

IPA Multi-beneficiary programming and support to ReSPA

Extract from the draft IPA multi-beneficiary three-year plan on Public Administration Reform

IPA Multi-beneficiary 2011-2013 Programming Context

IPA Multi-beneficiary PAR Working Group

A new programming process was launched at the Multi-beneficiary meeting held in Zagreb on 9 and 10 June 2009, which consisted of applying a sector-based approach to future programming, whose purpose is to identify which needs and problems should be prioritized for multi-beneficiary interventions, if any.

The intention is to create sustainability and effective aid delivery having a participatory methodology creating ownership of the beneficiaries and at the same time addressing accession priorities (accession driven programming).

Eight priority sectors were agreed, including Public Administration Reform, for which working groups were established in order to define strategic choices to be fed into the IPA Multi-beneficiary three-year plan.

For the Public Administration Reform sector, a working group was set up in October 2009 consisting of sector experts from the IPA beneficiaries (the Core Group), the European Commission, the Regional Cooperation Council and other stakeholders including the Committee of the Regions, the OECD or the World Bank.

The representatives of the beneficiaries were nominated by the IPA coordinators and, as far as the Public Administration Reform Working Group is concerned, included officials from ministries or national agencies dealing with public administration and European affairs.

Working Group meetings and consultation format

A kick-off meeting was held in Brussels on 20 October 2009, which involved the Core Group of beneficiaries as well as representatives of the Commission and the other stakeholders mentioned above.

Guaranteeing a key role for the beneficiaries and putting them at the centre of the discussions was always the main objective set by the European Commission prior, during and after the working group meetings. The consultations were mainly based on contributions provided by the beneficiaries themselves prior to the kick-off meeting. During the meeting in particular, discussions were held in break-out sessions and chaired/led by the beneficiaries themselves, with members of the SIGMA team acting as "trouble-shooters".

A follow-up meeting involving the Core Group of beneficiaries mainly is also planned on 2 March 2010 in Sarajevo.

Consultations with the beneficiaries, the Commission services, EU Delegations and other stakeholders have also been held – and will continue to be held on annual programmes or specific project proposals - in both formal and informal ways, e.g. electronically, bilateral meetings, etc.

This participative approach will continue in the context of IPA Multi-beneficiary annual programming, including the preparation of individual project proposals, e.g. workshops aiming to put together project fiches.

The Regional Cooperation Council (RCC) also takes an active part in the running of the Working Group, by providing a useful consultation "hub" between the beneficiaries and the Commission, advising on programming priority sectors as well as by helping with the organisation of meetings.

IPA Multi-beneficiary and PAR – asking the right questions

In order to structure the discussions and therefore avoid any slippage, all the proposed strategic choices have been checked against a number of key questions:

- What are the scope and features of the proposed areas of intervention and cooperation, i.e. the needs justifying support under IPA?
- What is the overall relevance of the proposed areas of intervention and are they necessary in the enlargement context?
- What is the added value of a regional or multi-beneficiary approach to the proposed areas of intervention and, if so, how can effective coordination be ensured when some sectors are also being addressed by national programmes and by other donors?
- What can the expected results inform, and feed into, the enlargement agenda and, if relevant, other EC-funded interventions?
- Can the proposed areas of intervention be covered by the existing horizontal and regional instruments under IPA, in particular SIGMA and RESPA?

IPA Multi-beneficiary 2011-2013 Programming – Response Strategy

Rationale for IPA Multi-beneficiary programming on PAR

Priority given to existing instruments

There are a number of common aspects for the activities envisaged for the proposed strategic choices agreed upon in the course of the consultation, which are highlighted in section 2.5. These include, among others, training, exchanges of good practice, cross-fertilisation, peer review, creation of common reference frameworks, etc., which is in line with the essence of the IPA Multi-beneficiary priorities.

Rules have been agreed right from the outset as for programming IPA Multi-beneficiary interventions for the Public Administration Sector:

- *Need to use existing facilities first:* SIGMA and ReSPA have proved their usefulness and efficiency and they should be regarded as primary instruments to address the needs identified on a multi-beneficiary level;
- *Specific new IPA Multi-beneficiary projects should be carefully thought out and remain limited in number:* these specific in-depth interventions should be retained when the existing schemes are not deemed sufficient and adapted enough.

SIGMA and ReSPA are and will remain unique conduits to sustain public administration reform and good governance. Some of the proposed priority sectors identified can – at least partly – be addressed as part of these existing instruments: to what level this should be done is one of the crucial points to be probed deeper into as part of the planning of any specific intervention.

For example, some needs assessment and networking activities can be performed by SIGMA, while some capacity-building and training activities may also be carried out via ReSPA, including networking and exchanges of experience - ReSPA - Communities of Practice.

TAIEX is yet another facility supported by IPA, which may be used for promoting information exchange and capacity-building for specific aspects related to PAR.

Overview of IPA Multi-beneficiary instruments for PAR

SIGMA Studies, Assessments, Facilitation of networks, Small scale projects	ReSPA Training, Capacity-building events, Networking, Exchanges of good practice
TAIEX Capacity-building events	Specific individual IPA MB projects Capacity-building and networking on specific themes for which the other instruments are not deemed to be adapted

Coordination between instruments

There may be cases where a combination of two or even three instruments is set up in order to respond to common needs.

There may also be cases where a need is first addressed by one of the existing schemes - e.g. ReSPA or SIGMA - and later leads to a specific IPA Multi-beneficiary project if it is felt that the approach initially adopted is not deemed satisfactory. In this respect, it is worth noting that the PAR IPA Multi-beneficiary strategy will be updated on an annual basis.

This “variable geometry” programming process requires excellent coordination between the various instruments and the stakeholders involved – see Section 3.4. Pathways will also need to be established between existing facilities in order to ensure that they inform, and build into, future IPA Multi-beneficiary interventions in a logical and constructive way. In particular, SIGMA’s various assessments and surveys are ideal tools for identifying training needs to be subsequently addressed by ReSPA. Another example of well established link between SIGMA and other Multi-beneficiary interventions is the IPA 2009 project “Training in Public Procurement”, which was developed on the basis of needs identified, and concepts developed by SIGMA.

Support to ReSPA

The Regional School of Public Administration is one of the main flagship projects supported by IPA. It has a truly regional dimension as it involves representatives of all the Western Balkans (Turkey is not involved as a member). Its activities are fully compatible with, and complementary to the national development plans concerning the reform of public administration.

ReSPA also aims to become the nucleus of a network of the existing schools of public administration in the region and play an advisory role in improving the performance of national administrations.

Alongside the core training and other capacity-building activities of ReSPA, activities of good practice exchange are also planned - Communities of Practice – which aim at fostering cross-fertilisation of concepts and initiatives between stakeholders in the Western Balkans and beyond.

Support to ReSPA in 2010 and 2011 will be based on 2009 IPA Multi-beneficiary funding. Follow-up support will be planned as part of the 2011 annual IPA Multi-beneficiary programme. Support to the networking and exchange of experience activities of ReSPA – Communities of Practice, linkages with other national public administration institutes in the Member States as well as Turkey – should be enhanced.

It is proposed that support to ReSPA under IPA 2011 should consist of the following two components:

- Support to the core activities (training, seminars, annual conference ...) of ReSPA;
- Support to increased networking, exchanges of good practice, peer review, knowledge transfer, etc. on the basis of the priorities defined by ReSPA but also with a view to responding to other needs identified by beneficiaries, e.g. public financial management, strengthening democratic governance – see priority themes below. This component may need to be implemented via a separate service contract.

Priority Themes

Strategic planning and budgeting

Context and scope

Improving strategic planning and budgeting is an important pre-requisite for economic growth. It lays down a sound basis for the implementation of programme budgeting and for the establishment and development of strict fiscal discipline, sound financial management and internal control. There is a common need in the enlargement region to improve public financial management and control, which is one of the first steps towards any further reform of public administration systems.

Strategic planning on a central level is often not sufficiently developed at an appropriate level and coordination among the institutions concerned remains weak.

Furthermore, support is required in the context of the current economic crisis, but also in the perspective of decentralisation of assistance, e.g. Human Resources, Regional and Rural Development IPA components.

As was highlighted at the conference "*Effective Support for Enlargement*" held in Brussels on 19 October 2009, there is now a move towards linking EU objectives and country sector strategies in the programming of assistance. Developing sector strategies will imply for all Beneficiaries the need to establish an efficient public expenditure framework at sector level, through which budgets can be reviewed and updated. This new approach will prove to be a challenging task for Beneficiaries and will entail that they should develop coherent budget planning on a multi-annual basis (to include national public funds complemented by planned assistance) in the sector(s) identified and ensure predictability of assistance, whilst adjusting budgetary cycles where necessary.

Another aspect linked to this relates to the fiscal policy area, particularly if we consider the impact of the global financial crisis on the region. Although not directly linked to budgeting, this area of intervention is highly relevant to macroeconomic planning, namely in the context of preparation by the potential candidates of the Economic and Fiscal Programmes (EFP) by Beneficiaries.

Link with enlargement

The emphasis on better stewardship of public funds is particularly relevant to the enlargement region as all Beneficiaries are relying on international and EU support. They need both to ensure that they achieve the best possible results from the support and to demonstrate that funds are managed in accordance with agreements and with a focus on achieving the most cost effective results.

In addition, the new sector-driven approach proposed for management of EU assistance calls for increased efforts for efficient budget planning.

Setting up fiscal surveillance procedures is also in line with the objectives of EU integration, i.e. preparation of Economic and Fiscal Programmes (for the potential candidates), as a basis for more extensive and detailed Pre-Accession Economic Programmes (PEPs). These exercise documents should gradually prepare Beneficiaries for the full multilateral surveillance and economic policy coordination in place for the EMU members.

Added value of a multi-beneficiary approach

In terms of budget management and financial control, all Beneficiaries face similar issues, but budget preparation approaches vary from one to the other. However, it is agreed that it is up to each Beneficiary to set up its own structures and systems, a sector in which any IPA support should be provided at national level primarily. Having said this, a number of soft support IPA interventions at horizontal level may bring useful added value – namely through the organisation of exchanges and transfers of good practice, joint capacity-building, networking, with a view to:

- optimising strategic planning and budgeting in a more synchronised manner,
- fostering comparability and integration in a macro-economic context, including standardising steps in budgeting cycles,
- improving the provision of assistance in financial management, whilst reducing the multiplication of efforts and interventions,

- Identifying guidelines for improving the quality of strategic plans.

An IPA Multi-beneficiary project has been developed with the collaboration of the World Bank in the field of public financial management (IPA 2010). Lessons will need to be carefully drawn from this initiative before any future specific intervention in the form of a specific IPA Multi-beneficiary project is planned, if any.

Expected results

- Improved strategic planning and budgeting,
- Increased public financial performance,
- Better coordination among institutions on a national level as well as on a regional level,
- Improved management of assistance and increased absorption capacity.

Management of EU funds

Context and scope

Once they get their candidate status, a number of Beneficiaries will need to establish efficient structures and tools for the management of EC funds, and significant efforts on strategic planning will be needed in this respect.

Most Beneficiaries are still at an early stage of setting up their Decentralised Implementation Systems (DIS), but it is thought that a regional network or pool of DIS expertise involving the relevant institutions (NIPAC offices, NAO offices, etc.), working in closer collaboration with the EC services (e.g. counselling and coaching ensured by experts), would help enhance their absorption capacity.

It should be noted that an EC Funds network exist for Member States, the so-called Homologues group, organised and overseen by the European Commission's Directorate-General for Regional Policy. The set-up is done so that common issues are effectively worked on in sub-groups to find common solutions for implementation of EC Funds. Candidates and potential candidates are not invited and a similar network does not exist for the Enlargement region.

Exchanges between Beneficiaries are sometimes organised on DIS, but a number of Beneficiaries have indicated they are unsatisfied about the format used as it is only occasional. Something better structured and more systematic is strongly required on their part. Experience also shows that much closer co-operation could be established among the responsible institutions of the various countries so as to exchange ideas and lessons learnt in the process.

Link with enlargement

Developed DIS and accreditation is one important precondition for EU membership and a "must" process for effective use of EC funds.

Setting up efficient DIS is also in keeping with the developments in the field of management of EC assistance, and particularly financial management at sector level.

Added value of a multi-beneficiary approach

It is agreed that support to Beneficiaries on management of EC funds and DIS should be primarily provided under IPA national programmes. In this respect, it is up to Beneficiaries to ensure that their own systems are in place. However, a horizontal/regional approach and better coordination and "standardisation" of means, e.g. DIS network or common pool of expertise would:

- facilitate the exchange of experience and common solutions, as for example with the EU MS Network (the Homologues group), whilst fostering positive competitiveness between Beneficiaries and assisting those who are lagging behind through mutual learning and support,
- enhance capacities in a much more inclusive and coordinated manner,
- stimulate faster fulfilment of required conditions for accreditation,
- establish better cross-border coherence and a sense of unity of public administrations.

Expected results

- More timely planning of EU integration-related tasks,
- Faster accreditation for management of EC funds supported,
- Better coordination among institutions on a national level as well as on a regional level,
- Improved management of assistance and increased absorption capacity.

Local government and EU accession*Context and scope*

Local and regional authorities are important stakeholders of European integration. In the candidate countries and potential candidates, they also make an important contribution to communicating enlargement, as they are closest to the citizens. However, they find it often more difficult than institutions at central level to access information about the accession process. The risk is that the lower levels of government in the Beneficiaries remain ill prepared for the obligations they have to assume upon accession.

To reach out to authorities at local and regional level represents a particular challenge in countries with a long tradition of centralised decision-making. Experiences with the fifth enlargement with regard to issues such as public procurement or rural development policy underline the importance of ensuring that local and regional authorities should be prepared early enough for their responsibilities upon accession. The relevant knowledge concerns the legislation and implementation of the *acquis communautaire* with relevance at local and regional level, the steps of the EU accession process and the institutional set-up of the European Union, as well as opportunities provided under EU programmes and projects.

Link with enlargement

The existence of an effective, efficient and democratic local government system is one of the key indicators to be taken into account when assessing the degree of compliance of a candidate country with the so-called "political criteria" for EU accession.

Local and regional authorities and local development structures also play a key role in the implementation of the *acquis communautaire*.

Added value of a multi-beneficiary approach

The organisation of awareness-raising and capacity-building initiatives on EU accession targeted at local government will mainly lead to economies of scale.

Expected results

- Improved information and awareness to sub-national levels on EU accession and management of EU programmes;
- Contracts established between representatives of local and regional authorities.

Area-based economic and employment development (including rural development)*Context and scope*

Decentralisation in the IPA Beneficiaries is taking place in different forms and at varying speeds. One common feature in many of them is sometimes the limited capacity to design, implement and monitor decentralisation policies. Local government institutions and other local stakeholders are also often unprepared to operate in a reformed environment, which adds further obstacles. Considerable support continues to be needed both at the central and local levels to ensure that decentralisation and local government reform are translated into sustainable local development results.

Coordination between central, regional and local levels, including inter-ministerial / inter-agency cooperation as well as inter-municipal coordination remains weak in the Enlargement region. Very often, there is a lack of capacity, at central level, to include regional and local stakeholders in planning

processes, which is partly due to insufficient resources, but also to a long history of centralised government.

Efficient coordination between the various levels of intervention (central, regional, local) is also a precondition for addressing aspects like common strategic planning and is, as such, closely related to public administration reform.

There is also a need to strengthen local capacities for cross-border development and to empower local communities to sustainable economic growth processes, not least by being able to take a full advantage of the opportunities offered under IPA Components III, IV and V. As such, supporting local development capacities is also in line with the efforts for improved decentralisation of management of EU funds.

Regarding the preparation of ESF in Croatia for example, ownership is rather weak and central government lacks experience in sharing information with the local level. This situation should be avoided in other countries when preparing assistance under component IV.

As far as rural development is more particularly concerned, a number of projects in the field of area-based development have also been completed in individual countries of the region. However, these projects have lacked a strategic, regional, long-term and all-inclusive dimension. A horizontal approach for capacity-building in the field of local development – based on the OECD LEED experience and the forthcoming DG Agriculture and Rural Development study in cooperation with the Regional Rural Development Standing Working Group - would therefore prove useful.

Link with enlargement

Improving good governance is one of the main features of the enlargement agenda. It contributes to socio-economic development at all levels of interventions, central, regional or local.

Local and regional authorities and other local development structures also play a key role as promoters of economic development, social cohesion, agriculture and food safety, environment, etc. and are as such important stakeholders of the *acquis*.

The management of structural funds entails efficient coordination between institutions at all levels and also the management of regional or local integrated development initiatives (IPA Components III, IV and IV).

Added value of a multi-beneficiary approach

A multi-beneficiary approach will - through experience exchange and mutual learning – help improve accountability and efficiency of policies and structures concerned.

A horizontal intervention aiming at identifying bottlenecks for economic development of rural areas, increasing capacity-building and empowering local communities will also enable the transfer of successful structural fund models in the field of area-based development - e.g. LEADER approach, EU local employment initiatives and other concepts in the field of local economic and employment development developed among others by the OECD - in a more harmonised manner, whilst ensuring economies of scale in the provision of technical assistance.

Any IPA Multi-beneficiary intervention will be focused on joint learning and networking. It will not support specific pilot initiatives to be developed at local level, which is the prerogative of national IPA programmes.

Expected results

- More efficient policy coordination and decentralisation,
- Harmonised approaches to regional and local development across the region,
- Increased capacities on local economic and employment development.

Strengthening democratic governance and public administration

Context and scope

In most countries of the region, the establishment of market economies is accompanied by efforts to modernise public institutions and improve democratic governance. Political, administrative and fiscal

decentralisation forms an integral part of the process of making public institutions more efficient, responsive and accountable to citizens.

Strengthening the rule of law and democratic values as well as effectiveness and accountability of public administration are some of the main challenges that candidate countries and potential candidates are facing.

Experience shows that the civil service and public administration of the enlargement region have a number of shortcomings such as: limited delegation of powers; slow de-politicisation of important management positions; low salaries, which prohibit attracting and retaining qualified civil servants; lack of clear performance appraisal indicators related to the evaluation of the civil servants and their remuneration; insufficient capacities for human resources planning and management; etc.

Priorities therefore include the need to gear policies towards citizens first, to professionalize the civil service (de-politicisation, "meritocracy"-based system, decision-making through predictability) and improve, as well as promote administrative organisation.

The key objective is to improve governance by making public administration more reliable and increase citizens' trust in government. This entails, among others, institutionalising transparency and access to information, improving systems for more effective citizens' complaints against mismanagement in public services (e.g. Ombudsman Offices), but above all enhancing capacities within public administration systems and introducing instruments for quality management in the public administration institutions, e.g. by using the Common Assessment Frameworks (CAF) model or through TQM (Total Quality Management) methodologies.

Additionally, in the absence of a particular EU *acquis* corpus addressing the area of public administration, the guiding principles that underlie PAR and, more importantly, the mechanisms to apply them, are looked at in a different way from one Beneficiary to another. All of them are struggling to interpret the scope of these guiding principles and to translate them into concrete effective measures towards a good model of democratic governance.

Link with enlargement

Strengthening democracy and the rule of law is one of the key Copenhagen criteria and public administration reform is one of the main priorities of the enlargement agenda.

Lack of capacities and the need for further institutional building are still among the main issues highlighted in the EC's enlargement strategy and country reports.

Added value of a multi-beneficiary approach

Candidate countries and potential candidates share common problems in the field of governance and public administration. Cooperation and experience exchange between Beneficiaries will foster synergies for the identification of joint solutions.

Reliable public administration is a precondition on the road to EU integration: in this context, human resource management, de-politicisation of civil service, public service delivery and quality are areas which could be addressed in a better and faster way through common approaches, e.g. regional standard benchmarks for administrative services or common PAR roadmap or reference framework, including qualitative indicators, aiming to align with principles of the European Administrative Space.

In addition to this, all Beneficiaries share an interest in learning lessons in relation to sustainability of the reforms in public administration and in anticipating the challenges experienced by the new Member States. As highlighted by recent evaluations, the sustainability of the reforms in the new Member States has proved to be below expectations and this should call for increased support at horizontal level.

Expected results

- Administrative services improved in accordance with European standards and through "self-monitoring" mechanisms,
- Professionalized and more accountable public administration systems,
- Better services for citizens – more citizens-oriented, reliable, predictable and efficient.

Improving parliamentary capacities to support European integration

Context and scope

Although there is considerable variation between IPA Beneficiaries, common issues and needs have been highlighted in relation to parliamentary work in relation to EU integration.

Parliaments play a key role in adopting the *acquis*. Weak professional capacity means that Parliaments often distort essential laws or are used by Governments to circumvent agreements. MPs have often low knowledge of policy issues and so are unable to compensate for the weakness of Parliamentary secretariats.

The European Commission has also difficulties working with Parliaments because of the inter-governmental character of its programmes.

Additionally, there is a lack of effective exchange in the region although some arenas have been set up.

Common objectives include: provide the possibility for Parliaments to learn from each other and from EU new Member States on effective support to the NPAA/Sap, as well as provide quick response support to questions concerning process and legal content on NPAA related issues.

Link with enlargement

The political criteria require effective functioning of democratic institutions.

European integration (both Sap and Accession levels) is primarily about adoption of a legislative programme with accompanying institutional reforms. As such, the legislative branch has a major role to play in passing legislation and could act to increase legal effectiveness both through better consultation and increased legitimacy.

Greater involvement of the legislative branch could also help sequence and plan the NPAA through the executive/legislative channel - e.g. Minister for relation with Parliament - which should include involvement in legislative planning.

Added value of a multi-beneficiary approach

It is clear that the most important response to increasing Parliamentary capacities must be at the national level and a number of initiatives are underway with the support of IPA national programmes. However, a multi-beneficiary programme serves the direct end of reconstructing networks (post-conflict and regional integration).

Other value added comes through information exchange on practice and content since most of the Parliaments will be facing similar issues within broadly similar timeframes, plus the involvement of peer pressure and peer support.

Finally, a regional forum will give greater voice to Parliaments in dealing with the Union.

Possible discussion topics for this forum could include: Executive parliamentary relations; Planning the legislative agenda; Execution of the parliaments accountability role (including through SAI); Parliamentary integrity issues (e.g. assets declaration for MPs); Legislative drafting techniques including impact assessment; Consultation/hearing processes.

Expected results

- Increased parliamentary capacities,
- Strengthened regional dialogue and confidence and opening of informal channels to discuss parallel issues (e.g. restitution);
- Information to and confidence on the part of Member State Parliaments in considering the next enlargement.

Land administration – spatial data infrastructure*Context and scope*

85% of public data are linked to spatial / land planning and management. Modernisation of land administration in the Enlargement region includes a number of activities regarding state survey, cadastre and official mapping. All countries are modernising their reference systems and frameworks as well as introducing modern services like permanent GNSS networks.

Candidate countries and potential candidates have inherited different situations because of different historical and legislative frameworks. In the Western Balkans in particular, the newly created states did not have their own official mapping - in former Yugoslavia, mapping was under the military jurisdiction – and this type of activities has developed differently in the past twenty years.

Despite the setting-up of spatial data registers and databases, the level of the spatial information organisation in the Western Balkans is generally low and huge efforts are still needed to reach the EU level. Land administration has more or less been neglected; data are either outdated or missing (especially land registry and graphical parts of cadastres); property and ownership registration systems are different.

Reforms are still needed, including the development of national Spatial Development Infrastructure (SDI), which is recognised in the region as an important conceptual and operational tool. In this respect, all Beneficiaries are required to establish their national SDI's in accordance with the standards determined by the EU Inspire Directive and therefore become part of the European SDI. However, this is hampered by a lack of awareness and capacity as well as a relatively low data exchange culture.

Pressure is put on Beneficiaries by the economic sectors - especially the financial, construction and real estate market segment - and the population to offer high-quality, up-to-date, accurate and easily accessible data as soon as possible.

Link with enlargement

Candidate countries and potential candidates are required to set up appropriate systems of the management of spatial data.

Transparent and up-to-date spatial data – especially cadastral and mapping data – are essential for efficient public administration, and as a consequence, reduced corruption. As such, it helps fulfil the Copenhagen criteria.

Added value of a multi-beneficiary approach

A harmonised approach to spatial data management and land administration between candidate countries and potential candidates – in particular in former Yugoslavia where existing structures and tools derive from a similar background - certainly brings advantages as it allows comparability of systems established and above all exchanges of knowledge in a technical domain which remains highly complex.

Expected results

- Improved spatial data management,
- Accelerated land administration reform,
- More accurate legislation in relation to spatial data and land planning,
- Increased technical competences of staff dealing with land administration.