



# **PUBLIC ADMINISTRATION REFORM AND LOCAL GOVERNMENTS**

**The Local Government Reform Process  
In Europe And The CIS  
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**Jocelyn Mason  
Policy Adviser  
Public Administration and Civil Service Reform  
IDG/BDP**

**United Nations Development Programme**

# TOPICS THIS MORNING

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- Why is Public Administration Reform important for poverty reduction?
- What is PAR? PAR in UNDP.
- The role of the centre and decentralization.
- Public Administration in the ECIS.
- UNDP's comparative advantage
- The Practice Note on Public Administration Reform

# WHY IS PAR IMPORTANT FOR POVERTY REDUCTION?



PAR more than modernising state inst's:

- a means to political empowerment
- partnerships with civil society, the private sector to improve service delivery, enhance social responsibilities, ensure citizen participation in decision-making.
  - => increased attention to decentralised government as a means to support poverty alleviation.
  - => increased emphasis on the performance of the civil service, public management; transparency and accountability.

# PAR to Reduce Poverty (cont'd)



An efficient, responsive, transparent and accountable public administration is the basic means through which government strategies to achieve the MDGs can be implemented.

- reducing the costs and improving the efficiency of the public administration frees resources for poverty reduction.
- increasing transparency and eradicating corruption, fewer scarce resources will be misdirected away from poverty reduction.

# PAR to Reduce Poverty (cont'd)



- A public administration that responds to the needs of citizens, ensures sustainability of MDG achievements.
- Increasing the accountability of State institutions closes the democratic deficit, key to achieving the MDGs.

# What is PAR in UNDP?



Within the DGTTF, Public Administration and Civil Service Reform is defined to include:

- Promoting a professional, merit-based and neutral civil service through the adoption of performance management based systems that promote objective criteria in hiring and promotion; equal opportunity for women and minority groups; and reform of wage and incentive structures.

# What is PAR in UNDP?

(cont'd)



- Functional reviews in public administrative reform. This includes strategic activities to help promote ownership of reform and proposing of comparative examples for strategic policy and reform choices. Support activities aim to balance the goals of right sizing the civil service with efficiency and effectiveness gains.
- Strengthening transparency and accountability within the civil service through the development of specific anti-corruption legislation and codes of conduct; and through independent mechanisms for oversight, monitoring and enforcement, such as the Ombudsman and Office of the Auditor General

# What is PAR in UNDP?

(cont'd)



- Training of civil servants about best practices for effectively delivering public services to the people, and especially to women and the poor.
- Promoting the use of Information and Communications Technology to enhance the effectiveness, openness and the accessibility of public sector services.



# Civil Service Reform



Civil service reform – traditionally what PAR was limited to. Issues:

- Wage bill: size of bill and appropriate incentives
- CSR in countries with limited human resources
- Low skill level among civil servants
- CSR in countries with rising unemployment
- Patronage: line between political and regular posts
- Role of civil servant: not just employees but having a constitutional role—respect and maintain institutions over time
- Career system vs position system (civil code vs anglo-saxon) – appropriateness in developing country context

# Machinery of Gov't



Over the last twenty years, gaining in importance. Issues:

- Overlapping responsibilities and accountabilities
- Overly complex structure
- Institutions without clear roles
- Not service/client oriented
- Excessive bureaucracy
- Poor responsiveness to changing priorities
- Policy development confused with implementation



# Accountability

- Compels the state, private sector and civil society to focus on results, seek clear objectives, develop effective strategies, and monitor and report on performance
- Means holding individuals and organizations responsible for performance measured as objectively as possible.



# Transparency

- Comprises all means of facilitating citizen's access to information and his/her understanding of decision-making mechanisms
- Built on the free flow of information: directly accessible to those concerned, understandable and monitorable
- Begins with the application of clear standards

# Corruption



Weak institutions can't supply a framework for competitive process and obstruct the legitimate procedures that link the political and economic areas

Corruption = Monopoly + Discretion - Accountability

Corruption is principally a governance issue -- a failure of institutions.

Corruption results from excessive regulation, increased bureaucratic discretion, and lack of accountability and transparency systems



# Approaches

- Entry points -- manifold, and may not be initially associated with 'governance': weak service delivery (sectoral entry points); de-bureaucratization (red-tape studies); civil service reform
- Often needs to be linked with something concrete
- Always long term
- Find a champion



# Tools and solutions:

- Reform of the civil service
  - Functional reviews
  - Decentralization (devolution, delegation, or deconcentration?)
  - Separating policy from implementation --  
Executing agencies (focus and capture – the arguments are not compelling that it is desirable to separate)
  - Mission for the public administration
  - Access to Information
  - Anti-corruption measures
- => Need for a holistic approach**

# Broad Challenges for PAR



- Different traditions – Anglo-Saxon, Germanic, French, and Scandinavian.
- Aid having the unintended effect of freeing governments from the need to consult.
- Winners and losers
- Lack of political leadership



# The role of the centre in decentralization



- Central government laws, budget constraints, and oversight
- Channels for local governments to influence central government decisions concerning them
- Public sector management arrangements that promote accountability
- Regulations and mechanisms for fiscal decentralization – transfers, tax collecting
- Inter-regional equity/redistributional effects
- Separate subnational civil services?



# PAR in the ECIS

- The legacy of the previous regime highly negative:
  - Highly politicised systems,
  - Did not play a role in channelling societal interests, as this was the function of the Party Administration
  - Extensive involvement in economic management
- Generally reforms have shied away from PAR, and they remain the weakest links in the institutional development process partly as a reaction to the all-pervasive role of the state under previous regimes.

# Key problems in post communist states:



- Lack of the concept of the role of the state in economic and social transformation
- Leftover elements of the previous system
- Lack of transparency and coherence
- Dominance of 'verticalism' together with weak political and administrative coordination
- Many overlaps and gaps in functions
- Strong focus on mechanical and technical work, with limited attention to strategic thinking and policy development

# Changes in approach



- Move from across the board reductions in staff and structures to a mixture of seeking efficiency gains while investing in building capacities where these are lacking
- Move towards a holistic/systemic approach
- Seeking a balance between focus on internal reform and changing the relations between the public administration and society.

# UNDP's Comparative advantage



- Neutrality
- Length of Experience
- Breadth of Experience (countries and staff)
- Approach (Poverty, Human Rights)



# Challenges for UNDP

- staying course in the politically charged and changing environment
- programming neutrally
- taking time to learn
- keeping everyone at the table
- getting reliable support
- Leveraging relatively small sums/building partnerships



# The Practice Note on Public Administration Reform

Building blocks:

- Situation analysis and literature review
- Network discussion
- Case studies
- Workshop
- Governance Practice reviews of drafts

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