SIGMA Comments on the Draft PAR Strategy 2017-22

Background

SIGMA provided methodological support to the MISA until August 2016, but did not participate in the PAR Strategy 2017-22 (henceforth Strategy) development as such. Therefore we do not possess all the background information needed for detailed and fully evidenced comments to the draft Strategy and its Action Plan, submitted by the MISA for its attention on 10 April 2017.

The comments are intended for the MISA in order to help it to determine to what extent require the draft Strategy and its Action Plan ready for presentation for public consultation, but also to identify ways to improve the document further. SIGMA has not been involved in all key debates, so it may be that some of our comments have already been duly considered by the responsible authorities.

Organisation of SIGMA Comments

SIGMA comments are organised into four groups:

- ☐ General remarks about the Strategy and its Action Plan

- ☐ PAR as a policy area

- ☐ Main body of the PAR Strategy

General remarks

The strategy needs to meet the general criteria for relevance and credibility. For the strategy to be relevant it needs to address the right issues and for it to be credible it needs to be implementable.

In terms of relevance, the strategy addresses nominally many of the key issues, but also quite a number of key challenges are not addressed, nor are the issues left outside of the strategy explained in a proper way.

In terms of credibility, the process of drafting the PAR Strategy 2017-2022 has been broadly sound with the six thematic working groups and involvement of selected NGOs in the process. However, a number of things can still be done to improve credibility, including, but not limited to: completion of costing, ensuring right sequencing of reforms (including in consultation with the reforms in the area of public financial management), making sure that the planned activities can actually lead to the achievement of targets of the strategy, proper public consultation with public disclosure of the results in detail, and assignment of individual responsibility for public sector managers for actions.

Indicators

Indicators need to be directly linked with the objectives and results of the Strategy and if also target values of the indicators are specified, the objectives become properly measurable. We do not recommend using the SIGMA indicators extensively. In exceptional cases where a SIGMA indicator or a sub-indicator is helping to make the objective of the PAR strategy more measurable, this could be considered, but only with caution and with readiness to carry out monitoring of this indicator

without SIGMA involvement. SIGMA indicators are designed to measure the situation against the Principles of Public Administration, not progress against the PAR objectives of individual countries.

The outcome indicators should be specified further in a separate exercise involving all thematic working groups. The indicator specifications (also known as indicator passports) should among other things define data sources, time of data availability, calculation formulas, responsible institutions for the data and indicators, as well as baseline and target values. The practice of other countries in the region has been that the indicator specifications are prepared after the adoption of the PAR Strategy but this is less about good practice and more as a result of pressures to adopt the planning documents on time. It is advisable at least to prepare the draft indicator specifications before the PAR Strategy and its Action Plan are finalised, as during this process realism of targets for the indicators can be somewhat tested. This would also clarify the indicators that are currently very vaguely described in the drafts.

The use of 0-5 scales is not sufficiently explained in the current drafts. Many indicators are therefore incomprehensible. Examples can be taken from the Expected result A3 under the Policy development and co-ordination area. It is an assumption of SIGMA that these indicators use a scale from 0 to 5, but the methodology is not disclosed anywhere in this section.

Costing
Costing of the Action Plan is not complete. In cases where there are no additional resource needs and the activities can be completed with existing staff resources, it should be explicitly noted. Currently less than half of the activities foresee needs for additional resources.

Whenever there is a cost estimate, it should be driven by cost drivers (such as number of civil servants to be trained times cost of training) or broken down into components (such as cost of developing an information system, cost of providing training, cost of developing guidelines etc.). This would allow adjusting the estimates when needed by referring back to its original elements.

Summary of financial needs (budgetary impact) needs to be prepared. It is good to have detailed cost estimates of additional resource needs specified in the Action Plan but somewhere a summary assessment of the financial needs should be presented, detailing the overall additional cost of the plans and indicating the expectations from the state budget as well as foreign organisations. Ideally also the amount of resource needs that are not yet confirmed (i.e. gap in funding) should be specified. Likewise, in the Action Plan it is important to specify which costs are already agreed (e.g. part of a financing decision of the EC) and which are still in early stages of programming.

Public consultation
As for the next steps SIGMA encourages to start public consultation after the main weaknesses of the current drafts are addressed. It is important that the six thematic working groups have the opportunity to contribute to the final draft before public consultation commences. It is equally important to consult the draft with the Ministry of Finance, particularly to allow for its streamlining with the plans for the PFM reforms.

We recommend consulting the drafts of the Strategy and the Action Plan as a single package. Together with the publication of the draft Strategy and the Action Plan for public consultation, MISA should disclose also the analyses and other reports prepared for analysing and summarising the

results and implementation of the previous strategy. The current draft refers to these reports as key documents that the new strategy is based on.

PAR as a Policy

The most important quality measure of the PAR Strategy is the methodological approach used for presenting the material – to what extent has the set of problems been clearly identified, supported by research findings and data, how have the objectives been set taking the existing situation into account, and how well has the selection of policy measures or activities been justified from the perspective of relevance to the objectives. Logical flow from state of play analysis to objectives, targets and activities needs to be ensured. In other words, if the state of play analysis stresses a key challenge, it needs to be followed up in the actual plans through objectives and activities. Alternatively, it needs to be explained in the text why a weakness is not addressed in the plans. Currently there are a number of inconsistencies between the key parts of the Strategy and the Action Plan.

First, the Strategy should be evidence-based as much as possible. There was no proper indicator structure in place to monitor progress of the previous Strategy, therefore at the beginning of developing the new Strategy, there was not much ready information available. However, there are relatively few figures to identify trends, illustrate severeness of the problems or position the country against others also in the new draft Strategy.

There is also not much of analysis of the effectiveness of existing policies. For example, there is a reference to existing Programme on Prevention and Repression of Corruption and its Action Plan, but it is not explained what measures have worked well and which ones should be reviewed in order to assess the necessity to continue with them, intensify or replace them.

This relates to the **second** deficiency, which is to describe a lot of problems in terms of 'deficiency of legal framework', and hence providing a solution as 'improvement of legal framework' or 'better implementation of existing laws'. What is missing from such a construction is analysis what barriers are there to implement certain legislation, what are the behavioural changes that are desirable with introduction of new or amended legislation and therefore the overall purpose of such legislation.

Third, the Strategy should have clear objectives and performance measures attached to them. The main objective on p. 18 is fine in general, but there is no reference to how it will be measured. For example, reference to EU standards in this area is rather abstract, so SIGMA's suggestion is to consider a reference to SIGMA Principles of Public Administration instead to make it more operational.

Main Body of the PAR Strategy

SIGMA also looked at if there is an underlying model or clearly articulated logic of presenting the material so as to understand why certain issues have been selected or dealt with, while others have been left aside.

Chapter 3 titled the Principles of Public Administration Reform refers to a series of principles, but it is not explained how these would be integrated either into the design of policy measures or into measuring progress in these terms. For example, for measuring openness there would be a number of international measurements readily available (such as Budget Transparency Index, Transparency

International ranking etc.), for measuring service orientation a rough measure would be Balkan Barometer citizen satisfaction with administrative services. Without such an instrumental approach to them, they remain hollow declarations.

Later in the text, there are also elsewhere references to lists of principles with no clear sense of why they are there (e.g. p. 17).

There is no reference to interlinkages between different existing strategy documents and the Strategy. For example, a big part of the PAR Strategy 'package' would also be PFM Reform Programme under preparation by the MoF, but there is not cross-reference to that document. Since MoF has not been actively involved in preparation of the Strategy, but their role is vital in many parts of its implementation (most notably perhaps the new salary policy), an effort should be made to co-ordinate work in such areas requiring a joint-up effort.

The management and co-ordination, monitoring, reporting and evaluation chapter includes general statements how things should be and some statements how things shall be. The chapter should describe that in addition to quarterly reports a more comprehensive annual report is needed. The annual report should focus on the **analysis of progress against the outcome targets and objectives** (with the support of analysing changes in indicator values) and provide **an insight into progress in a narrative form** in addition to simple statements about the situation with activities (activity completed, in progress, not started). The narrative analysis of progress serves as a background for substantive discussions in order to be able to assess what works well and what does not and identify any changes in the course or mix of activities in the plan. The quarterly reports can at best report about **progress with the implementation of individual activities and sub-activities**.

In a similar vein, it would be desirable to describe how organisation of a mid-term evaluation of the Strategy and its Action Plan in 2019 takes place in order to take stock of progress and make the necessary amendments to the documents. Such a study would rely to some extent on progress reports, but also use other sources of information for validation.

It is important that there will be a forum at the level of ministers in order to discuss the reports and take corrective action whenever needed, currently not elaborated sufficiently. If so decided, the Government could involve at such a forum also outside of government partners who could take an independent view and provide advice on the progress made and changes needed. That could complement the idea of organising biannual public debates. Finally, it would be useful to describe the role of partnering institutions in providing information to MISA in general terms (such as before every quarterly Council meeting).

The Action Plan needs to identify responsible institutions per each activity or result. Currently there are cases where the responsibility is set for the GORM and sometimes a long list of responsible institutions is listed without specifying clearly who is responsible for the implementation of the activity.

The Action Plan has a considerable number of activities directed at analysing the situation and therefore actual reform orientation of planned actions is lower than it should be.

The reminder of the SIGMA feedback concentrates on the chapters of the PAR Strategy and its Action Plan.

Policy development, co-ordination and strategic framework of PAR

The chapter for Policy development, co-ordination and strategic framework for PAR includes currently three separate focus topics: a) co-ordination and monitoring of the PAR policy (one expected result); b) policy co-ordination and development (two expected results); c) capacity of the national statistical service (three expected results). The level of detail is quite different already within one area chapter and should be harmonised if possible.

☐ The expected result 1 is not really reform focussed. It does not follow directly any weaknesses identified in the situation analysis. Some of the activities can be relevant for capacity building of the central co-ordination team but as an independent result it is not fully justified. A more appropriate objective would be to achieve all the objectives of the new Strategy by the end of 2022 (sub-optimal implementation rate and lack of focus on achievement of objectives with the previous strategy have been identified as weaknesses). In this case the performance indicator could be the share of targets reached and annual monitoring could give information about progress towards the targets. It would help to strengthen the focus on objectives and results.

☐ We propose to add a focus on developing the availability and quality of administrative data (which is mostly different from the official national statistics) on public governance, particularly for monitoring and reporting on the PAR Strategy and its Action Plan. This is a gap in the current system that should be emphasised also in the situation analysis.

☐ The first activity but most importantly the first two sub-activities of the Action Plan (defining the co-ordination mechanism and monitoring arrangements for the PAR Strategy and finalising costing) should not be part of the Action Plan but need to be finalised before the adoption of the Strategy and the Action Plan.

☐ The expected result 2 overall has a reasonable focus but the actual formulation of the result focussed only on legislative improvements. The indicators are better, focussing also on actual practices. SIGMA recommends to use the indicators that measure the changes in actual practice (share of fast track legal procedures and share of legislation going through full consultation procedure are both reasonable indicators).

☐ We recommend adding also a sub-activity whereby the RIA reports are required to be made available during public consultation.

☐ Expected result 3 is not clear about what exactly the Government wants to achieve. The Action Plan, if implemented, includes some useful improvements but the objective and indicators in the Strategy do not provide an understandable direction, the suggested indicators are not clear even for SIGMA (perhaps due to translation) but more importantly, these are not measuring any tangible change in Government performance. More useful indicators would be around transparency of Government work and level of implementation of horizontal Government plans.

☐ We recommend adding also a sub-activity whereby minimum requirements and quality control roles are established for sector policy plans (sector strategies).

☐ Expected result 4 has a wider objective but the indicators only focus on GDP and fiscal statistics. Harmonisation between the objective, indicators and activities is needed. If the focus is on fiscal statistics (reporting on excessive deficit procedure), some of the planned work may be more appropriate under the PFM reform programme. We recommend completing the list of indicators to align the indicators better with the objective.

☐ Expected result 5 is essentially about conducting the next census in the country. Without questioning the need for a census, it does not fit well with the strategy to reform the public administration. In addition, the situation analysis does not speak anything about the public governance weaknesses in relation to the lack of recent or good quality census.

☐ Expected result 5 about the capacity of the national statistical service includes activities only in relation to IT development.

☐ To harmonise the level of detail, we recommend merging the planned work with the national statistics under one more relevant result (current result 4 can be the basis for this), establishing indicators that fully support the objective and to keep the reform oriented activities in the Government approved Strategy.

Accountability, Reporting and Transparency
The chapter covers the following topics:

☐ Quite clearly the chapter covers issues from fundamental importance (such as citizen right to legal protection) to less weighty (such as open data). It would be advisable to devote attention to the set of issues proportionally to the complexity of them. If some issues are covered more thoroughly elsewhere, references could suffice.

☐ It is not clear what is the purpose of presenting material which is supposedly covered by the Programme on Prevention and Repression of Corruption and its Action Plan in the Strategy? If there are new elements in the Strategy lacking in the Programme, it would be useful to delineate the complementary measures (or any other aspects) provided in the Strategy along the existing measures. The same goes for Action Plan of the OGP and its relationship to the Strategy.

☐ Issues related to administrative justice system would merit a strategy on its own, because it requires much more thorough analysis and thinking what can be done to make the administrative court system more effective. Currently, though the main issues are mentioned, there is no room to go into sufficient level of detail in the Strategy to provide any solutions. It also requires answering a question which institution can be put into charge of the administrative justice system reform due to independence of the judiciary, and how to bring all the relevant stakeholders around the table. So SIGMA suggests a separate Strategy in addition to more systematic and thorough treatise of administrative justice issues in the PAR Strategy.

☐ During the SIGMA 2017 assessment we noticed that some of the government information in other countries usually publicly available has not been made available here. For example, we were not allowed to get acquainted with an implementation report of the Disability

Strategy, because an official 'was not authorised to provide that information'. Also, neither agendas of the Government sessions, nor the decisions are made available. In short, it does not require much more than serious commitment of the Government to order that information being released to the public, and a central unit to make it happen. In other words, it should be the Government to provide leadership to enhancing transparency, not the CPRFABI who should mostly deal with supervision. Responsibility for enhancing transparency should stay with the Government.

☐ There is no mentioning of managerial accountability or accountability for results. In fact, this is one of the key shifts in the administrative culture which is required to make administration work more effectively and efficiently. This is where incentive systems, such as budgeting mechanisms, have a powerful role.

☐ Overall, this chapter would benefit from presenting the country's position in international comparison, such as Transparency International Corruption Perception Index[1], Budget Transparency Index. To set a measurable target, it could be the increase in the Corruption Perception ranking a certain number of positions or improving the score. It could also be about improving the public perception of corruption or lessening of cases of corruption by Balkan Barometer study.

☐ Finally, since transparency, corruption and integrity are not domains where public servants exclusively can make all the change happen, it requires also serious discussion among the Cabinet of Ministers to agree on the activities (such as code of conduct of Members of the Parliament, disclose of assets, transparency in party financing and control over it) in regard to influencing the behaviour of political elite. That is also why proposing measurable targets would be a test of seriousness in this area.

☐ In regard to the table at the end of the chapter, the expected results should be made measurable. Also, indicators under each area are currently not real indicators, but instead objectives (strengthened institutional capacity of SCPC), activities (analysis of regulation) or superficial (decreased number of discretional authorisations in the regulation – what does it mean and how would it be measured). Finally, where 'Key bodies' are mentioned it would be necessary to explain each one's role in the attainment of the result and as a rule, there should be no more than one lead institution per result; if there are, both should have their clearly established outputs or sub-results.

Public Service and Human Resources Management

☐ Issues related to organisation of state administration would fit better under accountability than here.

☐ In problem identification there is nothing on the roles and functions of different types of administrative bodies, especially in regard to ministry-subordinate body relationship, which is crucial for accountability. SIGMA observed during its 2017 assessment that there are

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[1] Macedonia's 2016 ranking is 90 and score 37, down from all time high 45 in 2014.

subordinate agencies under the ministries, which are not accountable to the ministry, but to the Government.

☐ The HR area has not been organised according to traditional areas of HR, so it is difficult to follow which problems and why have been raised. For example, there is nothing on the problem of temporary staff being extensively used, circumventing the merit-based principles both in recruitment, as well as promotion. Also, there is no analysis of training system (training needs analysis, demand for training, training provision).

Providing Services and ICT Support to Administration

☐ For the start, it would be useful to recognise any existing strategic documents in this area, which still have relevance and should be considered along with the Strategy. Reference to the five-year strategy is not clear – is it a forthcoming or existing strategy?

☐ In general, this chapter is quite consistent and concise in describing the main developments over the last few years in the area. However, it leaves an impression that items enlisted are somewhat random and do not constitute a comprehensive framework needed to deliver high quality and well accessible administrative services. One way to systematise the issues would be the following: issues related to quality and availability of administrative services and everything in relation to the user; issues related to back-office functioning, such as quality of data, interoperability of registries, co-ordination of IT projects etc.

☐ In this area there is also an issue of scope – some of the activities, such as co-ordination of establishment of registries, should not be confined to areas where administrative services are delivered.

☐ It does not become quite clear why LGAP is presented as such an important step in improvement of conditions for service delivery. Reference to concrete institutes or key concepts might be useful. For example, does LGAP (or any other piece of legislation) guarantee citizens the right to submit data to the government once only, i.e. if the data exists already in some registry, it becomes compulsory for a government body to reuse it rather than asking for it again from the citizen.

☐ The concept of installing further one-stop shops is not very clear in the Strategy. What guiding principles would be used in their establishment, what are the main elements of such physical one-stop shops? How would they improve the access to services?

☐ Most importantly, there is a need for providing better sense of direction and speed – what are the priority registries to be brought up to standards (both in terms of data quality, as well as interoperability); what are the key services that would need to be digitised and by when; what are the services which would be integrated into one-stop shops; what is the relationship between digital service provision and physical service provision (e.g. is digitisation of services pertaining to certain user groups a priority).

☐ In the Challenges section there is no mentioning of the issues related to actual availability or quality issues of administrative services, nor a reference to citizen satisfaction with such services. Later in the chapter there is a reference to 'creating services with the citizens', not just 'for the citizens', but the chapter overall does not give an impression that this is more than just a nice cliché.

☐ The chapter does not mention issues in relation to e-signature or transposition of eIDAS directive in general. What is also missing is treatise of protection of personal data, and data security issues in general. It is an increasing risk that the more the datasets become interconnected, the bigger the need to make sure public servants (not to mention politicians or other outside parties) would not abuse their access rights and in case they do, that would not go unnoticed and if necessary, unpunished. This is the only way to build users' trust towards digital services, which is easy to lose if security and access issues are not addressed properly.

☐ In the table at the end of the chapter there is a presentation of the idea of a new body, which may be very much justified (given that in most countries there are such bodies working on various technical aspects of ICT management), but there is no problem analysis to lead to such a solution.

☐ There is no mentioning of improving access to services for people with disabilities of any kind. It would be useful to learn about the Government commitments in this area.

☐ The Strategy notes that the Law on Quality Management System and Common Assessment Framework has in place since 2013. It would be useful if the Strategy recognised the need to take stock of the progress made in implementing the law and possibly revising it to ease the administrative burden caused on public bodies, i.e. conducting ex-post evaluation.

SIGMA would be happy to further clarify its comments and provide guidance on their incorporation into the new version of the documents.