs horizontal measures consists of:

1. principal level – the Government of Croatia,
2. governing level – coordination body (ministers)
3. coordination level – operative work groups (advisors to the government)
4. executive level 1 – reform work groups
5. executive level 2 – state bodies, public sector bodies, public companies

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

1. problem identification
2. choosing a work group or direct-solving
3. proposal to the government
4. adoption by the government
5. implementation
6. follow-up (giving feedback to the government)

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

There is a high degree of involvement, including all of the abovementioned.

6. Implementation of structural reforms:

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

Currently undergoing big structural reforms regarding reorganisation of state institutions, agencies and state administration offices, the number of bodies as well as their organisational units is and will further be significantly lowered.

BODY	YEAR 2012	YEAR 2013
State offices of the government	5 offices	4 offices
State administrative organisations	8 organisations	7 organisation
Customs Administration	7 regional units	4 regional units
BODY	CURRENT STATE	BY THE END OF 2014
Tax Administration	21 regional units	5 regional units
State Administration Offices	20 offices	5 offices
Police Administration	20 county units	5 units

In December 2011, the Croatian Government adopted a new Decree on Principles for Internal Organisation of State Administration Bodies, rationalising the internal organisation and management structure in state administration bodies. Lower internal organisational units (sections, sub-sections and units) were abolished, and a three-level management structure was established at the level of civil servants, instead of the previous six management levels.

State administration bodies in Croatia are now organised into directorates, divisions, services and departments.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

- a) number of agencies, number of employees (public servants), average salary
- b) academics (ex-post)

c. Mention one reform concerning structures emphasizing on the:

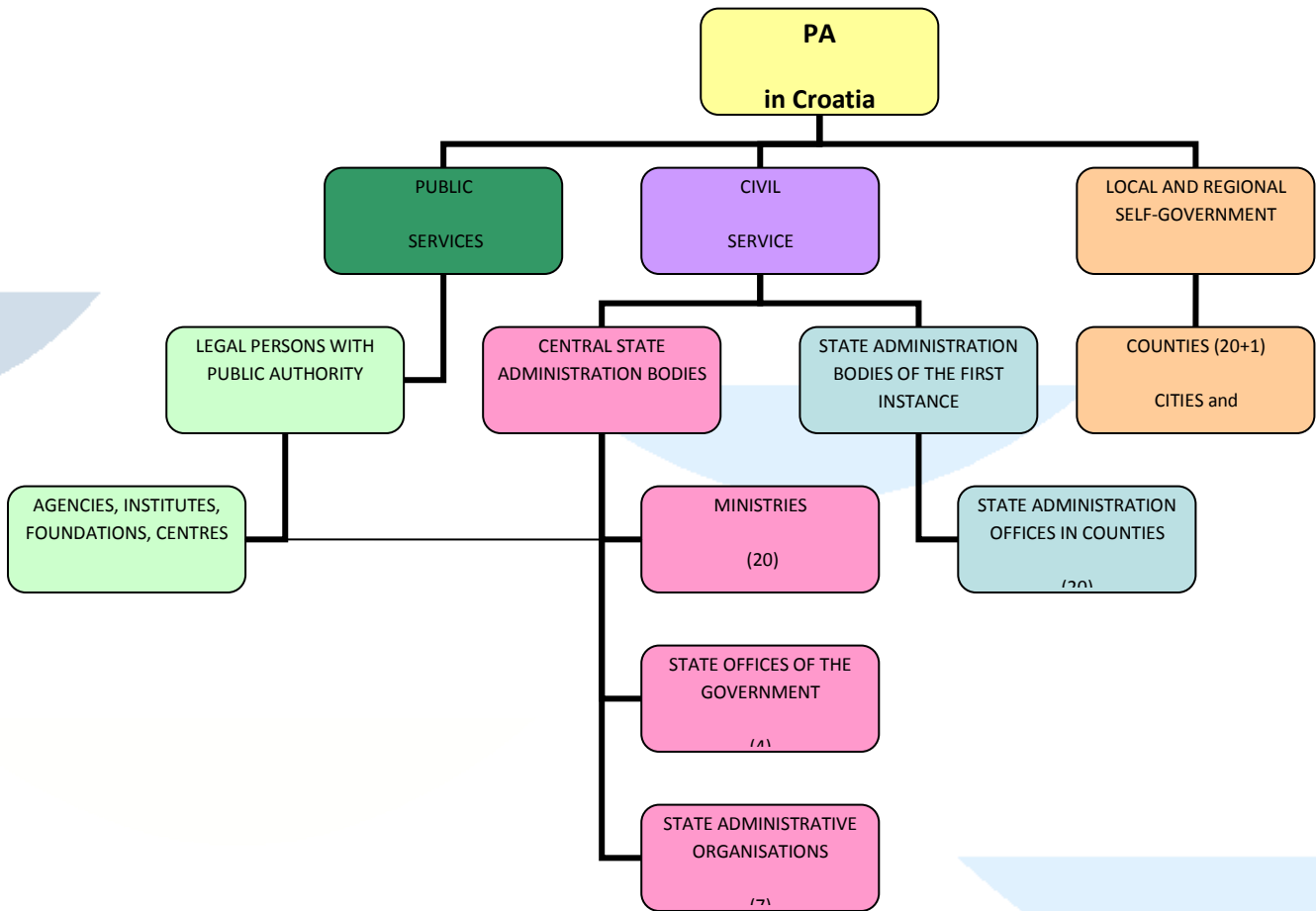
- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

Salaries and competences in agencies – analysis

Public servants employed in agencies were receiving higher salaries than civil servants in ministries and other central state bodies for jobs that implied same competencies.

- a) questionnaire sent to all line ministries connected with salaries/number of public servants in agencies under their respective authority
- b) line ministries
- c) relationship between salaries and work done standardised (in regard of central state bodies)
- d) it started in 2012., on-going
- e) questionnaire, administrative supervision, monitoring
- f) decree, including agencies in CPS
- g) lower expenses, same salary for same work done

For easier understanding of the system of PA in Croatia and terms used while answering, please take a look at the chart shown below.





**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmed.gov.gr

Name	Johan Zilmer
Email	Jozim@modst.dk
Country	Denmark
IPSG member	

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

In 2007, prior to the economic crisis, a major reform of the Danish public sector was implemented. One of the effects of the reform was the reduction of the number of municipalities from 270 to 98 and the number of regions (prior to the reform in 2007 referred to as “amter”) from 13 to 5. As a result of the reform, the public spending was reduced due to among other things the economies of scale and the centralization of administration. Since 2008, the focus of structural reforms in the Danish state sector has therefore mainly been on cost-reduction, the optimizing of work processes and the strengthening of the positive synergies within different units.

An example of a structural reform is the merger of the former State Employer's Authority and the Agency for Agency for Governmental Management into the current Agency for the Modernisation of Public Administration in 2011.

Another example is the merger of the National Labour Market Authority and the Agency for

Retention and Recruitment into the Danish Agency for Labour Market and Recruitment in January 2014.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

At the national level, the strong focus on the economic responsibility of the public administration and the public sector as a whole has resulted in reforms with an emphasis on efficiency and cost-reduction. The obstacles, in form of for example employee dissatisfaction due to personnel reductions, has been overcome in a general cooperation with the employee organisations as part of the collective bargaining.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

As a general rule, structural reforms are designed and implemented by the relevant ministries themselves but the Ministry of Finance will often assist the ministries in the process.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

Since structural reform are generally conducted by the individual ministries themselves, there are no central standardized processes for the selection of entities subjected to reforms. This will vary according to the individual circumstances and whether or not the reform encompass more than one ministry. In some cases, the decision to reform is made politically due to a shift in government and / or the political priorities, in other cases, the decision to reform is made after a longer process of analysis in the administration. In most cases, the entities are selected on the basis of an expected increase in the overall efficiency of agency / entities.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

As reforms are usually conducted and driven by the ministries, the degree of employee involvement varies from reform to reform. In some cases, the employee organisations are involved in the early phases of the reform – especially as part of the implementation process - but in most cases, reforms are designed, implemented and monitored by the ministry top executives. Larger changes in working conditions, e.g. the workplace moving to another geographical location, will normally be subject to negotiations with the employee organisations.

6. Implementation of structural reforms:

11. Describe the effect of structural reforms on the size of public agencies comparing before and after.

12. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

As the focus of most structural reforms since 2007 has been on increased efficiency and cost-reduction, the reforms has in many cases resulted in staff reductions.

An example of this is the is the merger of the former State Employer's Authority and the Agency for Agency for Governmental Management into the current Agency for the Modernisation of Public Administration in 2011, where approximately 65 employees was either made redundant or left due to early retirement schemes.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

There are no general framework for the evaluation of structural reform programmes in the Danish public administration, therefore, the use of performance indicators and evaluations differs between reforms.

In some cases, external and internal evaluations are being used as an indicator of the effect of a reform. These evaluations can include for example employee satisfaction surveys, measurements of organizational health, stakeholder analysis' etc.

- 8. Mention one reform concerning structures emphasizing on the:**
- a. factors that led to the reform,**
 - b. agents involved,**
 - c. cost and benefit,**
 - d. timeline,**
 - e. sources used,**
 - f. means of implementation (law, ministerial decision etc) and**
 - g. expected outcome and degree of achievement.**

An example of a structural reform is the merger of the former State Employer's Authority and the Agency for Governmental Management into the current Agency for the Modernisation of Public Administration in 2011.

The reorganisation was the result of a thorough analysis of the whole corporation which showed that, within certain fields, users did not assess the outcome of the work of The State Employer's Authority and The Agency for Governmental Management as being of added value. This perception was shared by the Department of the Ministry of Finance.

Another important background for the creation of the Agency for the Modernisation of Public Administration was the necessity of responding to the challenges deriving from the economic crisis.

During the first three months McKinsey and Company supported the Agency for the Modernisation of Public Administration in establishing the new organization. The task at hand was to obtain a yearly cut back in spending of 100 million DKK. The exercise resulted in focused operations (focus on/limitation of operations to core tasks) and in addition, approximately 65 employees was either made redundant or left due to early retirement schemes.

The process, including the cooperation with McKinsey, up to the final implementation of the new organisation on the back of an analysis conducted in Spring 2011 was in many ways the result of a top-down approach with limited involvement of the employees.

The results of the reform has, among other things, been a stronger connection between the classic field of human resources and economic management, where the merger has lead better coordination and the full use of synergies etc.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmmed.gov.gr

INCORPORATES THE POSITION OF THE MALTESE GOVERNMENT

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Introductory Note

In 1987, the Government of Malta embarked on an ambitious reform programme aimed at modernising its public service and directing towards the adoption of a new public management framework.

From then to now, Malta experienced significant changes to its economic, social and political environment. EU membership; Euro adoption; global downturn etc are amongst the principal challenges faced. Meeting these challenges became the top priority for public service investment of effort and resources. These not only changed the face of Malta’s social, economic and political fabric but seriously challenged the public administration. In fact, the public administration can be said to have focussed all its energies on delivering on the national policy front at the cost of inward investment promoting continued regeneration and improvement (at all levels).

As a result, the continuum of internal restructuring was lost. There was a general recognition that although the public service had been subject to significant investment and improvement, its performance still fell short of expectations.

As a result, in 2012, the Government of Malta embarked on an internal effort aimed to determine a strategic road map geared towards strengthening the public service in terms of capacity and performance. A small team of experts was thus appointed to take stock of 25 years of investment and reform with a view of mapping out the initiatives that should be taken to further strengthen and improve capacity and performance.

Although this submission makes reference to this programme, it focuses on past structural reforms to reflect the scope of the Questionnaire.

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

In times of crisis, Malta's structural reforms aimed to consolidate the planning, budgeting and other resource investment (including recruitment), deployment and utilisation. In essence the structural reforms implemented aimed to strengthen central control (oversight and decision-making) and monitoring in relation to:

- the financial planning and budgeting process. To this effect, the budgeting process was modified to strengthen the decision-making role of the Ministry for Finance and the Budget Office even in relation to public sector entities.*
- to HR recruitment and deployment. In this regard, the mechanism deployed governed not only the central public service structures but included other public entities (i.e. the wider public sector). Furthermore, the Public Administration Collective Bargaining Unit (PACBU) was established to centralise collective bargaining across the public administration. Efforts to standardise work conditions (compensation) were also embarked on.*

Furthermore, the Capacity planning and Building process included centralised approval of annual HR capacity plans in the first instance and the recruitment of additional (i.e. not originally included in the capacity building plan) employees on an ad hoc basis. Again, recruitment was subject to PACBU approval of remuneration and work conditions and Ministry of Finance clearance of related payroll costs. The main thrust of this Capacity Building Exercise mechanism was that of "promoting improved strategic HR planning, and aligning further the process with the wider financial planning scenario". (OPM Circular 3/2012; MoF Circular 1/2012).

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The principal challenges were the global economic and fiscal crisis that increased negative pressures on the sustainability of public finances and public expenditure. This was further compounded by additional public money outlay directed towards preserving then existing national employment levels and economic activity.

The principal obstacles faced were primarily the result of resistance by public entities to relinquish a degree of their autonomy in capacity and resource deployment, and using the decision-making process. Further obstacles could be identified in the corresponding impact on

succession planning and timely recruitment, as well as the deployment of needed resources (namely HR).

To ensure compliance, instructions and mechanisms adopted were established via mandatory requirements. Exceptions were however introduced to reflect identified risks or excessive negative impact on the capacity for core entities to perform and deliver.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The Government of Malta established the Office of the Principal Permanent Secretary (PPS) to provide stewardship to the public administration. The authority of the PPS is supported by a legislative framework. This legal framework empowers the PPS to 'issue directives and guidelines on any matter relating to the organisation and management of the public service, and in so doing he shall seek to frame his directives in the best interests of the consumer and in such a manner as to impose the least possible administrative burden' (Article 15 of the Public Administration Act (Cap. 497)).

Supporting the role of the PPS and strengthening the central stewardship capacity, a number of corporate lead entities have been appointed to govern the resource management framework in terms of HR, ICT and immovable property. The Ministry for Finance retains principal authority in respect of financial resources.

The principal mechanisms deployed to implement structural changes are:

- Voluntary (the entity embarks on an internal assessment process).*
- As a result of recommendations emanating from Internal Audit efforts.*
- In reaction to external audit (national or supra-national) findings and recommendations.*
- Circulars and Guidelines issued by the PPS or central structures including the Ministry for Finance*
- Directives issued by the PPS. These have force of law and may be issued either as voluntary or obligatory (in terms of compliance).*
- Action dictated by Cabinet decision.*

The Malta Public Service has also established structures and mechanisms for the sharing of experience, best practices and so on. These bring together specific leadership and management tiers across the public service and create a formal communication mechanism between line Ministries and corporate lead entities. The scope of these fora is to share good practices, experience and make recommendations to the PPS and / or corporate lead entities which aim to strengthen the corresponding governance structure, management, policies, procedures and so on. Examples include the Permanent Secretary Forum; the Director of Corporate Services Forum and others.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

In general, structural reforms during periods of crisis generally led to the establishment of

structures / procedures that aimed to reign in decentralised authority. As a result, these impacted all public entities, including those in the wider public sector. Hence, there was no clear 'selection process' adopted.

Clearly however, entities that were identified which either regularly mismanaged resources (especially financial – generally indicated by budgetary overruns, missed project targets or milestones, above average payroll expenditure and so on) or else represented 'high risk' entities (for example responsible for managing high budget, provide critical services, social welfare and health care, represent important revenue generation streams and so on) are evidently subject to higher scrutiny and oversight.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

Civil servants are significantly involved. With the exception of the corporate ICT Agency, all corporate lead entities are led (and manned) by members of the Senior Executive Service (SES) which represents the backbone of the public service. The PPS and his Office is the lead agent as is the Ministry for Finance. As a result, civil servants are involved in all aspects of reform design, implementation, monitoring and evaluation that is driven from the 'centre'.

Civil Servants of an Agency impacted by centrally driven reforms are likely to be primarily involved in the consultative phase of the design and evaluation of the programme. However, these are generally responsible for the actual implementation at their respective level of authority.

It is also be noted that entities falling outside the traditional definition of a civil servant also play a role. These include Cabinet, Parliament and external audit structures. Furthermore, the internal consultancy arm of the public administration is generally entrusted with assisting in the design of major reforms. It generally also guides and advises the PPS and other public administration lead entities vis-a-vis the implementation of such reform programmes.

Malta's experience shows that without ownership by both the political class and the public service, significant public service reform initiatives are bound to have limited success in the medium to long-term.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

a) In Malta, the concept of 'rightsizing' is not considered at an entity level but as a concept applicable across the public administration. As a result and generally speaking, structural reform will not result in redundancy. Public Officers can in fact be redeployed, transferred or otherwise allowed to migrate across public entities on a rational need basis.

As a result, and should the process of capacity rightsizing necessitate an Agency becoming 'smaller', employees are relocated to other Agencies / Public Entities where staff or skill shortages exist. The establishment of a 'surplus pool' concept is established by law with the purpose of providing a mechanism whereby surplus employees may be temporarily appointed with this pool, provided suitable training and reappointed to another public entity. This concept has also been applied in cases of privatised public entities. The end

result is that all in all, the overall size (in terms of employee numbers) has not changed dramatically.

Note: As previously indicated, much of the recent years' structural reform has occurred in reaction to immediate need or pressure. As a result, there has been a proliferation and expansion in the number of public sector entities (regulatory and service providers) that did not necessarily take advantage of opportunities for consolidation or rationalisation. On the basis of the previously cited 2012 recommendations, the public administration is in the process of reviewing and rationalising structures at an operational, resource and organisation level. One example is in relation to structures concerned with the management of EU funds and programmes.

b) Malta does not have a one-size fits all policy in terms of hierarchy and size of public agencies. In general, the central Ministry structures have five hierarchical levels as follows: Permanent Secretary; Directorate; Department, Section, and Unit. This applies for the central structures of each Ministry. Regulatory authorities; agencies; corporations and other models adopt a different hierarchical model, each designed according to specific needs in terms of organisation and governance.

7. Evaluation of your structural reform programmes:

a. What performance indicators are used?

b. Who conducts the evaluation (ex post, on-going, ex ante)?

c) Given the rapidity of structural reform and the environment (pressures) under which this occurred, the evaluation of such structural reforms was primarily based on (a) inputs and outputs reporting; and more importantly (b) achievement of national policy targets (for example the EU membership). Other formal indicators and measures were generally not defined at a stage that would allow for effective measure. The priority was to achieve national policy objectives (for example rapid securing of EU Membership and later EURO adoption).

Note: The previously cited 2012 reform identified the need to reform the planning, monitoring and reporting framework to one that is more outcome based and which effectively links policy to performance, delivery and achievement. As a result, KPIs are currently being defined in respect of all public entities. Structural reform in this facet is still being planned.

d) This is generally carried out by appositely appointed central lead Entities including the Public Administration HR Office (PAHRO) (in relation to HR); the Ministry for Finance (in relation to finance) and MITA (in relation to ICT). This mandate did not change during the course of implemented structural reforms.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

Not applicable, except for the reform concerning the Euro adoption, which was however a temporary measure.



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Response Template – Structural reforms within Public Administration

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1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

Structural reforms in ministries emphasize in the following areas:

Administrative duplicities; the aim is to identify and delete duplicities and reinforce the mechanisms of cooperation between Administrations, although, as local administration competences are being reformed in a draft law, there have been studying mainly duplicities between state administration and autonomic communities administration.

Administrative simplification, which looks for the termination of red tape and simplification of

procedures on behalf of citizens.

Service and common means management; the objective is identify management activities that, being similar, can be carried out in a centralized or coordinated way, making the most of resources.

Institutional Administration, it is being analyzing the different types of existing entities, proposing general modifications and specific actions on particular entities.

All the ministries are responsible for the implementation of reforms within their structures, but the ministries which have more measures to implement, in decreasing order, are: Ministry of Finance and Public Administrations (67 measures), Ministry of Education, Culture and Sport and Ministry of Employment and Social Security (both with 20 measures), and the Ministry of Industry, Energy and Tourism as well as Ministry of Health, Social Services and Equality (both with 19 measures).

Nevertheless, there are also measures that concern several ministries, for instance: implementation of productivity and efficiency measurement system, restructuration of business public sector or deletion of bodies whose competencies are duplicated.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

The main challenge that led to structural reforms is the need to improve budgetary discipline and control over public finances in order to fulfill the rules fixed of fiscal consolidation.

This reform is carrying out a deep analysis on public expenditure management, proposing termination of public sector bodies, elimination of duplicities, simplification of procedures and, in general, a bigger control over the use of resources.

All of this contributes to improve efficiency and a better quality of public services, but also in important savings that will help to reach the aims of fiscal consolidation.

The main obstacles to face are the complexity and dissimilar nature of means to adopt, and the fact to concern different administrations (state, autonomic and local), which cannot be overcome but enhancing coordination and collaboration between public administrations, and promoting work meetings inside administrations to plan its fulfillment in the most efficient way.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

First of all, there is the **Commission for the Reform of Public Administrations** (from now on, **CORA**), created in October 2012 to carry out a comprehensive study of administrative reform. Its mission is to prepare proposals of rules and actions to improve the efficiency of administrative activity in several ways: termination of duplicities, reinforcement of cooperation mechanisms, documentary simplification, analysis of types and rules of institutional Administration and management of services and common means.

The CORA is responsible to the Ministry of Finance and Public Administrations, through State Public Administrations Secretariat, and it is made of representatives of all ministries, as well as other bodies of General State Administration.

Secondly, there is the Office for implementing the Administrative reform (from now on, OPERA), created in June 2013 to carry out the measures gathered in CORA report, to perform its monitoring, coordination and permanent assessment, as well as to elaborate new reform proposals.

The OPERA is functionally and jointly attached to the Ministries of Presidency and Finance and Public Administrations.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

As it was mentioned before, the CORA carries out a comprehensive analysis of public administration, and has prepared 219 proposals of measures from which 137 concern jointly to state and autonomic communities' administrations, and 82 exclusively to General State Administration.

From 219 measures, 11 are general and concern horizontally all the public administration; 120 try to delete duplicities with autonomic communities and within State; 42 delete red tape, simplify procedures and make easier the access of citizens to administration; 38 improve services and common means management; and 8 streamline institutional administration, both in regulatory framework and in deletion and merge of 57 public state bodies.

During the process of making proposals, social involvement has been guaranteed through the creation of a Suggestion Box which has received more than 2.000 proposals, and the setting up of an Advisor Council consisted of representatives of social agents:

- Civil servants, through representatives of three largest trade unions in public administrations
- Business sector
- Ombudsman Office,
- Universities
- Consumers
- Other entities

Furthermore, the reform commission is opened, so new measures of streamlining and public administrations reform can be add, so that they allow offer better services to citizens and business in a more efficient way

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

As it was pointed out before, civil servants have been involved in the analysis phase and definition of actions to implement, through their representatives in the three largest public administrations trade unions. Participation of civil servants and citizens is also possible, through sending proposals or specific measures to Suggestion Box.

They take part, additionally, in a direct way throughout the implementation of measures, monitoring and assessment, since all the actions of reform are carrying out by human resources of public administration, without any external assistance.

6. Implementation of structural reforms:

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

There have been several legal acts and agreements of Council of Ministers to proceed to deletion, merger or integration (depending on the cases) of different public bodies and entities: administrative bodies, business public bodies, business societies, foundations and consortiums. 67 public bodies have been concerned, 53 of which have been deleted.

In addition to these measures, eight regulatory bodies have been blended into the National Commission of Market and Competition. Besides, according to an agreement of Council of Ministers of 2012: 24 business societies have been deleted, there has been a State disinvestment in other 43 companies, and 13 societies and 6 foundations have become extinct. Those measures are in an advance state of implementation.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

There has not been any restructuration of hierarchical levels. The structure of ministries, which remains as it were, consists on the following managerial posts: Ministers, Secretaries of State, Secretaries General, Under-Secretaries, Technical Secretaries General, Directors General and Deputy Directors General.

7. Evaluation of your structural reform programmes:

a. What performance indicators are used?

b. Who conducts the evaluation (ex post, on-going, ex ante)?

a. What performance indicators are used?

The fulfillment of each one of 219 proposals or measures from CORA report is being strictly assessed.

Sometimes, their fulfillment needs changes in the legal framework (in several degrees), other times termination of red tape, simplification of procedures or making easier the access of citizens to the administration.

It has been analyzed so far the state of 114 measures in whose implementation is needed collaboration from autonomic communities. Depending on the matter, responsibility has been assigned to different ministries. Within those 114 measures, there are 81 that concern all the autonomic communities and autonomic cities.

Taking into account the processes, sometimes complex, the fact that the implementation of the measures concerns different administrations, as well as deadlines of execution, several work meetings are been holding between administrations to plan their implementation in the best efficient way, to analyze whether amends in legal framework is needed, etc. The aim of contacts between administrations is to assume proposals about duplicities and administrative simplification, and to study their possible implementation regarding to service and common means management.

b. Who conducts the evaluation and how often?

The Office for execution of Administrative reform (OPERA) is the body responsible for the implementation of the measures gathered in CORA report, to carry out its monitoring, coordination and permanent assessment, as well as to elaborate new reform proposals.

The OPERA must send reports quarterly and annually to Council or Ministers with a summary of the level of implementation of measures.

To make easier monitoring actions to implement CORA's measures, there has been developed an IT application which allows the responsible of every action a permanent update of its implementation.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

One example is the reform which has taken place in local administration, throughout Law of streamlining and sustainability of Local Administration, Law 27/2013, 27th December 2013.

The main challenge that led to this reform is the need to improve budgetary stability as principle of public administrations activity. With this framework, it is needed to adapt the regulations of Local Administration with the purpose of achieve, as well as the aforementioned budgetary stability, financially sustainability and efficiency in the use of local public resources.

Specific objectives are: to clarify local competences to avoid duplicities with other administrations, to streamline the organizational structure of local administration according to

principles of effectiveness, stability and financial sustainability, and to guarantee a strict financial and budgetary control.

Measures planned are:

- Local responsibilities are clarified by law, abolishing duplicities and inappropriate competencies,
- It is fixed a temporary period of five years to make a change in the entitlement of health and education competencies, which will be exclusively autonomic, with the consequent financial restructuring.
- Communities of municipalities and minor local entities which do not submit accounts in three months will be dissolved.
- The role of municipal inspectors as civil servants of local administration with national character is reinforced.
- It establishes a limit of administrative permissions to start an economic activity that encourages economic initiative.
- The salary of members of local government will be fixed in General Budget of State according to town's population, and established its maximum limit.
- Number of advisers and sole occupation public officials is reduced and established regarding to town's population.

Savings are estimated next to 7.100 million Euros in the period 2013-2015.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Attention: the answers covers only reforms in central public administration!

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

A central idea in the past decade is that working as one central Public Administration (PA) is

more efficient and leads to better public services for citizens and businesses than when ten ministries for similar tasks and processes each have their own staff, housing, ICT, work processes , systems etc. The reform programme of the current government is called the Reform agenda for central public administration. This Reform agenda , dated May 2013 , consists of three elements:

- Continuing the already existing “Compact central government programme (CRD)”(2011 - 2015) . This programme is mainly related to operational management and is leading to a central infrastructure for the civil service in many fields (housing , HRM , ICT , public procurement). For example, the number of data centers, offices etc. has already been greatly reduced. More and more work is done efficiently by shared services organisations. And in many fields working processes are harmonised and standardised. The CRD programme includes projects which will result in cost cuts up to € 800 million per year.

- The Reform agenda (2013 - 2017) means broadening the scope: not only operational management, but also policy making, policy-execution en inspections and supervision.

For this purpose nine projects are defined and for each project a Secretary-General (i.e. top civil servant) is integral responsible. The nine so called SGO projects are:

- Ongoing projects within departments that are not directly part of the Reform agenda, but do contribute to its goals (efficient civil service, better quality of public services.)

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

There are two major challenges:

- The need for budget cuts. Previous central administrations already planned to spend 3 bn. less on civil service. In addition the current central administration planned a budget cut of € 1, 1, billion. Annual expenditure for the central civil service (staff, equipment) decreases from 17, 7 billion euros in 2012 to 13, 6 billion euros in 2018.
- The opportunities to operate more efficiently and more effectively, including smarter organisation, digitisation, clustering of tasks, standardisation etc.

Obstacles could be found in resistance of people and organisational units who fear for their position when changes occur. This requires consistency in leadership and a clear vision of the objectives to be reached and the way to reach those objectives (including explaining this vision on a lot of occasions). With regard to changes in the field of IT a major concern is the extent to which the implementing agencies are able to realise the planned improvements in terms of capacity, speed, etc. Important is that implementing organisations are involved from the beginning of the project.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The Ministry of the Interior and Kingdom Relations has two ministers. One of them, the minister of Housing and central PA, is responsible for an effective and efficient central public administration in general.

The ministers of other Ministries are responsible for this within their respective Ministry. It is also the responsibility of the minister of Housing and central PA to ensure that the goals of the Reform agenda are met. Right now there are two kinds of projects:

- CRD: projects related to operational management. Most projects are carried out by the Ministry of the Interior and Kingdom relations, but have impact on all ministries. Therefore, a steering group with representatives of all ministries is in force, headed by the Director-Generaal Organisation and operational management for central PA.

- An additional number of projects under the Reform agenda is steered by the board of Secretaries-General. Each individual project is managed by a specific Secretary- General. Political decisions are also prepared in het board of Secretaries- General. Within the ministries there are many reform projects, which contribute to the goals of the Reform agenda central PA, but are not labeled as such.

The role of the Minister of Housing and central PA is coordination, monitoring, identifying opportunities and risks, prepare interventions if needed , decision making processes, reporting to cabinet and parliament , etc.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

Several years ago, as the financial and economic crisis led to rising budget deficits, a number of working groups was established, consisting of civil servants of all ministries, with the task to draft proposals to cut down expenses in central PA. One of those working groups focused on operational management. Their report included a number of proposals

which all were related to government-wide rationalisation (clustering activities across organisational boundaries, standardisation of processes etc.). Those proposals have been accepted by the central administration and were incorporated in the CRD programme. Soon after the start of this CRD programme the government changed. The newly appointed minister for the central PA wanted to launch a new, up-to-date Reform plan, including additional budget cuts as decided upon in the new government agreement. The Secretaries-General sent a letter to the new government with opportunities for additional budget cuts and/or improvements in the central public administration. The government accepted this offer. The resulting nine new projects are led by individual Secretaries-General who are personally responsible for the progress of their project. In those projects both ministries and agencies are subject for the reform activities. Even the autonomous bodies are subject in one of the nine projects (project 4).

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

If a project is defined, it is organised in close cooperation between all stakeholders. Many of the planned reforms are related to standardisation/harmonisation of working processes across departmental boundaries, focusing on cost reduction and improvement of public services. This is so close to the primary process of a lot of public organisations that a large number of people of the organisations involved, from top management to the work floor, MUST cooperate. In addition, in all stages of the relevant change there are formal and informal consultations of the works councils at various levels.

6. Implementation of structural reforms:

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

6a The execution of the CRD programme leads to an annual decrease in central PA expenditure of ca. € 800 million. Part of this saving is due to the development of shared services organisations (HRM, housing, IT, public procurement) which work for all ministries under responsibility of the ministry of the Interior and Kingdom Relation. And furthermore, co-housing of ministries, digitisation of public services, more efficient working processes etc. In total, as stated in response to question 2, the budget for the public administration between 2012 to 2018 drops from € 17.7 billion to € 13.6 billion. The minister of Housing and central PA has the power to monitor the departmental proposals to cut budgets. An increase in budget for personnel and tangibles is only allowed when the minister of Housing and central PA gives permission. There is a set of criteria for this permission. The current central public administration does not have limits or targets for the number of employees, only for budgets; but a decrease in budgets will also imply a reduction of the size of public agencies/ministries. Exact figures are not available yet due to the chosen process.

6b

This question can not be answered in general. In the past few years, the trend within ministries is in the direction of less hierarchy and less hierarchical levels. In ministries and agencies, in general there are three management levels: Director-General, director and unit head/teammanager (with limited responsibilities), with the Secretary-General as general manager for the whole Ministry and first advisor to the minister. Where the size of organisations evidently is becoming smaller, the number of managers decreases as well.

There is an increase in working in projects and programmes under project- or programmemanagers/coordinators. Partly, unit heads or teamnagers are or will be replaced by project or programmemanagers, directly under the director.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

7a.

Key performance indicator is the potential and realised decrease in expenditure as a result of the reform programme. This and other developments are yearly monitored in the Annual Report on Operational Management in central Public Administration.

7b.

Ex-ante evaluations are not carried out in general. For specific projects business cases are made. The extents to which goals are met and projected savings materialize are accounted for in the Annual Report on Operational Management in central Public Administration which is sent to the Parliament. The Court of Auditors carries out an independent assessment. At project level, for projects of the CRD programme, peer reviews are carried out to become aware of opportunities for improvement. Ex post, all of these projects are evaluated by the Audit organisation for the whole of central PA . For the other projects of the Reform agenda of central PA it still has to be decided how and by whom, during and after the project evaluations will be carried out.

- 8. Mention one reform concerning structures emphasizing on the:**
- a. factors that led to the reform,**
 - b. agents involved,**

- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

Case 1: A single (administrative) employer for central civil servants

- a) Administrative transfers of personnel between ministries are complex. Differences in legislation and employment terms between ministries. Both lead to inefficiency and red tape.
- b) Ministries, Trade Unions
- c) The programme consists of six measures. Annual savings are € 24 mln, starting in 2015.
- d) Start until implementation: 2 years (2011- 2013)
- e) Just the working time of staff, working at implementation of the measures. It's not known how much time that is.
- f) Different: ICT, ministerial decision, internal policies
- g) Savings up to € 24 mln + better working conditions for civil servants. It's becoming easier to switch between ministries and it makes employees feel that they are part of the central public administration instead of a certain ministry.

Case 2: Reduction of central public administration public procurement points and using pooled demand.

- a) Central public administration spends € 10 bln each year on tangibles. In 2010, there were roughly 68.000 suppliers and 350 public procurement points. There was no category management and/or system to pool demand. There were opportunities to work more efficiently.
- b) Ministries, agencies, suppliers
- c) The project consists of two parts: Reducing the number of public procurement points from 350 to 20 and introducing 100% category management. The combination of both measures leads to annual savings of € 180 mln.
- d) Start: 2011. Current status: Reduction of procurement points to twenty is realised. Category management for about 40 % of the public procurements. Next years: from 40% to 100%
- e) Just the working time of staff, working at implementation of the measures. It's not known how much time that is.
- f) Different: digitisation of working processes (f.i. electronic ordering and invoicing), development of shared frameworks (i.e. harmonising internal policies), communication (suppliers)
- g) Savings up to € 180 mln per year by economies of scale and less personnel involved in public procurement. More professional procurement.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmed.gov.gr

Name	Petter Kockum
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Country	Sweden
IPSG member	Petter Kockum

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

During the fall and winter of 2013 Sweden, through the Swedish Agency for Public Management, participated in the COCOPS project (Coordinating for Cohesion in the Public Sector of the Future). Several of the replies below are based on information from this survey, that we did send out to the three highest levels of management in the state sector (including all Ministries and 194 agencies). Sweden has got a reply rate of 41 percent in this survey. Please not that the survey is perception based and from a sample of higher civil servants.

The survey showed that Sweden has not been that heavily affected by the present economic crisis. 26 percent of the respondents said that no cut downs has been implemented throughout the crisis. 22 percent said that there has been general cut downs on all areas. One interpretation is that this reflects the system of productivity cuts (pris- och löneomräkning, PLO), where the agencies are not

fully compensated for inflation in their grants, creating automatic reduction of the appropriations.

When it comes to actual reforms the survey shows that pay freezes are very rarely used in Sweden as a method to rationalize operations. A more common method of increasing efficiency is to reform and reorganize overhead and support functions. Our survey showed that 42 percent of the managers to some extent had implemented these kinds of reforms.

However, streamlining and reforms of the overhead of agencies is a reform that Sweden has been working with for many years and it is doubtful whether this can be linked to the present economic crisis.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

As stated above the economic pressure on the Swedish economy and the Swedish state has up until now been rather limited. Structural reform (mergers, terminations etc.) do exist, but should be seen as an ongoing process in making the administration efficient, rather than as a way to tackle the consequences of the austerity crisis.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The Swedish government takes decision as a collective. So from a constitutional perspective this is done by the Government. But in practice this work is conducted by the individual ministries, often in dialogue with concerned parties.

When it comes to evaluation this is an area where we could see a development during the past years, through the creations of several agencies with the purpose of following-up and evaluating other agencies, policy areas and operations. One of the main purposes with these agencies is to supply the government with performance information and of course to separate implementation from evaluation, so that this is not being done within the same organization.

Another way of evaluating structural reforms and changes is to use The Swedish Agency for Public Management, which specializes in following-up and evaluation and providing the Government with performance information.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

In the end this is a political question. But one could see that there is a general trend to follow-up and evaluate major reforms, for example the deregulation of the Swedish pharmacy market. But evaluations does not only concern major reforms. In Sweden, and in public debate, there is a discussion concerning the concept of “the auditing society”, which could be seen as criticism with too much emphasis on collection of performance information, follow-up and evaluation.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The COCOPS study mentioned above showed that the degree of politization is lower in Sweden than in the majority of the countries that participated in the research project. In Sweden there is high degree of involvement from civil servants, including consultations with concerned parties, such as agencies, in the implementation process.

An exception though is the follow-up and evaluation, which is almost always done by an – from the agency – external part. As described in question three, several agencies has been created during the recent years, with the purpose of conducting sector independent evaluations. The Swedish Agecny for Public Management is currently doing an follow up of these evaluation fuctions. A final report is due later this spring.

6. Implementation of structural reforms:

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

A) As stated above the reforms conducted in the recent years are due to an ongoing process in making the administration efficient, rather than as a way to tackle the consequences of the austerity crisis. But the long term trend is that the number of employees in the public sector is decreasing. Almost 28 percent of the Swedish workforce is employed in the public sector, which amounts to 1 254 000 employees. As a share of the total work force this is less than in the year 2000. The same goes for the number of state agencies, which is also decreasing. The long term trend is fewer but bigger agencies.

B) The Swedish administrative level is highly delegated with considerable autonomy for the agencies to organize their operations in any way they see fit. So it is not possible to answer this question.

7. Evaluation of your structural reform programmes:

a. What performance indicators are used?

b. Who conducts the evaluation (ex post, on-going, ex ante)?

The design of the follow-ups and evaluations are highly context dependant and it is not possible to easily describe methods in this format. Both qualitative and quantitative methods are used, both by agencies like The Swedish Agency for Public Management and the other institutions for evaluation and follow up described in question 3.

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

An example of such a reform concerning structures is the creation of an agency for the handling of salaries and invoices for the agencies. Within the Swedish administrative model the general rule is that each agency is responsible for the totality of its mission. Organisationally, this means that all agencies provide their own management processes, core processes and administrative support processes.

Background

The administrative services have been carried out in-house at the majority of the agencies in Sweden. Within larger (joined) agencies the administrative services have often been centralised. There are a few examples of agencies that have turned to solutions provided by the private market. Furthermore some agencies have provided services targeted towards smaller agencies, and in some cases agencies have provided the services to other agencies with close organisational or operational ties.

The services can be delivered to joined agencies without the need to produce them in-house. Such a concentration of service delivery creates significant economies of scale. The services can be produced to a lower cost and often, as well, with a higher quality than before. The technological development creates possibilities for greater division of labour within government. This, in turn, enables quality in administrative services to rise.

At the same time resources are being freed that can be utilised for strategic development projects, as well as for the core services of agencies.

The key motives could be summarized in the three following bullet points:

Centralisation allows agencies to focus on core tasks

Savings from shared investments in IT

Incentives for the development of a market for administrative services

Agents involved, cost and benefit, timeline and sources used

Several studies, carried out by agencies and other government bodies, had shown a potential to achieve economics of scale by creating an agency for administrative services. These studies were presented in 2007 (ESV) and in 2009 (E-delegationen).

In November 2010 the Government established a commission with the purpose to establish such an agency. This commission presented their report in April 2011. After their report was official it was remitted to all concerned actors, where the majority of them displayed a positive opinion to the suggested structure that later became the National Government Service Centre.

The National Government Service Centre started their operations on the 1 June 2012.

When it comes to sources used the majority of the studies and commissions described above did consist of civil servants. In some cases consultancy firms was used for a minor part of the work.

Means of implementation and expected outcome and degree of achievement

A principle of voluntariness is applied with regard to agencies joining the centre. One reason for voluntariness is the pressure it puts on the centre to stay competitive. Exiting the centre is voluntary in the same way as joining it is. In the absence of a competitive market, at this stage, for the services offered by the centre, the principle of voluntariness means that the centre competes with each agency's in-house service delivery. At the same time the agencies have to compete with the centre since the government has stated that agencies that do not wish to join should be able to show that their in-house service production is at least as efficient as the centre's.

The centre has a structured accession process, consisting of five steps:

Evaluation - Including surveying service volumes, analysis of short- and long-term IT solutions, comprehensive risk analysis

Definition - Detailed process review, gap analysis, accession agreement

Implementation - Adaption of processes at the customer agency, education of employees in new systems and procedures, development of plans for launching and communication

Launch - Start of delivery at agreed levels of service, closely monitored

Stabilisation - Possible adjustments of deliveries before final transmission to the customer organisation.

The short term ambition is to have an accession level (i.e. agencies using their services) of 25 percent (as a share of the employees in the state). Whereas the long term ambition is that the majority of the agencies use the service center for their administration. Currently the accession level is approximately 17 percent.

The Government has stated that an evaluation of the reform will be launched in the coming years.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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IPSG member	Cerlin Pesti

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

Estonian administrative system is decentralized and therefore during the crisis each of the ministries individually reorganized their internal structures. Reorganisations in ministries' structures included supportive units as well as core units.

During the crisis period number of mergers of governmental organisations took place. Mergers were mainly driven from the need to cut down public sector costs by establishing multi-functional government organisations instead of mono-functional organisations.

In times of economic crisis shared support services project was centrally launched and

implemented.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Structural reforms in ministries as well as in their subordinated government organisations (boards, inspectorates) were mainly driven by the fact that the budget of state agencies was reduced and therefore ministries and their subordinated government units were forced to find ways to operate in a more effective form.

None of the concrete obstacles can't be mentioned. All the structural reforms took place during tight timeframe and in resources scarcity situation which obviously characterize the crisis.

None of the concrete mechanism can't be mentioned. Reform decisions and structural reforms themselves were made in short period of time.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

Estonia has a decentralised administrative system and therefore a central body/es which monitors, coordinates and supervises reforms in public sector do not exist. Instead, a number of organisations with specific horizontal competencies exist.

In terms of structures Ministry of Finance is responsible for coordinating the general organisation of the state organisations.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

Due to decentralised administrative system each of the ministry individually decides which organisations in their administrative area are subject to reform. No central selection process exists.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The degree of the involvement of the civil servants was individually decided by each of the ministries. No central involvement process exists.

6. Implementation of structural reforms:

a. Describe the effect of structural reforms on the size of public agencies comparing before and after.

b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.

- a. Due to several large-scale mergers in the governmental organisation the overall number of public agencies has decreased. As a result of the mergers duplication in supportive action was eliminated which led to some savings and to some staff reductions in supportive functions.
- b. The structure of the ministry usually consist of 3 hierarchical levels: deputy secretary-general, department, division. The organisations in the executive power are organised into 3 hierarchical levels: ministry, board/inspectorate, government agency.

7. Evaluation of your structural reform programmes:

a. What performance indicators are used?

b. Who conducts the evaluation (ex post, on-going, ex ante)?

- a. Performance indicators like 1) customer satisfaction; 2) number of ministries who are using the services of Shared Support Service Centre; 3) number of entries per accountant per day are for example used to evaluate the performance of Shared Support Service Centre.
- b. No central evaluation unit nor reform evaluation process exists. The organization who is responsible for implementing reform is responsible for conducting evaluations and can decide over the evaluation system (time, process, procedures etc).

8. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,**
- b. agents involved,**
- c. cost and benefit,**
- d. timeline,**
- e. sources used,**
- f. means of implementation (law, ministerial decision etc) and**
- g. expected outcome and degree of achievement.**

One of the most extensive reforms that was launched in times of crisis was the centralization of support services.

- a. The main factor that led to the reform was the need to cut down public sector administrative costs.
- b. The project involves public bodies (ministries, boards, Government Office), civil servants (working groups) and advisers/experts (working groups).
- c. The cost of the project is approx 6,1 million euros. The benefits are: increased quality of support services; accessible and comparable management information; long-term cost-savings.
- d. The duration of the project is 6 years: 2010-2015. The very first phase of the project was making a use of common software in governmental organisations (total number of organisation in 2010 was 231) possible and standardising budgeting and accounting systems. The transition to common software took place step by step (for example, in 2010 120 organisation were transferred to common software, in 2011 32 organisation, in 2012 2 organisations etc.).

In 2012 the State Support Service Centre under the supervision of Ministry of Finance was established and one ministry (total number of ministries is 11) with its subordinated organizations started using its services. In 2014 the Centre offers support services to 4 ministries and their subordinated organisations.

During 2014 the State Employee Self-Service Portal is introduced. The portal includes employees' vacations, business trips and asset management related information (in the future probably information regarding trainings will be added).

The use of common software and State Employee Self-service Portal in all governmental

organizations is expected to achieve by 2015.

- e. No data.
- f. Mandate of the project was received with the Government decision. There was no need to change the law, only the statutes of the ministries and government organizations were reviewed and amended.
- g. Due to the fact that the initial goal of the project (cutting downs administrative costs) changed during the implementing phase it is hard to assess the achievement of the expected outcome. The new goal was not to cut down costs but to increase the quality of the support services and to create opportunities for accessible and comparable management information in public sector. Since the project ends at 2015, it is too early to assess the achievement level and benefits. In general, the quality of the support services has increased.



Hellenic Ministry of Administrative
Reform & E-government (MAREG)

Response Template – Structural reforms within Public Administration

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Name	László Jobbágy, Leticia Fekete
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Country	Hungary
IPSG member	László Jobbágy, Leticia Fekete

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The rationalization and reconstruction of the State administration's institutional system started in 2010. Immediately upon its entry into office, the Government re-designed the 13 existing ministries into 8 new ministries, establishing at the same time the Prime Minister's Office. As a result of various re-organisations, the number of the central public administration institutions was halved, passing from some 650 to no more than 320.

The merging and streamlining initiatives triggered by the Magyary Programme target also the middle-management level. In principle, reforms seek to ensure that one single office discharges the functions allocated to it in each sector. The intention is threefold:

- to increase transparency and clarify competences;
- to reduce, according to official estimates, the total number of staff and the operating costs of the functional units; and

- to resolve unnecessary conflicts that may exist between these organisations by internalising functions and pooling resources.

An important innovation was also the creation of an Office of Public Administration and Justice (OPAJ) within the Ministry of Public Administration and Justice. The competences entrusted to OPAJ, which directly reports to the Minister, include coordination and implementation functions as well as tasks related to justice (e.g. judicial support, provision of aid to victims, probation, analytic services, etc.).

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

In the public administration appear increasingly in the economic and performance requirements, which points towards the rationalization of the organization and the organization's continuous improvement. Goal of the structural changes was to eliminate the anomalies in distribution of resources and tasks. The structural changes are top decisions, which have to be implemented, so we haven't faced any special obstacles.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The main body responsible to design structural reforms is the Ministry of Public Administration and Justice which prepared and elaborated also the government decisions to implement changes.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

The organizational changes announced by government decisions which define the goals to achieve.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

During planning and developing the system we got a lot of help from the County League of Cities and the Association of Local Governments, were partners in negotiation, provided comments and suggestions to the regulations.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

With the reorganization the Government's primary objective was to simplify the system. The reorganization of the central administration have been identified in three waves:

1. reorganisation of the ministerial structure, from 13 to 8 ministries (Jun-Sept 2010)
2. Reorganization of territorial bodies of the central public administration system, development of the county (city) government agencies system, organizational integration, system design district (Sept 2011 – Jan 2013)
3. Development of model state maintainer; clarification of the system of central offices, in order to reorganize the tasks more effectively; consolidation of public funds system in which the 60 screened (public) fund 28 is or has been terminated without a legal successor, or 12 formed into economic entity, the remaining 20 had been implemented in personal renewal and restored the legitimate operation (Jan 2012 – Jan 2013)

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

Functioning of government offices and district offices is monitored continuously by specific indicators like workload statistics, utilization of opening hours, number of monthly cases in the certain offices etc. The results will be analysed and they contribute to necessary changes in the future. The evaluation is conducted by the Office of the Public Administration and Justice.

- 8. Mention one reform concerning structures emphasizing on the:**
- a. factors that led to the reform,**
 - b. agents involved,**
 - c. cost and benefit,**
 - d. timeline,**
 - e. sources used,**
 - f. means of implementation (law, ministerial decision etc) and**
 - g. expected outcome and degree of achievement.**

The so-called “Government Regulation” entered into force in 2013, addressing the rationalisation of the institutional and organisational architecture widely across the public administration²². With regard to the ministries and the bodies under their supervision, the Government Regulation requires to:

- cease positions that have been vacant for at least three month;
- relieve the work of those civil servants whose workload is lower than 25% in the ministries and 15% in the background institutions;
- reduce the number of managerial jobs to 15% in the ministries and 10% in the background institutions;
- develop an integrated research network on rural development, to be led by the Ministry of

22 . See Government Regulation No. 1007/2013. (I.10) on reorganizing the State administration’s institutional system.

Rural Development ; and

- consider the rationalisation of the research institutions in the health and medical sector.

Besides the re-organisation of the central administration, the Magyary Programme seeks organisational streamlining also on the territory, notably through a structure of County (Capital) Government Offices with general competences, law enforcement and the National Tax and Customs Administration Office.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	Klaudija Korazija
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Country	Slovenia
IPSG member	No.

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The public sector reform remains the priority for the Slovenian government with the objective to optimize processes in the public administration and to rationalise and simplify the procedures leading to a more efficient, transparent and competitive public sector.

The government adopted in 2012 the policy regarding the restructuring of public sector. The first and second phases of reorganization of central public administration in 2012 included reduction of the number of ministries, government offices, bodies within ministries and directorates in the ministries. The third phase comprised the functional analysis of structure and number of bodies within ministries, public agencies and public institutions that perform administrative tasks, and their mergers or inclusion in other administrative structures (ex: merger of institutes in the field of vocational education and adult education into the Institute for the development of education in

Slovenia; merger of Veterinary and Phytosanitary Administration, Directorate for Food Safety and Agricultural Inspectorate into the Administration for Food Safety, Veterinary and Plant Protection at the Ministry of Agriculture and the Environment; etc.).

Merger of work fields, employees and knowledge created new synergies and had positive financial impact.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Due to the economic and financial crisis, some entities had to provide efficient delivery of services with less costs. Therefore the civil servants were reluctant to changes since their status has been modified. However, the changes were introduced with a view to avoid downsizing. Also, the salaries in most cases weren't reduced.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The government submits the reform proposal to the national assembly for adoption or adopts reforms itself. A very important part of the reform process is the social dialogue – consultations with civil society, expert public, the business sector and trade unions within legislative procedure and public presentation of opinions. There is also general debate on reforms in the national assembly.

According to the Civil Servants Act and the Public Administration Act, the central public administration has an obligation to implement the decisions of government. The senior leadership at the ministries is responsible and accountable for policy development and for the operationalisation of reforms.

The Centre of Government is responsible for steering reform development and implementation. It is in frequent communication with the rest of the central public administration at line ministry level, and with the political administration through the Prime Minister. The Centre of Government is comprised of the Office of the Prime Minister, Secretariat-General to the Government, Ministry of Finance, Ministry of Economic Development and Technology, Ministry of the Interior, Government Office for Legislation, Government Communications Office and the Institute for Macroeconomic Analysis and Development (IMAD).

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

At first, we looked into the content of work at the entities and found out which ones could be merged. We started with the merger of ministries, bodies within ministries and agencies*. Our primary objective was to reduce labour costs, optimise work processes and avoid unnecessary duplication of work. The outcomes of the reform were the reduced number of employees, organisational units and labour costs.

* Only the public agencies that fall under the responsibility of ministries merged.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The final decision for the reform process was adopted by the Government while the ministries adopted the regulatory requirements for its implementation. The civil servants were thus involved at the micro level where they had to implement the activities regarding changes in internal reorganisation, systemization and internal acts.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

a. The table below shows that the number of ministries, bodies within ministries, directorates within ministries and government offices reduced during 2011 and 2014 while the number of administrative units remained the same.

	December 2011	October 2012	May 2013	January 2014
	Number	Number	Number	Number
Ministries	15	11	12	12

Bodies within ministries	39	36	33	33
Directorates within ministries	58	55	53	53
Government offices	14	10	10	11
Administrative units	58	58	58	58

b. The number of hierarchical levels remained the same, namely:

- Minister
- State Secretary as Minister's deputy (up to 2 per ministry)
- Director-General
- Secretary-General
- Director of Body within Ministry
- Head of Service
- Head of Division
- Other Civil Servants

Due to the merger of entities, the number employees on hierarchical positions was reduced.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

a. The following performance indicators are used for the reforms: number of organisational units, number of employees, financial resources and use of resources.

b. The on-going evaluation is conducted by the government in the framework of activity reporting. The ex-post evaluation was carried out by the Court of Auditors in the field of efficiency of measures for reducing costs.

We estimate that the efficiency of the public administration improved since the activities were implemented with reduced financial and human resources.

8. Mention one reform concerning structures emphasizing on the:

Merger of ministries:

- h. factors that led to the reform:** As soon as it took office in February 2012, the government took into consideration the difficult financial and economic situation of the country, the need for rationalisation of public administration and reduction of public spending.
- i. agents involved:** government, general assembly
- j. cost and benefit:** optimisation of work processes, reduction of labour costs
- k. timeline:** 4 months
- l. sources used:** existing sources at the ministries (regulatory framework was prepared at the ministries)
- m. means of implementation (law, ministerial decision etc):** Government of the Republic of Slovenia Act, Public Administration Act, regulations, employment contracts
- n. expected outcome and degree of achievement:** at the organisational level, the objectives were achieved (number of entities was reduced); at the HR level also the objectives were realised (number of employees in public administration was reduced for 1,3% in the first six months of the government's mandate); at the functional level, all activities continued to be implemented also after the implementation of the reform.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

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Name	Gitana Jurjonienė
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IPSG member	Yes

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The main documents that define the directions and specific measures for the structural reforms are:

- Public Governance Improvement programme for 2012-2020, approved by the Government in 2012.
- Conception of the improvement of the executive power system, approved by the Government in 2009.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Challenges:

- Resistance (opposition) to reform
- Objectives of the reform is too ambitious and difficult to implement in practice
- Monitoring implementation;
- Ensuring the quality of human and institutional capacities and etc.

Enablers for the successful reform:

- Information and communication about the objectives of the reform
- Consultations with stakeholders
- Deliberate procedure of the implementation of the reform and reform strategy document
- Ex-ante evaluation of the potential impact/results of the reform
- Evaluation of risks, advantages and disadvantages
- best public sector reform practices in other European countries and etc.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

The Ministry of the Interior is responsible for the formulation of the state policy in the field of Public Administration. It prepares the main strategic documents and other legal acts for the improvement of the institutional structure. Also separate bodies (such as, Public Governance Improvement Commission) are actively involved into this process and could coordinate very specific issues of the structural reforms.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

The proposals for the structural reform could be prepared by the Ministry of the Interior, later on – they are/ could be considered by the Public Governance Improvement Commission and discussed in the meetings of the cabinet of the ministers. Other initiatives could be started as the result of the functional reviews implemented in the public administration institutions and etc.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The purposes of the reform and the results of it are introduced to the civil servants.

6. Implementation of structural reforms:

- Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

After the the optimisation of the network of the Government agencies, some of them were abolished, reorganized or the status of them were changed (from the Government agency to the agency under the ministry).

7. Mention one reform concerning structures emphasizing on the:

- a. factors that led to the reform,
- b. agents involved,
- c. cost and benefit,
- d. timeline,
- e. sources used,
- f. means of implementation (law, ministerial decision etc) and
- g. expected outcome and degree of achievement.

Reforms (2009-20010):

Optimization of institutional network was implemented in public sector (Government and accountable agencies) and organizational structures were improved. Objectives and expected results of the reform: to create the concept of improving the structure of the executive power system and define a clear model for determining the principles of establishing different type institutions, control, autonomy and other principles; to separate and define institutional framework for the formulation and implementation of state policy functions; to limit administrative powers granted to public enterprises and public institutions; to assign ministers areas of state administration; to abandon not typical ministries public policy functions and etc.

Redistribution of Functions of County Governor's Administrations. The aim of this initiative was - to improve the quality of public services, to reduce administrative burden and to ensure the use of budget efficiency. Having abolished County Governor's Administrations, 44 per cent of their functions were abolished, the rest were redistributed among other state governing institutions and municipalities.



**Hellenic Ministry of Administrative
Reform & E-government (MAREG)**

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmed.gov.gr

Name	
Email	
Country	AUSTRIA
IPSG member	

Structural reforms within Public Administration

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

In Austria, structural reforms have taken place in several fields, concerning for example tax offices and district courts. In what follows, we describe one recent example for structural reforms.

Administrative Courts: One structural reform was introduced (January 2014) in the field of the Austrian court’s system. Therefore two courts on federal level have been established. Through the implementation of administrative courts full established independent courts adjudicate on appeals of decisions of public authorities (which is already standart on european level) since January 2014, thereby replacing xxx former institutions. Beside the objective to fulfill the legal requirements

named under point 2 the reform aimed to relieve the higher administrative court and to enhance the legal protection system through shortening the administrative appeals stages.

2. What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Administrative Courts: Up to this specific date so called independent administrative authorities were in existence to adjudicate on appeals of public authorities. Due to legal requirements set in the ECHR (Art. 5, 6) and the Charter of Fundamental Rights (Art. 47) judgements of these independent administrative authorities have been under discussions for the last 20 years (even on the basis of ECHR-judgements: Ettl, 23.4.1987; Sramek, 22.10.1984). In the center of attention have always been the issues concerning independence and impartiality of the adjudicating persons of the authority. The first efforts given to this structural reform (to fulfill legal requirements) took place in 1988. Result of these efforts were the independent administrative authorities and authorities with so called judicial elements. Deficiencies in independence and impartiality led to further discussions concerning full established courts. Several drafts were given to parliament between 1995 and 2009 but due to changes in government only in 2011 such a law could be passed. The main obstacles in establishing this structural reform were due to varying political interests. Finally, after discussions of more than 20 years an agreement could be achieved.

3. What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

Projects of a bigger scale are subject to ex-ante regulatory impact assessment and evaluated 1-5 years later. The RIA and the evaluation is carried out by the responsible ministry. The Federal Performance Management Office in the Federal Chancellery provides quality assurance.

From case to case, also the Austrian Court of Audit audits reform project.

4. Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

The Selection of public agencies/entities which are subject to reform is mainly a political process. Important reform projects are normally described in the work program of the federal government.

5. What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

This varies from case to case.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

The administrative service has been the most strongly affected by staff cuts. 16.9% of all posts that have fallen vacant since 1999 have not been filled, resulting in cuts equivalent to approximately 9,200 FTE. In other words, every sixth job has been eliminated. This development has been facilitated by reforming government tasks, implementing leaner processes, and increased use of new information technologies.

- 7. Evaluation of your structural reform programmes:**
- a. What performance indicators are used?**
 - b. Who conducts the evaluation (ex post, on-going, ex ante)?**

- c. Mention one reform concerning structures emphasizing on the:**
- a. factors that led to the reform,**
 - b. agents involved,**
 - c. cost and benefit,**
 - d. timeline,**
 - e. sources used,**
 - f. means of implementation (law, ministerial decision etc) and**
 - g. expected outcome and degree of achievement.**

See answer to question nr 6



Hellenic Ministry of Administrative
Reform & E-government (MAREG)

Response Template – Structural reforms within Public Administration

Please use the template below to respond to the questions within the discussion note. You are kindly requested to complete the template and return it before the **28th of February** to the attention of Vassiliki Karagiannakou (IPSG) by e-mail: eupan@ydmmed.gov.gr

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Country	TURKEY
IPSG member	

1. On which fields do structural reforms in ministries emphasize? Please name specific structural reform programmes in your ministries in times of economic crisis.

The Republic of Turkey is quite a big and highly centralized country. There are 21 ministries consist of a great number of entities of different status. As for the local government, there are 2950 municipalities in 5 different types (metropolitan municipality, provincial municipality, metropolitan district municipality, district municipality, town municipality) and more than 30.000 villages.

In order to improve the effectiveness of the central and local government a restructuring reform programme was implemented in 2011 and 2012 respectively. As for ministries in 2011;

- Ministries of State abolished; 9 ministries were restructured, some ministries were merged with other ministries (for example Ministry of Environment and Ministry of City Planning). The number of ministries has declined to 21.
- Deputy Ministries were established.

In 2012, an important structural reform has been realized in local governments;

- In order to take the advantage of economies of scale, the number of metropolitan municipalities has increased 16 to 30. There has been a dramatic change in the administrative boundaries and system of governance. The most important effect is the abolishment of the legal personality of municipalities (belde) and villages in the provinces; they are now to be included in and governed by the metropolitan municipalities as districts (mahalleler). Metropolitan municipalities are responsible for the whole province.
- In the 30 cities mentioned, the special provincial assemblies (il özel idaresi) have also been abolished. To manage the funds transferred from the central government, there is a new institution established under the new law called the Center for Investment Monitoring and Coordination (Yatırım İzleme ve Koordinasyon Merkezi).
- In provinces, the legal personalities of small municipalities with a population of less than 2,000 have been abolished.

2.What were the challenges at local and national level that led to specific structural reforms, as well as the obstacles you faced and the mechanisms to overcome them?

Different challenges led our government to implement structural reforms. For the reforms of ministerial level, there was discrepancy in authorities and also repetition in some areas. In order to increase efficiency and effectiveness and avoid discrepancy and repetition structural reforms were carried out. Therefore 9 ministries were restructured, some ministries were merged with other ministries.

As for the reforms at local level there was unefficiency in public expenditures. In order to take advantage of scale economies the borders of a province have become the administrative boundaries for a metropolitan municipality. It means that the competency area of metropolitan municipalities has extended. Besides that the number of metropolitan municipalities has increased 16 to 30. The 76% of the population will be living in metropolitan municipality area after local elections which will be held in March 2014. It is anticipated that after the reform procedure the cost of public services per capita would be decreased.

Another challenge for the reforms at local level was the unefficiency in city planning. Before the reform process single municipalities were having short term city planning with a micro perspective. Therefore, there was the necessity for city planning in a larger framework with a macro perspective especially in the areas environment, industry, transportation etc.

3.What is/are the main body/ies in your country responsible to design, implement, monitor and evaluate structural reforms and what is its/their role in the overall procedure (e.g. coordinating, supervising etc)?

In Turkey the reform procedure is mainly designed by a de facto core group composed of related minister, deputy minister, legal advisors, experts etc. The reform group carries out overall procedure. There is not a public institution evaluating reforms directly.

4.Please describe the process/es (evaluation or other) followed to select the public agencies/entities which are subject to reform.

Evaluation for public institutions subject to reform was held prior to the reform process. A working group evaluates the need for reform in terms of effectiveness, procedures, service delivery etc. According to the finalized report government takes action and requests necessary amendments in law.

5.What is the degree of involvement of the civil servants of an agency during and after the reform process (i.e. design, implementation, monitor and evaluation)?

The involvement of civil servants to the reform procedure is very critical for the success of the reforms. Unfortunately the degree of involvement is very low in Turkey. There is not a mechanism enabling civil servants to participate in the reform procedures neither in designing nor in implementing or evaluating. There is a top-down approach which excludes public servants.

6. Implementation of structural reforms:

- a. Describe the effect of structural reforms on the size of public agencies comparing before and after.**
- b. How many hierarchical levels will the new structures consist of? Please make a reference to the hierarchical structure of the agencies prior to the reform.**

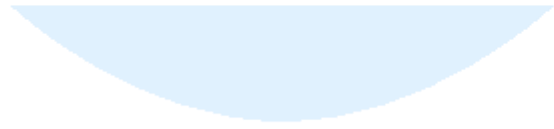
a. The structural reforms implemented both in central and local government indeed did not directly aim to reduce the size of public bodies but to increase the effectiveness of the public sector. Some ministries have merged (for example Ministry of Environment and Ministry of City Planning) and some public bodies have abolished. Ministries of State abolished; the number of ministries has declined to 21. But in terms of number of public servants Turkish public sector has not become smaller. As an indicator to give an idea the number of public employees increased %23,5 between 2004-2012.

b. In Turkey it is not easy to generalize hierarchical levels like two, three or four levels. It depends on the size of the organization. For example in Prime Ministry there are directorates and general directorates. However in Ministry of Environment and City Planning besides directorates and general directorates there are departments and sub-departments. But in principle there are three main levels (from bottom up): department, directorate, general directorate.

7. Evaluation of your structural reform programmes:

- a. What performance indicators are used?**
- b. Who conducts the evaluation (ex post, on-going, ex ante)?**

There is not a direct evaluation procedure for structural reform programmes. It is the Ministry itself deciding to carry out an evaluation procedure. There are not pre-determined performance indicators indicating whether a reform programme is successful.



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