

Public Administration Reform

-From strategy to results-

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(CRPE)

What do we discuss

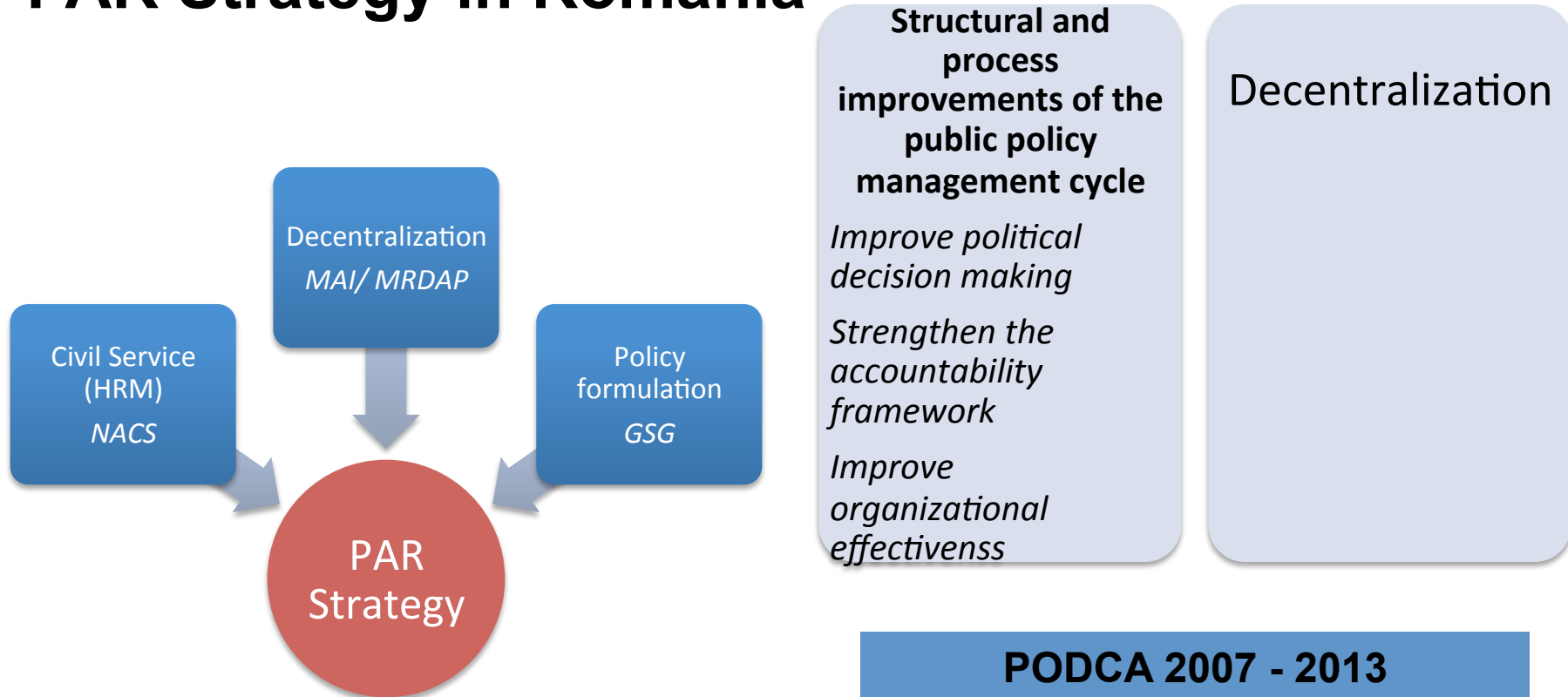
1. PAR in Romania

2. PAR in Moldova

3. Challenges ahead

4. Policy Planning and Decision Making

PAR Strategy in Romania

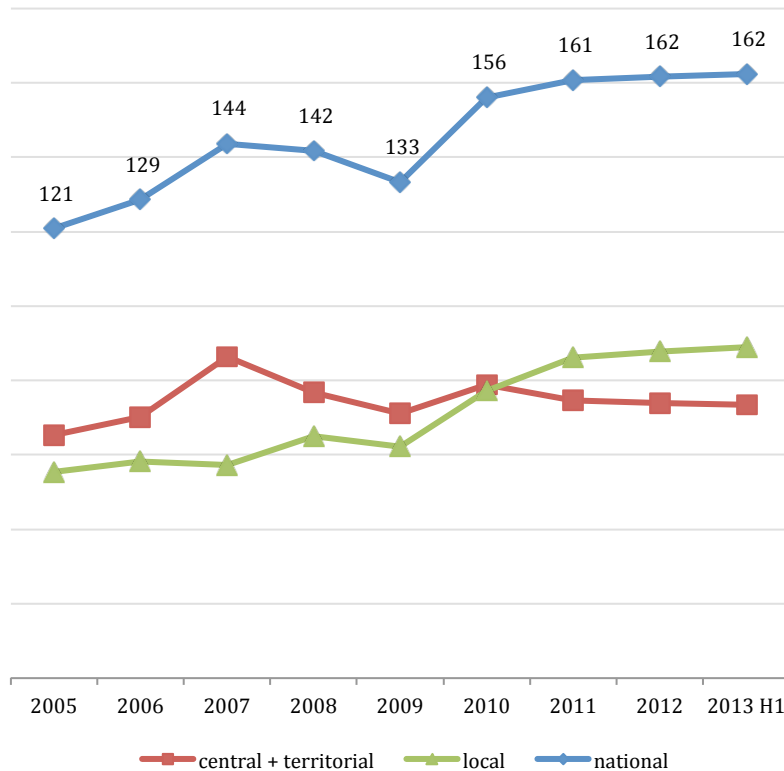


- No current PAR strategy in place (since 2007)
- Drafting PAR Strategy as precondition for new programming period

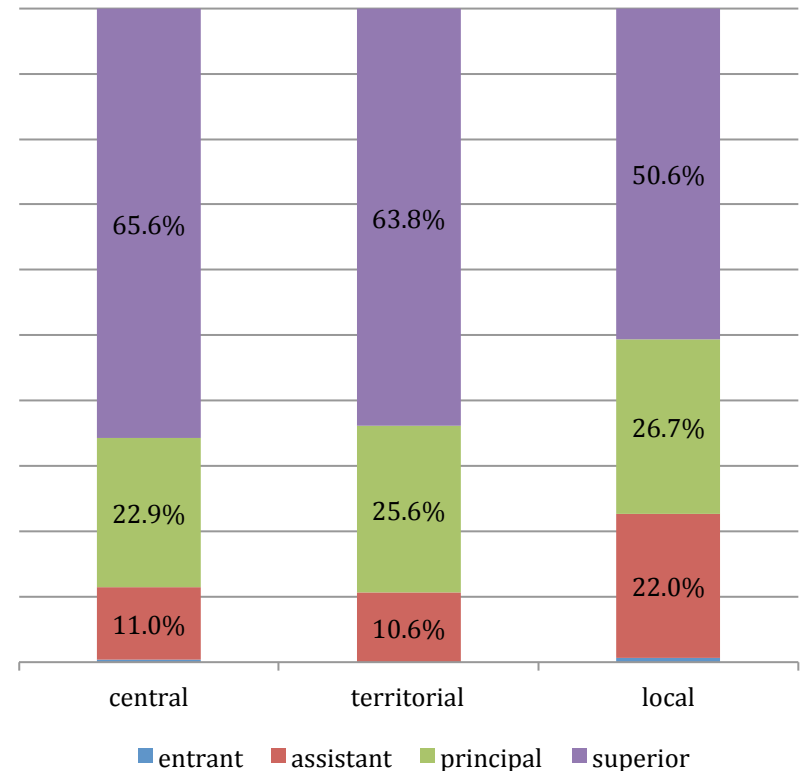
PAR in Romania – Overview

Size and composition of civil service

Civil servants positions by administrative levels



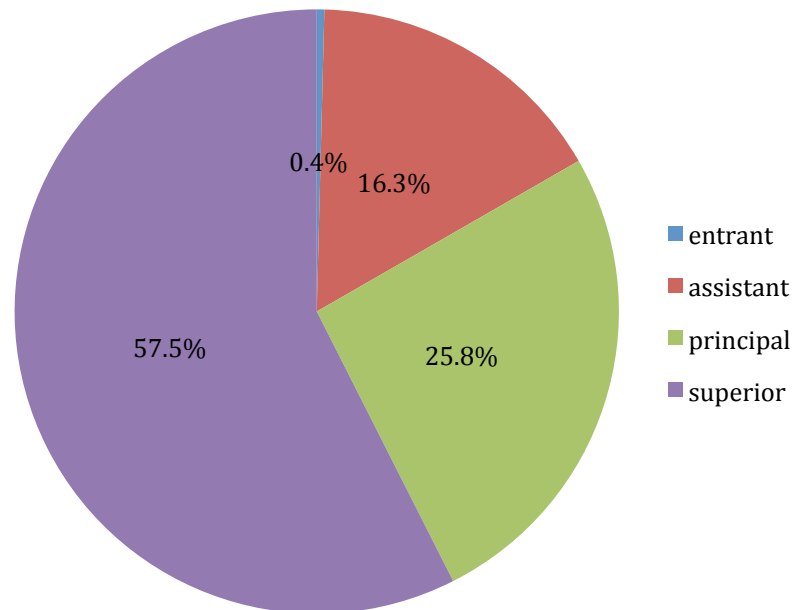
Execution positions by grade and government level



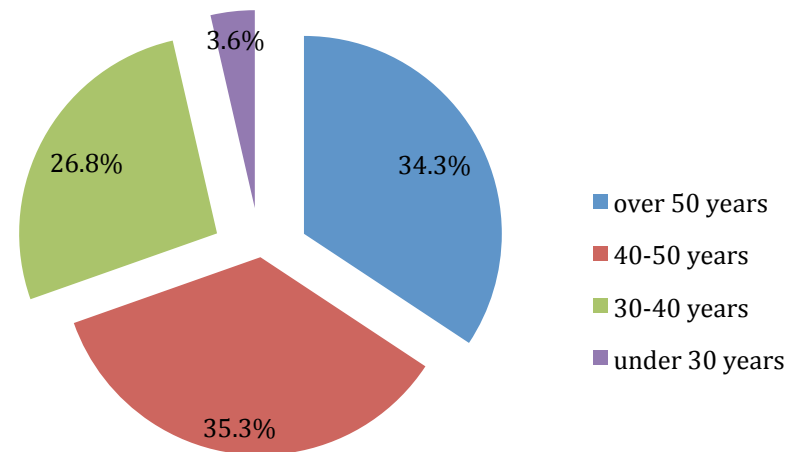
PAR in Romania – Overview

Size and composition of civil service

Filled execution positions by grade



Civil servants distribution per age groups



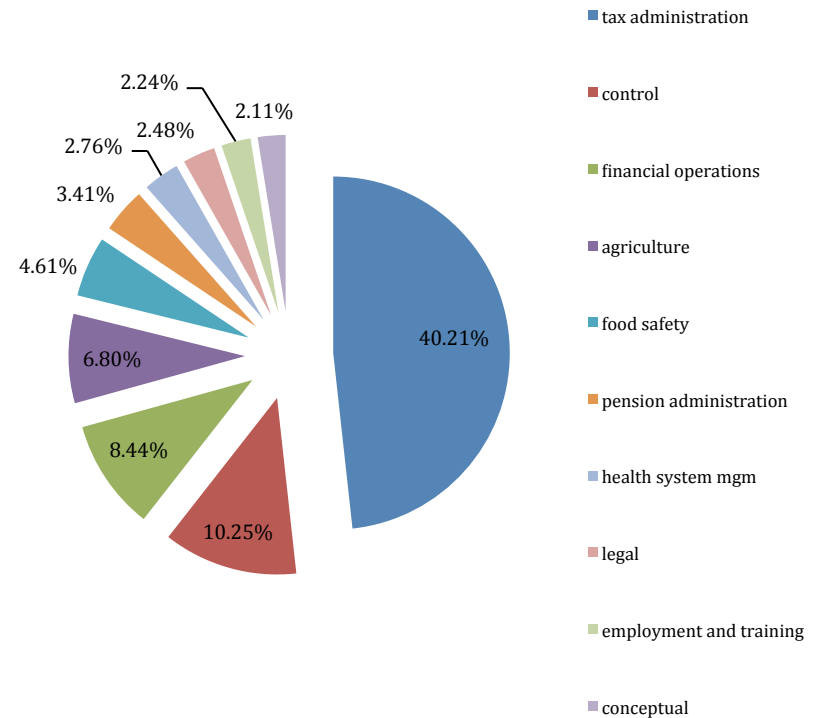
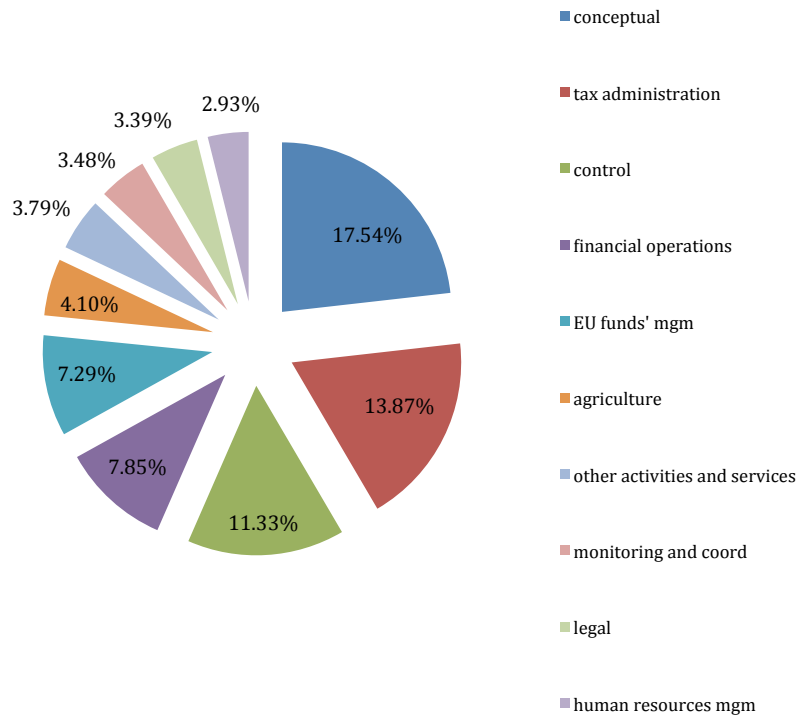
PAR in Romania – Overview

Tasks performed by civil servants

Civil servants at territorial level

Civil servants at central level

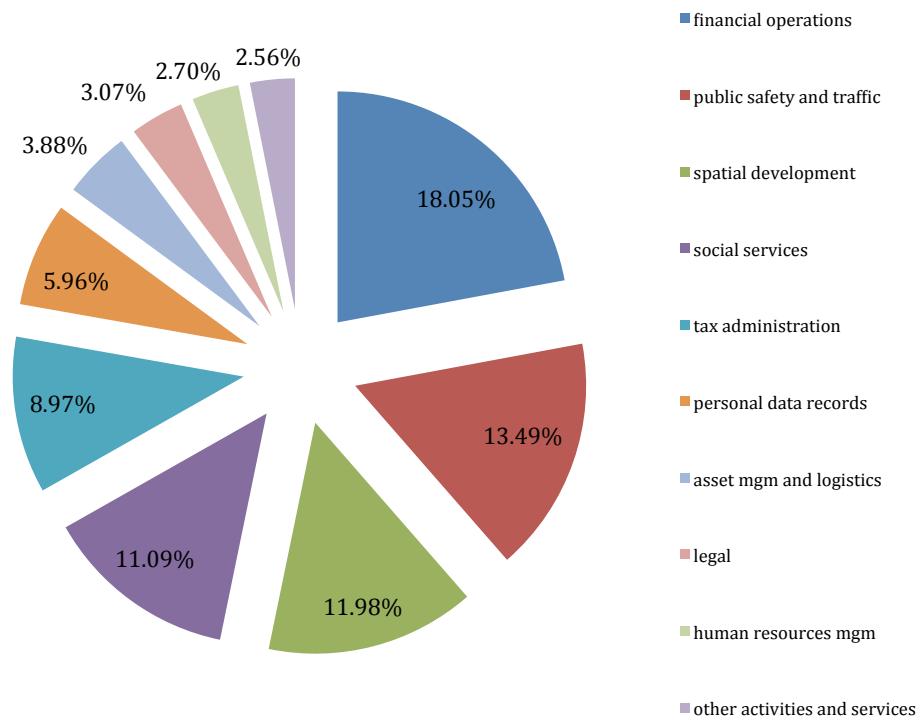
level



PAR in Romania – Overview

Tasks performed by civil servants

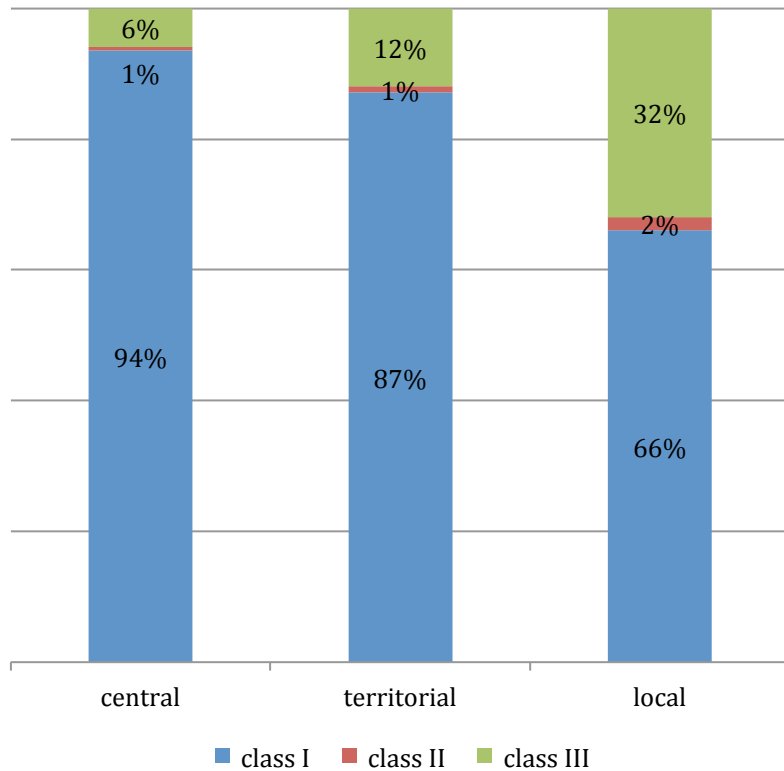
Civil servants at local level



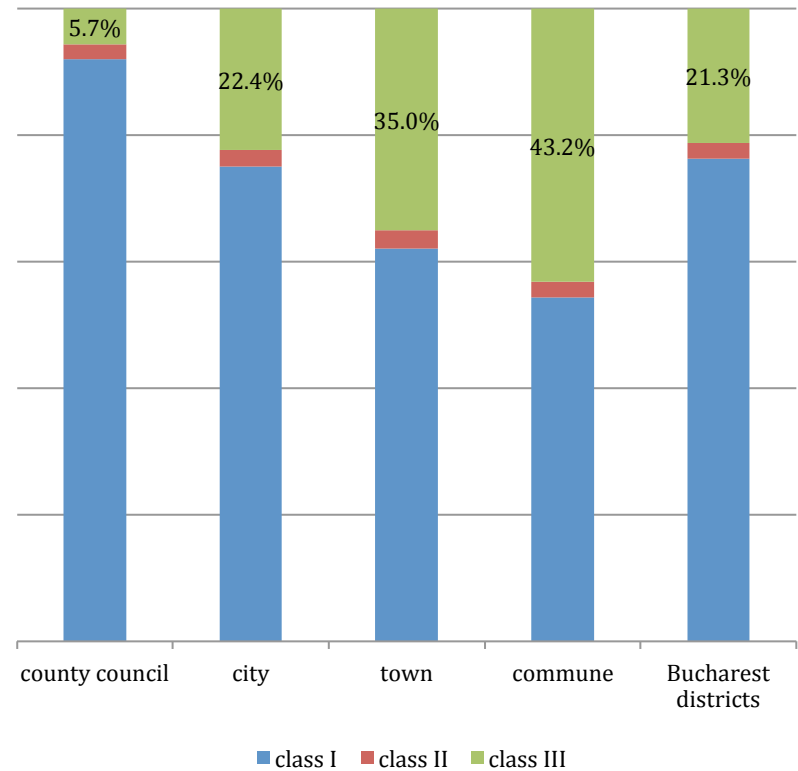
PAR in Romania – Overview

Civil Service Education profile

Execution positions by level of education



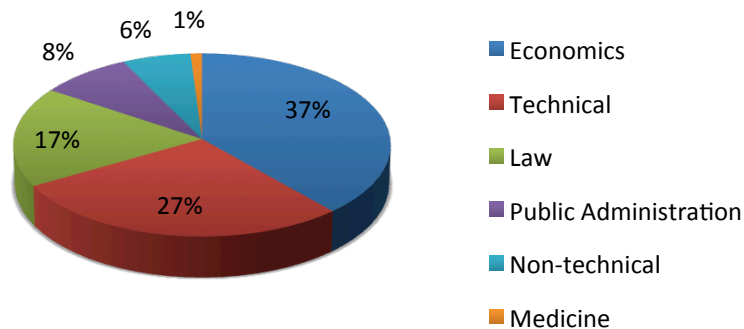
Execution positions in local government



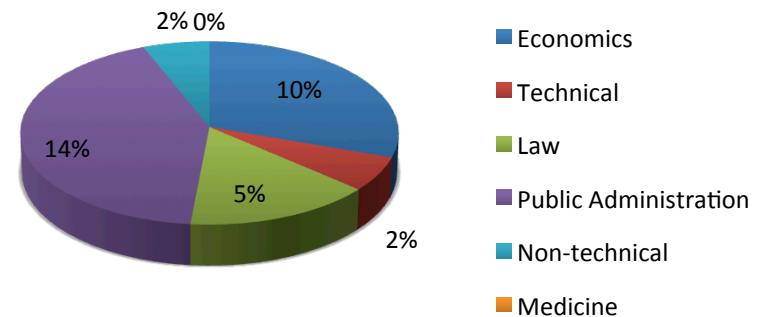
PAR in Romania – Overview

Civil Service Education profile

University degree



Post-university degree



PAR in Romania – Overview

Civil Service Education profile

Education and training per key function

Key work function	Most frequent university degree	Most frequently attended training topic
Conceptual	Technical studies	Non technical, economics, public administration
Tax administration	Economics	Economics
Project implementation	Economics	Public administration
Human resources	Public administration	Public administration

PAR in Romania – Overview

Managing HRM

Incidents of transfers (2012)

Types of Positions	Number of temporary appointment clearances issues by NACS	Total Number of Central Government Positions	Incidence of Temporary Appointments
High ranking civil servants (HRCS)	152	192	79.2%
Director	782	2,743	28.5%
Secretary	249	2,973	8.4%
Head of service	1,001	5,517	18.1%
Head of office	420	2,563	16.4%

PAR in Romania – Overview

State of play

- Concentration of executing civil servants in the highest two grades
- Aging civil service
- High vacancy rate
- High average for tertiary education
- Biggest sectors (tasks): tax administration (21%), financial operations, public safety

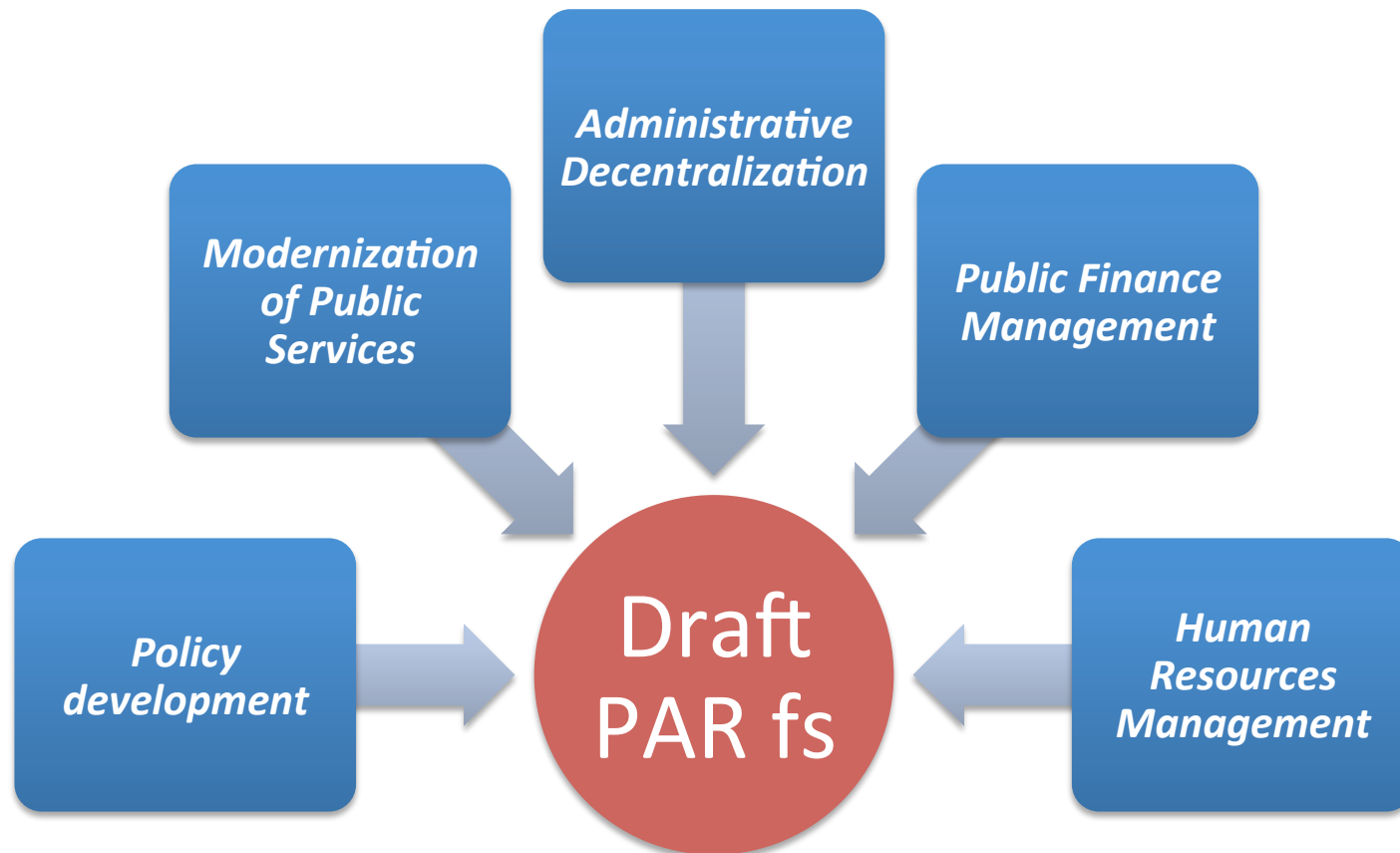
PAR in Romania

Current challenges

- Administrative capacity remains limited (decreasing after 2007)
- Politicization
- Strategic HRM for public sector is lacking
- Ad-hoc decision making
- No clear strategic planning process
- Planning, linking policy with budget and accountability – different for national vs EU

PAR in Moldova

Looking to the future



**PUBLIC ADMINISTRATION REFORM
ROADMAP 2014-2020** - *Modernization of the public
administration as part of the European integration
efforts*

PAR in Moldova

PAR Roadmap – 2014-2020

Policy development. Key objectives

- 1. Clarification, simplification and reinforcement of the decision-making process*
- 2. Building/development of policy assessment capacities of managers of authorities*
- 3. Arrangements for building institutional capacities related to the policy process*
- 4. Reinforcement of planning and reporting at institutional level*

PAR in Moldova

PAR Roadmap – 2014-2020

Modernization of Public Services. Key objectives

- 1. Building institutional capacity for service reform management*
- 2. Development of the primary and secondary legislation for the public service reform*
- 3. Arrangements for building institutional capacity related to policy process*
- 4. Creation of universal service centers*
- 5. Development of service reengineering and digitization plan*
- 6. Creation of the appropriate infrastructure and platforms for the e-Transformation of the Governance, with particular focus on the modernization of public services*

PAR in Moldova

PAR Roadmap – 2014-2020

Administrative decentralization. Key objectives

- 1. Development of the regulatory framework on decentralization*
- 2. Alignment with the European good practices in delivery of local public services*
- 3. Clear delimitation of assets management functions*
- 4. Development of human resources at local level, in particular in the priority areas of the Decentralization Strategy and PARfs.*

PAR in Moldova

PAR Roadmap – 2014-2020

PFM. Key objectives

- 1. Revision of the legal framework to make sure policies and budgetary funds are linked*
- 2. Design of a new IT public finance system*
- 3. Tax management reinforcement*

PAR in Moldova

PAR Roadmap – 2014-2020

HRM. Key objectives

- 1. Creation of the community of top managers in civil service*
- 2. Design of the civil service training system*
- 3. Development of HRM IT systems*
- 4. Development of CPAR Division 's capacity*

Thank you!

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Policy Planning and Decision Making

Can Governments plan better?

Dragos Dinu

Levels of planning

Long Term National Strategy (Vision) – 20-25 years

Where the country intends to be on the long run – accepted by all political parties

National Development Program – 7-10 years

Puts the vision into effect. Sets the broad policy framework

Government Strategic Plan / MTEF – 3-4 years

More focused on medium term priorities and programming implementation of reforms. Allocating financing on medium term

Sectoral policies

Policy options for particular sector

Cross – sectoral policies

Policy planning for crosscutting

Institutional Strategic Plans – 3-4 years

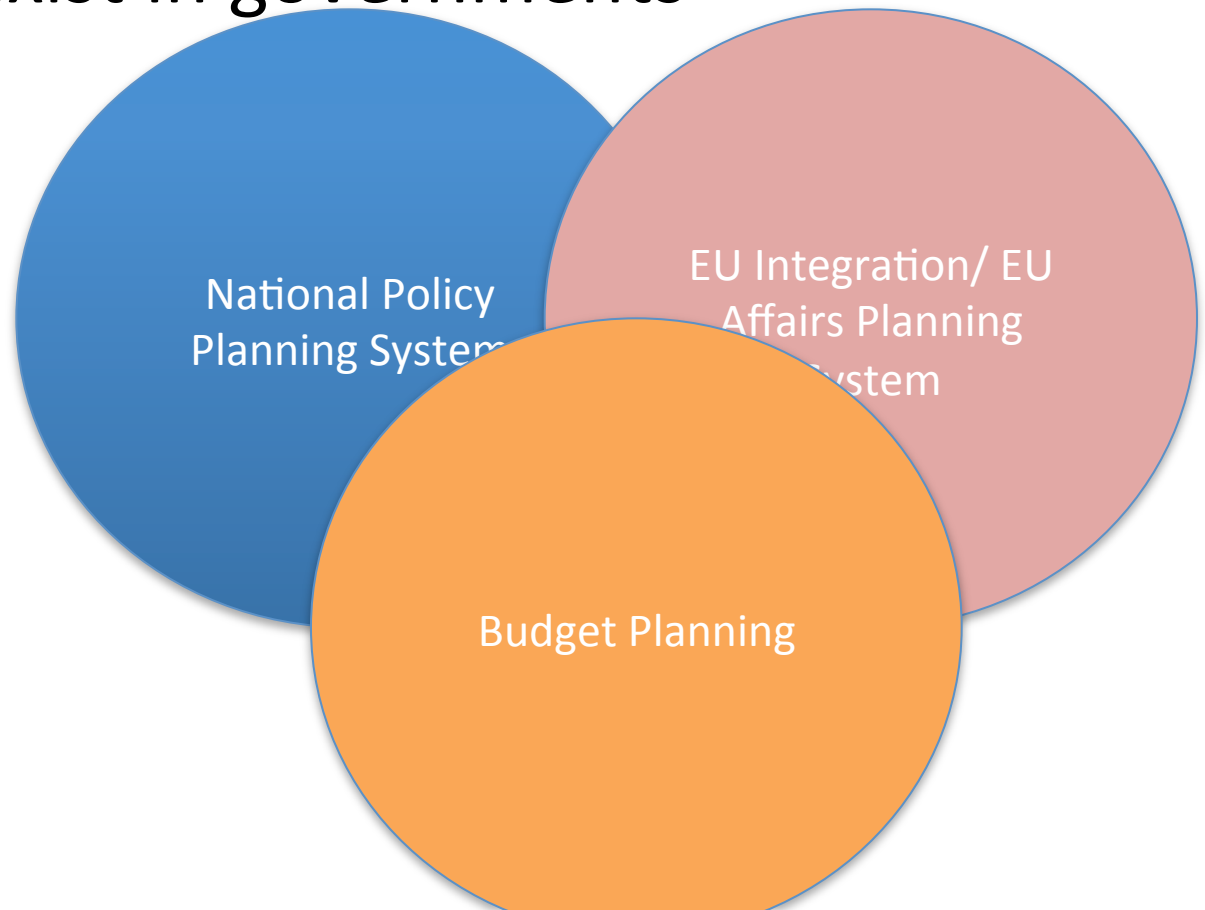
Medium term planning at

Annual plans

Put the medium term docs into concrete

Planning system(s) in Government

Reality– different **uncorrelated** planning systems co-exist in governments



In reality, are the commitments included in the *national policy docs* different than what we commit towards EU?

Policy planning and budgeting should complement each other?

Planning system(s) in Government

Danger: invest in different planning system –
different procedures, different people,
different documents, lack of correlation

Examples:

- Policy coordination and EU Affairs
coordination mechanism in Romania
- EPAP in Kosovo, policy coordination and EI
mechanism in Moldova

Why planning should be integrated/ closely connected

- Capacity is **low** and **scattered**
 - PCD, ministerial policy units and EI units
- **No substantial difference** between *National agenda* and *EU Integration one - Development*
- Hard times require better planning and better **priority setting**
- **Financial allocations** should have a **policy ground**

Additional short- term planning

- Legislative planning – legislative agenda for 1 year, updated at 6 months. No need for costing at inception
- Ministerial working plan – annual plan, presenting activities to be undertaken
- Government meeting agenda – items to be on government meeting agenda – weekly, days before the meeting. Use preparatory meeting or HRCS meetings

All operational planning should be based on other planning documents

Why governments fail to plan

- Ad-hoc decision making is the rule/ tradition of the system
- Politicians don't see the relevance for careful planning and evidence based policymaking
- Civil servants unable to provide policy analysis and support at the expected level
- Economic crisis has required mainly short term planning/ immediate measures. *If fiscal constraint measures are taken without consideration of policy impacts, longer-term damage may result*

Why does policy planning matters?

- what appear to be highly technical matters have profound political, economic and social consequences
- ad hoc decision-making leads to poor decisions
- the quality of decisions can be positively influenced by the quality of support provided to decision makers
- ensuring policy discipline can be fundamental to maintaining fiscal discipline
- if fiscal constraint measures are taken without consideration of policy impacts, longer-term damage may result
- need to identify ways to shift funding from lower to higher priority programs and find ways of doing things better with less

Managing policy planning

Policy institutions

3 institutional levels:

- **Decision-making institutions:** Prime Minister, Ministers
- **Coordinating institutions:** PMO, State Chancellery (GSG), MoF
- **Implementing institutions:** line ministries

All of the above have important roles and communication and coordination is critical for policy planning

Managing policy planning

Decision-making institutions

- Political
- Government meeting and inter-ministerial committees

Benchmarks for Decision –making institutions

- **All major policy decisions** ratified at **regular government meeting**
- **Alternative forums** exist to permit in-depth **political review** of significant planning documents and policy proposals
- **Prime Minister** is empowered to determine **consensus, resolve disputes**
- **Prime Minister's time** is safeguarded for **strategic issues**
- Once taken, **government decisions** are **collectively supported**
- **Ministers do not routinely work outside the agreed policy process**
- **Planning and decision-making procedures** are well understood

Managing policy planning

Coordinating institutions

- CoG – PM political advisers, Chancellery-technical advisers

Benchmarks for Coordinating institutions

- **Chancellery delegated sufficient authority** to assure quality of ministry planning and policy proposals
- **Technical advisors capable** of challenging ministry proposal
- **Mechanism** (e.g., briefing note) exists to identify quality issues to PM
- **Political and technical staff have clearly defined roles and work collaboratively**
- **CoG institutions work collaboratively with Ministry of Finance**
- **Line ministries willingly share information** with central institutions; in turn, **central institutions** provide line ministries with a **government-wide perspective**
- **Chancellery** regularly convenes meeting of **line ministry senior officials** to ensure inter-ministerial coordination

Managing policy planning Implementing institutions

- Line ministries that do policy planning and carry on/oversee the implementation

Benchmarks for Implementing institutions

- An **institutional home** exists within ministry to coordinate and/or develop planning and policy formulation
- The ministry's **policy planning function** works closely with the ministry's **budget, legal, human resources, and EU integration/coordination** functions
- A designated **liaison officer** works closely with the ministry's Chancellery policy advisor
- **Inter-ministerial** policy coordination forums exist

Not implemented policies means wasted resources with no change, no impact. We plan policies to implement and achieve the objectives and

Managing policy planning Challenges

Political

- Politicians do not see the added value of policy planning
- PM not directly interested in policy planning process
- Ministers enjoy personal, ad-hoc decisions

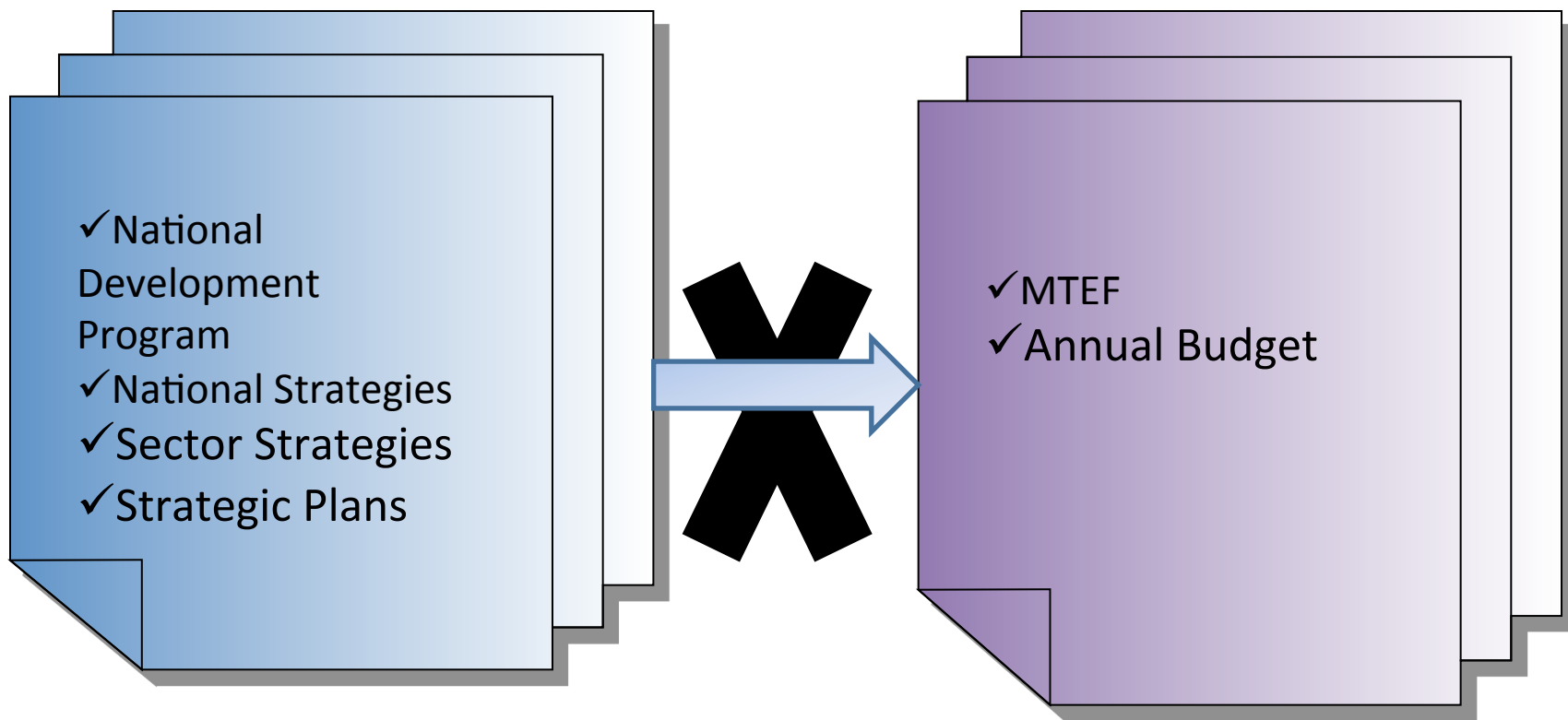
Administration

- Ministries reluctant to stricter rules and procedures
- Policy decisions avoiding the Chancellery scrutiny mechanisms
- Capacities, mandate and structure of PCD
- Limited collaboration between PCD and PM advisers; policy unit and other sectoral/ coordinating units within ministry

Policy planning link with budget

- Identified priorities and policies need finance to be implemented
- Process of resource allocation has to have a policy ground
- Trade-offs are to be made – lower priority to higher priority programs
- No need to have 2 separate processes, two planning periods, different coordinators and overburden with similar request to line ministries

Lack of Fiscal- Policy Linkages



Plans and policies don't get fully implemented. Targets not met

Resources are not allocated for clear/coherent policies. Waste of money

How policy planning differs from budget planning?

- 2 different coordinating institutions – CoG and MoF
- Budgeting is considered more focused on money
- Budget department in line ministries – stronger position than PUs (specialized personnel in BDs)
- Incentives for system are different – financial incentive is stronger

Separate, but interlinked processes...

- Government- wide priority setting is starting point for both
- Information gathered from strategic planning is to be used for budgeting – no need to ask ministries again
- Methodological instruments developed together – CoG and MoF
- One common planning calendar to guide both processes

Responsibility for planning

MoF alone? Chancellery alone?

- Not feasible to preserve fiscal discipline if PM and Chancellery do not perceive as joint responsibility
- Simply perceived as MoF document and Ministers will try to bypass – PM access or gov meeting
- Chancellery does not have the financial planning skills of MoF, or the core mandate of MoF

CoG-MoF Interaction

Working together...

Action	Interaction
Prepare Policy Priorities Note	CoG prepares, MoF reviews
Indicative ceilings	MoF prepares, CoG reviews
MTEF, Strategic Planning instructions	Joint
Review draft strategic plans	CoG reviews policy content; MoF reviews fiscal content; meet to ensure advice to ministries is consistent
Supporting sector groups	joint
Draft MTEF	MoF prepares, CoG reviews
prepare Budget Circular	MoF prepares, CoG reviews
Annual Work Plan instructions	CoG prepares, MoF reviews
Draft Annual Work Plan	CoG prepares, MoF reviews

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