

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT
BUDGETARY AFFAIRS **D**

Budgets

Budgetary Control



**Public Sector Reform:
How the EU budget
is used to encourage it**

STUDY



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Abstract

The recent European crisis has put the issue of government efficiency high on national policy agendas. Policy measures that result in a reduction of bureaucratic slack or red tape can alleviate the trade-off between consolidation and public service provision. Since 2007 the role of the EU budget in support of administrative reforms has been strengthening, at least in formal terms. However, the extent to which the various EU budgetary instruments have encouraged public administration reforms is unclear. Against the background of the overall European approach towards public administration reforms, this study reviews the current budgetary instruments that directly or indirectly support such reforms, and analyses the coherence, EU added value and complementarities within them. Case studies on four Member States and an analysis of current networks and award initiatives to disseminate best practices complete the study. Based on extensive desk research and a set of semi-structured interviews, the analysis finds a positive but modest impact of the EU budget and existing networks on reform activity. Some of the key recommendations are to improve the consistency of Country Specific Recommendations related to administrative reforms, increase the effectiveness of the Structural Reform Support Programme, and to ensure coherence and complementarity between all EU-funded interventions as well as their monitoring and evaluation processes. As to the role of learning and policy-diffusion, the study recommends to promote focused peer-to-peer exchange among public sector managers, and to develop a more credible evaluation of public sector awards.

This document was requested by the European Parliament's Committee on Budgetary Control. It designated Mr Brian Hayes (MEP) to follow the study.

AUTHORS

Dr. Zareh Asatryan, Prof. Dr. Friedrich Heinemann, Mustafa Yeter
Centre for European Economic Research (ZEW), Mannheim (Chapters 1, 2, 3, 6, and 7)
Dr. Eulalia Rubio, Dr. David Rinaldi
Jacques Delors Institute (JDI), Paris (Chapters 1, 4, and 7)
Dr. Fabian Zuleeg
European Policy Centre (EPC), Brussels (Chapter 7)

Case studies: Asatryan (Estonia), Rinaldi (Italy), Rubio (Greece), Yeter (Bulgaria)

RESPONSIBLE ADMINISTRATOR

Ms Vera Milicevic
Policy Department on Budgetary Affairs
European Parliament
B-1047 Brussels
E-mail: poldep-budg@europarl.europa.eu

LINGUISTIC VERSIONS

Original: EN
Summary: DE, FR

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Policy Departments provide in-house and external expertise to support European Parliament's committees and other parliamentary bodies in shaping legislation and exercising democratic scrutiny over EU policies.

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poldep-budg@europarl.europa.eu

Manuscript completed in June 2016.
Brussels, © European Union, 2016.

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TABLE OF CONTENTS

TABLE OF CONTENTS	3
LIST OF ABBREVIATIONS	6
LIST OF TABLES	8
LIST OF FIGURES	8
EXECUTIVE SUMMARY	9
ZUSAMMENFASSUNG	14
SYNTHÈSE	20
1. INTRODUCTION	26
1.1. Background, aims and methodology	26
1.2. Methods and definitions	26
2. PUBLIC ADMINISTRATION REFORMS IN EUROPE	29
2.1. Recent trends in public administration reform in Europe	29
2.2. The role of public sector efficiency for economic and social performance	31
2.2.1. Private sector	32
2.2.2. Public sector	33
3. THE EU ACTION ON PUBLIC ADMINISTRATION REFORM	34
3.1. Impact channels	34
3.2. A paradigmatic change	36
3.3. Public administration reform in the European Semester	38
4. EU FUNDING IN SUPPORT TO PUBLIC ADMINISTRATION REFORMS	40
4.1. Budgetary Instruments	40
4.1.1. Overview	40
4.1.2. European Structural and Investment fund interventions under TO11	40
4.1.3. European Regional Development Fund allocations to e-government under TO2	42
4.1.4. European Structural and Investment funds for technical assistance	44
4.1.5. Connecting Europe Facility Telecom	44
4.1.6. Interoperability solutions for European public administrations	46
4.1.7. Horizon2020	46
4.1.8. EU Justice Programme	48
4.1.9. Other programmes	49
4.2. Coherence, EU added value, complementarities and synergies	50
4.2.1. Coherence with overall EU approach on administrative reforms	51
4.2.2. Complementarities	51
4.2.3. Synergies	53
4.2.4. EU added value considerations	54
4.3. A focus of EU funding on e-government	55

4.4.	The articulation of the new SRSP with existing programmes	57
5.	CASE STUDIES	59
5.1.	Introduction and selection of case-studies	59
5.2.	Estonia	61
5.2.1.	Transition period	61
5.2.2.	EU-accession period	61
5.2.3.	EU support of administrative reforms	62
5.2.4.	E-governance	63
5.2.5.	Networks and awards	63
5.3.	Bulgaria	64
5.3.1.	Transition period and EU-accession	64
5.3.2.	EU support of administrative reforms	65
5.3.3.	Networks and awards	67
5.4.	Greece	67
5.4.1.	Pre-crisis period	67
5.4.2.	Post-crisis period	68
5.4.3.	EU funds	69
5.4.4.	Networks and awards	69
5.5.	Italy	70
5.5.1.	Pre-crisis period	70
5.5.2.	Post-crisis period	71
5.5.3.	Ongoing reforms	72
5.5.4.	EU funds	73
5.5.5.	Networks and awards	74
6.	THE VALUE OF SHARING BEST PRACTICES	75
6.1.	Discussion of networks	76
6.2.	Discussion of awards	78
6.3.	Final remarks	79
7.	CONCLUSIONS AND RECOMMENDATIONS	81
7.1.	Consistency of budgetary instruments with overall reform approach	81
7.2.	A more principle-based approach to administrative CSR	82
7.3.	ESI-TO11: Better evaluation and performance indicators	82
7.4.	EU Justice Programme more aligned with CSRs	83
7.5.	Complementarities and synergies in e-government and technical assistance	83
7.6.	TAIEX instrument to promote peer-to-peer exchanges on specific PAR reforms	84
7.7.	Realising the full potential of SRSP	84
	REFERENCES	86
	ANNEX I: TABLES AND FIGURES	91
	ANNEX II: INTERVIEWS	104

Acknowledgements	104
Protocols of semi-structured interviews	105

LIST OF ABBREVIATIONS

AROP	Administrative Reform Operational Programme
CAF	Common Assessment Framework
CAF RC	CAF Resource Centre
CEF	Connecting Europe Facility
CEG	CAF Expert Group
CIP	Competitiveness and Innovation Framework Programme
COSME	Programme for the Competitiveness of Enterprises and SMEs
CPA	Comprehensive Performance Assessment
CSR	Country Specific Recommendation
DEF	Documento Economia e Finanza – Budget Law
DG HR	Director-General for Human Resources and Security
DSI	Digital Service Infrastructures
EAFRD	European Agricultural Fund for Rural Development
EFTA	European Free Trade Association
EIAH	European Investment Advisory Hub
EIB	European Investment Bank
EIF	European Interoperability Framework
EIPA	European Institute of Public Administration
EIS	European Interoperability Strategy
EMU	Economic and Monetary Union of the European Union
EPSA	European Public Sector Award
ERDF	European Regional Development Fund
ESF	European Social Fund
ESIF/ESI funds	European Structural and Investment Funds
EUPAN	European Public Administration Network
HRWG	Human Resources Working Group
ICT	Information and Communication Technology
IMF	International Monetary Fund
INEA	Innovation and Networks Executive Agency
IPSG	Innovation Public Services Group
ISA	Interoperability Solutions for European Public Administrations
MICREF	Database on micro-economic reforms
MoU	Memorandums of Understanding
NPM	New Public Management
OECD	Organization for Economic Co-operation and Development
OP	Operational Programme
OPAC	Operative Programme Administrative Capacity
PA	Public Administration
PAR	Public Administration Reform
PHARE	EU-Pre-accession instrument for Accession States during the 1990s and the early 2000s

REC	Rights, Equality and Citizenship
SGCY	Support Group for Cyprus
SIGMA	Support for Improvement in Governance and Management
SME	Small or Medium sized Enterprise
SRSP	Structural Reform Support Programme
SRSS	Structural Reform Support Service
STORK	Secure Identity Across Borders Linked
TA	Technical Assistance
TFG	Task Force for Greece
TO	Thematic Objective

LIST OF TABLES

Table 1: Typology of public sector reforms	28
Table 2 : Examples for secondary EU law with crosscutting implications for national administrations	35
Table 3: Different rationales underlying EU funding in support to public administration reforms and related risks	52
Table 4: Selected economic indicators for four case-study countries	60
Table 5: Allocation of EU support for each ESI fund in Estonia (million EUR), 2014-2020	64
Table 6: European Commission action on public administration reform - mapping DG interests /areas of intervention, networks and funding	91
Table 7: Overview of EU funding opportunities in different areas of public administration reform	93
Table 8: Main priorities and measures included in the 6 Operational Programmes on PAR (TO11)	96
Table 9: ESI funding allocated to TA, in absolute terms and as % of total ESI funding per country. 2014-2020	98
Table 10: Public administrations participating in the 7 projects awarded for calls INSO-1 and YOUNG-5b (Horizon2020)	99
Table 11: Submissions to the EPSA-award by sector (2007-2011)	99

LIST OF FIGURES

Figure 1: Channels of transmission	31
Figure 2: Indicator on public administration reform needs according to EU surveillance	39
Figure 3 : ESI funding in support for institutional capacity building and the efficiency of public administrations (TO11), 2014-2020 (million EUR)	41
Figure 4 : ESI funding for e-government under TO2 by category of region and by type of initiative, 2014-2020 (million EUR)	43
Figure 5: ESI funding for e-government (initiative 078 and 079) under TO2, 2014-2020 (<i>million EUR</i>)	100
Figure 6: Share of ESI funds allocated to "institutional and administrative capacity building" (TO11) among eligible countries*, 2007-2013 and 2014-2020	100
Figure 7: Public administration reforms and governance efficiency: EU Member States, 2002-2012	101
Figure 8: Submissions by type (a) and level of government (b)	102
Figure 9: Submissions and success rate by country	103

EXECUTIVE SUMMARY

This study analyses the role played by the EU budget in support of public administration reforms (PAR) and the effectiveness of existing EU networks and awards for the exchange of best practices and mutual learning in the field of public administration reforms. In particular, the study:

- describes and compares the different EU funding programmes providing direct or indirect support to public administration reforms;
- analyses the coherence, EU added value and complementarities within these various programmes as well as their consistency with the overall EU approach on public administration reforms;
- discusses the role of expert groups, networks and awards as drivers of public administration reforms and examines in particular the effectiveness of the European Public Administration Network (EUPAN) and the European Public Sector Award (EPSA) as drivers of public administration reforms in Europe;
- analyses the impact of the EU budget and the different networks in encouraging or supporting public administration reforms in four selected countries (Bulgaria, Estonia, Greece and Italy) in combination with other external and domestic pressures for reform.

The study's findings are based on extensive desk research, including; a review of academic literature and policy documents on public administration reforms in Europe: guidance notes, and interim and ex-post evaluations of EU budgetary programmes, and specific desk research on four selected EU countries. This information is further complemented with more than 30 semi-structured interviews conducted with academic experts on public administration in Europe, EU officials responsible for the management of EU budgetary programmes, EUPAN network members, EPSA managers as well as policy-makers and academic experts on PA of the four selected Member States.

Recent trends in public administration reform

Over the last decades, there has been a change of paradigm with regard to PAR in Europe. The uncritical application of New Public Management (NPM) reforms (such as contracting out, agencification or the introduction of market-based approaches) has been replaced by a trend, which combines New Public Management approaches with measures that aim at a more network-oriented government involvement. Such new post-NPM elements focus on correcting the negative consequences of New Public Management reforms, in particular the increasing fragmentation and a weakening service ethos among civil servants. They promote horizontal and vertical coordination within public administrations, a more transparent and open government, further involvement of private and third sector organisations in the provision of services (co-creation), and the digitalisation of public administrations. The ongoing fiscal crisis also accounts for measures to gain efficiency through general public sector downsizing, reduction of internal bureaucracy, and a stronger focus on outcomes and results.

The EU action on public administration reform

Primary law confines the direct role of the EU to a very limited subsidiary role with regard to the structure, organisation and functioning of Member States' public administrations. However, European law and policies can potentially affect Member States' public administrations in many different ways in addition to providing budgetary support and incentives. Single Market legislative acts (such as the Services Directive or the Public Procurement Directives) impose specific duties and constraints on Member States' public administrations. The EU also influences Member States' public administrations through the pre-accession conditionality applied to candidate EU countries. Moreover, the establishment of Country Specific Recommendations (CSR) in the context of the European Semester, and through various scoreboards and reports aimed at assessing and comparing the effectiveness of the administrations (such as the EU Justice scoreboard, the biannual EU anti-corruption report, or the EU competitiveness report).

The overall approach in the application of this diverse set of instruments has undergone a significant paradigmatic change. It has shifted from a purely instrumental approach (based on guaranteeing the administrative capacity to implement EU law and absorb EU funds) towards a more comprehensive and strategic approach, which views good governance at the national level as a pre-requisite to attain the Europe 2020 goals of smart, inclusive and sustainable growth. The introduction of Thematic Objective 11 for administrative capacity building during the current programming period reflects this more comprehensive view of public administration reforms.

Public administration issues are also receiving growing attention in the context of the European Semester. In 2016, as in previous years, a majority of Member States have received Country Specific Recommendations in the area of public administration. However, Country Specific Recommendations on public administration reforms do not include precisely targeted and consistent recommendations. This is because the inclusion of public administration reforms issues in Country Specific Recommendations is not the outcome of a common assessment framework, and is rather influenced by the specific interests of the respective country desks or by political bargaining. Since the number of per country Country Specific Recommendations is limited, there are cases in which a country with shortcomings across several policy dimensions does not get a public administration reforms related recommendation even if it has important administrative dysfunctions, simply because other pressing recommendations are prioritised over public administration reforms.

EU funding in support of public administration reforms

There are various EU budgetary instruments offering direct or indirect support to public administration reforms. A basic distinction can be made between ESIF (European Structural and Investment Funds) interventions under Thematic Objective 11 (TO11) and other EU budget programmes. The former aim at supporting the design and implementation of comprehensive, top-down driven public administration reforms strategies. Other programmes, such as CEF Telecom, Horizon2020 or EU Justice Programme, provide financial support to reforms targeting European added value through the better cooperation and

interoperability between national public administrations, or the strengthening of administrative capacities in implementing EU legislation.

The four main instruments that provide support to public administration reforms - ESIF, CEF Telecom, Horizon2020, and EU Justice Programme - respond to different but complementary rationales for intervention. However, some overlaps between specific Operational Programmes (OP) and calls for proposals exist. In addition, synergies at the level of project implementation should be better exploited.

The EU budget provides significant amounts of funding for the digitalisation of public administrations. Funding from centrally managed programmes (Horizon2020, CEF Telecom, and ISA) is in line with the principles and priorities set up in the EU e-government plan 2016-2020, but this is not always the case with ESI-financed interventions on e-government.

There are multiple EU services and programmes providing technical assistance for the management of EU funds. In theory, they are complementary as each provides support for the management of different EU funds. In practice, some services overlap. This compartmentalised vision of technical assistance is also at odds with the European Commission's efforts to promote the combination of funds in view of exploiting synergies.

There is a need to clarify the role and narrow the scope of action of the forthcoming Structural Reform Support Programme (SRSP) in order to ensure maximum effectiveness and avoid overlap with existing services or programmes. In particular, the Structural Reform Support Programme should work as a facilitator rather than provider of services. Additionally, it should focus on supporting reforms with a clear European dimension, such as reforms included in Country Specific Recommendations or economic adjustment programmes that are relevant for the implementation of EU law or the absorption of EU funding.

Country case studies

The analysis of the four country case studies reveals the important role that EU external conditionality (that is, conditionality imposed by the EU as pre-requisite for accession) can play in promoting public administration reforms at the national level. In the two eastern European countries (Bulgaria and Estonia), public administration reforms accelerated and deepened during the 2000s as a result of the EU accession process and efforts were reduced once becoming a Member State. Similarly, in Italy and Greece, there were major efforts to reform PAs during the 1990s, as part of the EMU accession process, but once in the EMU these efforts were relaxed.

The recent economic and financial crisis has also been a potent catalyst of reforms. However, in some countries (e.g. Italy and Greece) there has been a tension between cost-cutting initiatives and efforts to rationalise and increase the efficiency of PA. In Italy, linear spending cuts were supposed to induce efficiency gains, but results had also adversely affected the quality of public services. In Greece, the Troika's emphasis with attaining quantitative targets on layoffs and staff reduction created resistance to reform at the political and administrative level.

All four selected countries receive important amounts of ESIF funding to improve administrative capacities. However, according to experts, EU funds have not induced major, long-lasting changes in national PAs. In some countries, e.g. Bulgaria, Greece, the level of politicisation of administrative staff has been causing significant inertia and corruption, which in turn block prospects of major reform.

As regards to major trends in public administration reforms, classical NPM reforms combine with post-NPM style reforms, such as measures to increase coordination between agencies and levels of government or actions aimed at enhancing transparency, open government and fighting corruption. In all four countries, there are efforts to accelerate the digitalisation of the public administration, both to increase the efficiency of public administration and as a way to promote transparency and fight corruption. The cases with most success in these reforms have been also the showcases for effective governance.

Networks and awards

There is some empirical evidence that public administration reforms may have spillover effects in other countries' reform activity. However, there is not much evidence on the issue of whether expert networks and awards are the main mechanism through which spillovers operate.

Our analysis of the EUPAN or the EPSA reveal that these schemes cannot be expected to be a main driver of more and better reforms, and should be rather judged on the margin proportional to their costs. The four case studies also support this view that networks have played a marginal role in promoting mutual learning and inducing public administration reforms, but at the same time experts have not proved that these projects have large (administrative or monetary) costs.

Given that the constraint of cost-effectiveness is satisfied soft incentives schemes such as expert networks, which foster diffusion of ideas based on sectorial peer-to-peer exchange of public sector managers, and awards, which identify and spread best practices, may contribute to the reform agenda of the Member States. These should be limited to areas where direct EU-funding of PAR is either unfeasible or ineffective. More specifically, EUPAN and EPSA could be better designed. In order to maximise and de-politicise the potential spillover effects, networks should target sectorial cooperation in different public policies between peers with large heterogeneities in terms of output, but otherwise comparable inputs. Awards should follow very salient evaluations since their effectiveness critically hinges on spreading credible and reputable information.

Policy recommendations

The study confirms that, generally speaking, the EU budgetary support to PAR is consistent with the broader and more strategic EU approach on PAR that has emerged over the past decade. However, it also identifies room for improvement in the following ways:

- develop more consistent and homogeneous public administration reforms (PAR)-related Country Specific Recommendations in the context of the European Semester

by adopting a principle-based approach for the assessment of administrative weaknesses;

- improve the monitoring and evaluation of ESIF-TO11 interventions by including specific indicators to assess progress towards the attainment of EU stated goals and priorities on public administration reforms (such as the reduction of unnecessary administrative burdens, extension in the use of e-procurement, implementation of once-only principle etc.);
- use the EU Justice Programme to provide targeted support to countries having received specific Country Specific Recommendations on justice reform;
- ensure coherence and complementarity between all EU-funded interventions in support to e-government, by guaranteeing the involvement of DG CONNECT in the preparation of all working programmes and definition of calls for proposals having an implication for e-government as well as in the negotiation and evaluation of OPs under TO2;
- ensure coordination and synergies between all the various programmes and services providing technical assistance for the management of EU funds (CEF, Horizon 2020, Jaspers, Fi-compass, EIAH) and explore the possibility to create a “single entry point” for all demands of technical assistance (e.g., EIAH acting as single entry point for all demands of technical assistance);
- use the TAIEX instrument to promote focused peer-to-peer exchanges among national officials in charge of implementing specific PAR reforms, and develop a more credible evaluation for the public sector awards;
- increase the effectiveness of the future Structural Reform Support Programme by clarifying its role (a facilitator rather than provider of technical assistance) and reducing its scope of action (providing support only to reforms having a clear European dimension).

ZUSAMMENFASSUNG

In dieser Studie wird untersucht, welche Rolle EU-Haushaltsmittel bei der Unterstützung von Reformen der öffentlichen Verwaltung spielen und ob bestehende Netzwerke der EU und Auszeichnungen für den Austausch bewährter Praktiken und wechselseitiges Lernen im Bereich der Verwaltungsreformen förderlich sind. Wichtige Aspekte der Studie sind:

- Darstellung und Vergleich der unterschiedlichen EU-Förderinstrumente zur mittelbaren oder unmittelbaren Unterstützung von Verwaltungsreformen;
- Analyse der Kohärenz, des EU-Mehrwerts und der Komplementaritäten innerhalb der verschiedenen Instrumente sowie ihrer Vereinbarkeit mit dem EU-Gesamtkonzept in Bezug auf Verwaltungsreformen;
- Erörterung der Bedeutung von Sachverständigengruppen, Netzwerken und Auszeichnungen für die Förderung von Verwaltungsreformen und die Analyse insbesondere des Wirkungsgrades des Europäischen Netzes der öffentlichen Verwaltungen (EUPAN) und der Auszeichnung für innovatives und effizientes Verwaltungshandeln (EPSA) bei der Förderung von Verwaltungsreformen in Europa;
- Analyse des Beitrags der Haushaltsmittel und der verschiedenen Netzwerke der EU zur Förderung und Unterstützung von Verwaltungsreformen in vier ausgewählten Ländern (Bulgarien, Estland, Griechenland und Italien) in Interaktion mit internem und externem Reformdruck.

Die Ergebnisse der Studie beruhen auf einer umfangreichen Sekundärforschung, in deren Rahmen unter anderem entsprechende Fachliteratur und Strategiepapiere zum Thema Verwaltungsreformen in Europa sowie Leitlinien und Zwischen- und Ex-post-Bewertungen der EU-Förderinstrumente eingehend untersucht wurden und besondere Recherchen zu vier ausgewählten EU-Ländern durchgeführt wurden. Die daraus gewonnenen Informationen werden durch über 30 halbstrukturierte Befragungen ergänzt, die mit wissenschaftlichen Sachverständigen für öffentliche Verwaltung in Europa, den für die Verwaltung der EU-Förderinstrumente zuständigen EU-Beamten, Mitarbeitern des Europäischen Netzes der öffentlichen Verwaltungen, Beamten zuständig für die Auszeichnung für innovatives und effizientes Verwaltungshandeln sowie Entscheidungsträgern und wissenschaftlichen Sachverständigen für Verwaltungsreformen aus den vier ausgewählten Mitgliedstaaten durchgeführt wurden.

Aktuelle Tendenzen bei Reformen der öffentlichen Verwaltung

Im Laufe der letzten Jahrzehnte hat sich bei den Verwaltungsreformen in Europa ein Paradigmenwechsel vollzogen. Statt kritiklos neue Reformen nach den Prinzipien des New Public Management durchzuführen (wie die Auftragserteilung an Subunternehmer, die Vervielfachung neuer staatlicher Behörden oder die Einführung marktbasierter Ansätze), neigt man heute dazu, New Public Management-Ansätze mit Maßnahmen zur netzorientierteren Regierungsbeteiligung zu verknüpfen. Diese neuen Post-New Public Management-Reformansätze sind in erster Linie auf die Korrektur der negativen Folgen der New Public Management-Reformen gerichtet und sollen insbesondere der zunehmenden Segmentierung der Beamtenschaft sowie dem schwindenden Berufsethos der Beamten

entgegen wirken. Auf diese Weise werden die horizontale und vertikale Koordinierung innerhalb der öffentlichen Verwaltung, eine transparentere und offenere Regierung, die stärkere Einbindung von Organisationen des privaten und tertiären Sektors in die Erbringung von Dienstleistungen (Mitgestaltung) und die Digitalisierung der öffentlichen Verwaltungen gefördert. Auch angesichts der anhaltenden Haushaltskrise wurden Maßnahmen ergriffen, um die öffentliche Verwaltung durch eine generelle Straffung des öffentlichen Sektors, einen geringeren internen Verwaltungsaufwand und eine stärkere Ziel- und Ergebnisorientierung effizienter zu gestalten.

EU-Maßnahmen zu Reformen der öffentlichen Verwaltung

Aufgrund der Vorschriften des Primärrechts kann die EU unmittelbar lediglich eine sehr begrenzte subsidiäre Rolle im Hinblick auf die Struktur, Organisation und Arbeitsweise der öffentlichen Verwaltungen der Mitgliedstaaten übernehmen. Neben der Gewährung von Unterstützung aus dem Haushalt und anderen finanziellen Anreizen können die öffentlichen Verwaltungen der Mitgliedstaaten unter Umständen allerdings indirekt von den Rechtsvorschriften und der Politik der EU beeinflusst werden. So legen die Rechtsakte zum Binnenmarkt (wie die Dienstleistungsrichtlinie oder die Richtlinien zur Vergabe öffentlicher Aufträge) den öffentlichen Verwaltungen der Mitgliedstaaten besondere Verpflichtungen und Sachzwänge auf. Die EU beeinflusst die öffentlichen Verwaltungen der Mitgliedstaaten ebenfalls durch die Beitrittsbedingungen, die sie für EU-Kandidatenländer aufstellt. Außerdem wird auch mit länderspezifischen Empfehlungen, die im Zusammenhang mit dem Europäischen Semester ausgesprochen werden, und verschiedenen Scoreboards und Berichten, mit denen die Wirksamkeit der Verwaltungen bewertet und verglichen wird (wie das EU-Justizbarometer, der alle zwei Jahre erscheinende Bericht der EU über die Bekämpfung der Korruption oder der EU-Wettbewerbsbericht) Einfluss auf die einzelstaatlichen Verwaltungen genommen.

Die Paradigmen, die der allgemeinen Herangehensweise bei dem Einsatz dieser verschiedenen Instrumente zugrunde liegen, haben einen bemerkenswerten Wandel durchlaufen. Statt eines rein instrumentalisierten Ansatzes (auf der Grundlage der Sicherstellung der administrativen Kapazitäten, EU-Recht umzusetzen und EU-Haushaltsmittel aufzunehmen) wird nun ein umfassenderes und stärker strategisch ausgelegtes Konzept verfolgt, bei dem gute Staatsführung auf nationaler Ebene als Voraussetzung dafür gesehen wird, die Europa-2020-Ziele eines intelligenten, nachhaltigen und integrativen Wachstums zu verwirklichen. Die umfassendere Sicht der Verwaltungsreformen spiegelt sich im thematischen Ziel 11 zum Aufbau administrativer Kapazitäten wider, das im derzeitigen Programmplanungszeitraum eingeführt wurde.

Fragen der öffentlichen Verwaltung werden im Kontext des Europäischen Semesters immer mehr Aufmerksamkeit gewidmet. Im Jahr 2016 wurden für die Mehrheit der Mitgliedstaaten wie auch schon in den Vorjahren länderspezifische Empfehlungen im Bereich der öffentlichen Verwaltung ausgesprochen. Diese Empfehlungen enthalten jedoch keine gezielten und kohärenten Vorschläge. Dies ist der Fall, da auf die in den Empfehlungen verwiesenen Reformen nicht in einem gemeinsamen europäischen Qualitätsbewertungssystem ermittelt wurden,

sondern durch die spezifischen Priorisierungen durch Länderreferenten hervorgehoben werden oder Teil einer politischen Vereinbarung sind. Da die Zahl der länderspezifischen Empfehlungen pro Land begrenzt ist, kann es vorkommen, dass ein Land, das Mängel in mehreren Politikbereichen aufweist, keine Empfehlung zu Verwaltungsreformen erhält, obwohl es gravierende Missstände in der Verwaltung gibt, weil dringendere Empfehlungen Vorrang haben.

EU-Finanzmittel für Reformen der öffentlichen Verwaltung

Es gibt verschiedene EU-Förderinstrumente, mit denen Verwaltungsreformen mittelbar und unmittelbar unterstützt werden. Grundlegend kann zwischen Maßnahmen im Rahmen der Europäischen Struktur- und Investitionsfonds gemäß dem thematischen Ziel 11 und anderen EU-Förderinstrumenten unterschieden werden. Die aus den Europäischen Struktur- und Investitionsfonds finanzierten Maßnahmen gelten der Ausarbeitung und Umsetzung umfassender Top-down-Strategien zur Verwaltungsreform. Andere Instrumente wie die Infrastrukturfazilität „Connecting Europe“ im Telekommunikationsbereich (CEF Telecom), Horizont 2020 oder das EU-Programm „Justiz“ leisten finanzielle Unterstützung für Reformen, mit denen durch eine bessere Zusammenarbeit und Interoperabilität zwischen den einzelstaatlichen öffentlichen Verwaltungen ein europäischer Mehrwert angestrebt wird oder die Verwaltungskapazitäten zur Umsetzung von EU-Rechtsvorschriften ausgebaut werden.

Die vier Hauptprogramme zur Unterstützung von Verwaltungsreformen – Europäische Struktur- und Investitionsfonds, Infrastrukturfazilität „Connecting Europe“ im Telekommunikationsbereich, Horizont 2020 und das EU-Programm „Justiz“ –legen unterschiedliche, doch sich ergänzenden Beweggründe für Maßnahmen zu grunde. Hierdurch entstehen jedoch einige Überschneidungen zwischen spezifischen Operationellen Programmen und den Aufforderungen zur Einreichung von Reformvorschlägen. Zudem sollten Synergien auf der Ebene der Projektumsetzung besser genutzt werden.

Der Digitalisierung der öffentlichen Verwaltungen kommen nennenswerte Förderbeträge aus dem EU-Haushalt zugute. Zwar steht die Förderung durch zentral verwaltete Programme (Horizont 2020, Infrastrukturfazilität „Connecting Europe“ im Telekommunikationsbereich und Europäischer Interoperabilitätsrahmen) im Einklang mit den Grundsätzen und Prioritäten des EU-eGovernment-Aktionsplans 2016–2020, doch ist dies bei aus den Europäische Struktur- und Investitionsfonds finanzierten eGovernment-Maßnahmen nicht immer der Fall.

In der EU gibt es eine Vielfalt von Diensten und Programmen, die technische Hilfe bei der Verwaltung der EU-Haushaltsmittel leisten. Theoretisch ergänzen diese sich, da jeder Dienst und jedes Programm Hilfestellung bei der Verwaltung eines bestimmten EU-Fonds leistet. In der Praxis überschneiden sich einige Dienste jedoch. Diese bereichsbezogene Organisation der technischen Hilfe steht außerdem im Widerspruch zu den Bemühungen der Europäischen Kommission, die Verknüpfung von Mitteln zu fördern, um Synergien auszuschöpfen.

Die Funktion des ausstehenden Programms zur Unterstützung von Strukturreformen muss präzisiert und der Anwendungsbereich der Maßnahmen eingeschränkt werden, um eine

möglichst hohe Wirkung zu erzielen und Überschneidungen mit bestehenden Diensten und Programmen zu vermeiden. Das Programm zur Unterstützung von Strukturreformen sollte dabei als Vermittler agieren und nicht als ein Erbringer weiterer Dienstleistungen. Zusätzlich sollte das Programm hauptsächlich Reformen zugutekommen, die eine klare europäische Dimension aufweisen und beispielsweise in den länderspezifischen Empfehlungen aufgeführt sind oder entscheidend für die Umsetzung von EU-Rechtsvorschriften oder für die Absorption von EU-Finanzmitteln sind (z. B. wirtschaftliche Anpassungsprogramme).

Länderfallstudien

Die Analyse der vier Länderfallstudien zeigt, welche Bedeutung der externen EU-Konditionalität (d. h. Bedingungen, die die EU als Voraussetzung für einen Beitritt aufstellt) bei der Förderung von Verwaltungsreformen auf nationaler Ebene zukommt. In den beiden osteuropäischen Ländern (Bulgarien und Estland) wurden in den 2000er Jahren als Ergebnis des EU-Beitrittsprozesses zügig tiefgreifende Verwaltungsreformen durchgeführt, doch nahmen die Reformanstrengungen nach dem Beitritt ab. Auf ähnliche Weise waren in den 1990er Jahren im Rahmen des Verfahrens zum Beitritt zur Europäischen Wirtschafts- und Währungsunion in Italien und Griechenland intensive Bemühungen um Verwaltungsreformen zu beobachten, die allerdings mit dem letztlich erfolgreichen Beitritt zurückgeschraubt wurden.

Die aktuelle Wirtschafts- und Finanzkrise hat sich ebenfalls als möglicher Katalysator für Reformen erwiesen. In einigen Ländern (z. B. Italien und Griechenland) stehen die Sparmaßnahmen jedoch im Konflikt mit den Bemühungen, die öffentliche Verwaltung zu straffen und effizienter zu gestalten. In Italien sollten lineare Ausgabenkürzungen mehr Effizienzgewinne herbeiführen, doch beeinflussten sie auch die Qualität der öffentlichen Dienste nachteilig. In Griechenland führten die Forderungen der Troika, quantitative Auflagen in Bezug auf Entlassungen und den Abbau von Stellen zu erfüllen, auf politischer und administrativer Ebene zu Widerstand gegen Reformen.

Alle vier ausgewählten Länder erhalten in beträchtlichem Umfang Förderbeträge aus den Europäischen Struktur- und Investitionsfonds, um Verwaltungskapazitäten auszubauen. Sachverständigen zufolge wurden mit den EU-Haushaltsmitteln allerdings keine umfassenden, langfristigen Änderungen in den öffentlichen Verwaltungen der einzelnen Staaten bewirkt. In einigen Ländern, z. B. in Bulgarien und Griechenland, hatte die Politisierung der Bediensteten und Strukturen der öffentlichen Verwaltungen zu nicht unerheblicher Untätigkeit und Korruption geführt, was umfassende Reformen wiederum in weite Ferne rücken ließ.

Was die wichtigsten Tendenzen bei Verwaltungsreformen betrifft, ergänzen sich klassische New Public Management-Reformen und Post-New Public Management-Reformansätze wie zum Beispiel Maßnahmen, die darauf abzielen, die Koordinierung zwischen Behörden und Regierungsebenen zu verstärken, mehr Transparenz und eine offene Regierung zu bewirken oder die Korruption zu bekämpfen. In allen vier Ländern bemüht man sich, die Digitalisierung der öffentlichen Verwaltung zwecks Steigerung der Effizienz voranzutreiben, für mehr

Transparenz zu sorgen und die Korruption zu bekämpfen. Die Staaten, in denen die Reformen am erfolgreichsten waren, gelten auch als Vorzeigebispiele für eine effiziente Staatsführung.

Netzwerke und Auszeichnungen

Empirische Daten zeigen, dass Verwaltungsreformen auch Ausstrahlungseffekte auf die Reformtätigkeit anderer Länder haben können. Es liegen allerdings kaum Hinweise dafür vor, dass Sachverständigennetzwerke und Auszeichnungen hierfür die zentralen Übertragungskanäle darstellen.

Unsere Analyse der Programme zeigt, dass das Europäische Netz der öffentlichen Verwaltungen und die Auszeichnung für innovatives und effizientes Verwaltungshandeln keine ausschlaggebenden Impulsgeber für zahlreichere und bessere Reformen sind, weshalb ihr Erfolg stattdessen vielmehr im Verhältnis zu ihren Kosten bewertet werden sollte. Die vier Fallstudien vermitteln ebenfalls das Bild, dass Netzwerke bei der Förderung von wechselseitigem Lernen und dem Herbeiführen von Verwaltungsreformen lediglich eine untergeordnete Rolle spielen. Gleichzeitig konnten Sachverständige allerdings auch keine hohen (administrativen oder monetären) Kosten für diese Projekte nachweisen.

Sofern dem Sachzwang der Kosteneffizienz Genüge getan wird, können schwächere Anreize wie Sachverständigennetzwerke, die der Verbreitung von Ideen durch sektoriellen Peer-to-Peer-Austausch unter leitenden Verwaltungsbeamten förderlich sind, und Auszeichnungen, mit denen bewährte Praktiken ausgemacht und verbreitet werden, zu den Reformbemühungen der Mitgliedstaaten beitragen. Sie sollten nur in Bereichen zum Einsatz kommen, in denen sich die Finanzierung von Verwaltungsreformen durch die EU entweder als nicht praktikabel oder als erfolglos erweist. Im Einzelnen könnten das Europäische Netz der öffentlichen Verwaltungen und die Auszeichnung für innovatives und effizientes Verwaltungshandeln besser konzipiert werden. Um die möglichen Ausstrahlungseffekte auf andere Länder zu maximieren und zu entpolitisieren, sollte das Ziel der Netzwerke sein, dass Fachleuten, die trotz vergleichbarer Ausgangspunkte zu unterschiedlichen Ergebnissen kommen, in verschiedenen Politikbereichen sektorbezogen zusammenarbeiten. Auszeichnungen sollten nur nach äußerst eingehenden Bewertungen verliehen werden, da ihr Wirkungsgrad unweigerlich von der Glaubwürdigkeit und Seriosität der verbreiteten Informationen abhängt.

Politische Empfehlungen

Die Studie belegt, dass die Unterstützung aus dem Haushalt der EU zur Förderung von Verwaltungsreformen im Allgemeinen im Einklang mit ihrem breiter angelegten und stärker strategisch ausgelegten Konzept zu Verwaltungsreformen steht, das sich über das letzte Jahrzehnt hinweg in der EU herausgebildet hat. Es wird jedoch auch deutlich, dass bei folgenden Aspekten Verbesserungsbedarf besteht:

- Entwicklung kohärenterer und einheitlicherer landesspezifischer Empfehlungen in Bezug auf Verwaltungsreformen im Rahmen des Europäischen Semesters nach einem grundsatzorientierten Ansatz zur Bewertung administrativer Schwächen;

- bessere Überwachung und Auswertung der Maßnahmen im Rahmen des thematischen Ziels 11 der Europäischen Struktur- und Investitionsfonds mittels besonderer Indikatoren zur Bewertung der Fortschritte hin zur Verwirklichung der Ziele und Prioritäten der EU im Bereich der Verwaltungsreform (z. B. Beseitigung von unnötigem Verwaltungsaufwand, umfangreicherer Einsatz der elektronischen Vergabe öffentlicher Aufträge, Umsetzung des Grundsatzes der einmaligen Erfassung etc.);
- Einsatz des EU-Programms „Justiz“ zur gezielten Unterstützung von Ländern, die eine konkrete länderspezifische Empfehlung zur Justizreform erhalten haben;
- Gewährleistung der Kohärenz und Komplementarität zwischen allen von der EU finanzierten Maßnahmen zur Förderung elektronischer Behördendienste durch die Sicherstellung der Beteiligung der GD CONNECT an der Vorbereitung sämtlicher Arbeitsprogramme und der Ausarbeitung von Aufforderungen zur Einreichung von Vorschlägen, die Auswirkungen auf elektronische Behördendienste haben, sowie an den Verhandlungen und Bewertungen von operationellen Programmen gemäß dem thematischen Ziel 2.
- Gewährleistung von Zusammenarbeit und Synergien zwischen den verschiedenen Programmen und Diensten zur technischen Hilfe bei der Verwaltung von EU-Haushaltsmitteln (Infrastrukturfazilität „Connecting Europe“ im Telekommunikationsbereich, Horizont 2020, Jaspers, Fi-compass, Europäische Plattform für Investitionsberatung) und Prüfung der Möglichkeit, eine zentrale Eingangsstelle für alle Anträge auf technische Hilfe zu schaffen (z. B. Europäische Plattform für Investitionsberatung);
- Verwendung des Instruments für technische Hilfe und Informationsaustausch (TAIEX) zur Förderung des zielgerichteten Peer-to-Peer-Austauschs unter einzelstaatlichen Beamten, die für die Umsetzung spezifischer Verwaltungsreformen zuständig sind, und die Entwicklung eines glaubwürdigeren Bewertungssystems für Auszeichnungen für innovatives und effizientes Verwaltungshandeln;
- höhere Effizienz des kommenden Programms zur Unterstützung von Strukturreformen dank einer genaueren Definition der Funktion (Vermittlung statt Erbringung von technischer Hilfe) und eines engeren Anwendungsbereichs der Maßnahmen (Unterstützung nur für Reformen mit eindeutiger europäischer Dimension).

SYNTHÈSE

La présente étude analyse dans quelle mesure le budget européen peut jouer un rôle d'appui aux réformes de l'administration publique (RAP); elle s'interroge sur l'efficacité des réseaux et des distinctions existantes dans l'Union européenne pour l'échange de bonnes pratiques et l'apprentissage mutuel dans le domaine des réformes de l'administration publique. En particulier, la présente étude:

- décrit et compare les différents programmes de financement de l'Union européenne qui apportent un soutien direct ou indirect aux réformes de l'administration publique;
- analyse la cohérence, la valeur ajoutée européenne et les complémentarités de ces différents programmes, ainsi que leur cohésion avec l'approche globale de l'Union en matière de réformes de l'administration publique;
- discute du rôle moteur joué par les groupes d'experts, les réseaux et les distinctions à l'égard des réformes de l'administration publique, et examine en particulier l'efficacité du réseau des administrations publiques européennes (EUPAN) et du prix européen du secteur public (EPSA) pour faire avancer les réformes de l'administration publique en Europe;
- analyse l'impact du budget de l'Union et des différents réseaux dans la promotion ou le soutien des réformes de l'administration publique dans quatre pays sélectionnés (Bulgarie, Estonie, Grèce et Italie) en lien avec d'autres incitations à réformer, externes et nationales.

Les résultats de l'étude sont fondés sur une recherche documentaire approfondie, notamment une revue des publications universitaires et des documents stratégiques sur les réformes de l'administration publique en Europe, des notes d'orientation et des évaluations intermédiaires et ex-post des programmes budgétaires de l'Union et une recherche documentaire spécifique sur quatre pays de l'Union. Ces informations sont complétées par plus de 30 entretiens semi-structurés, menés avec des experts universitaires de l'administration publique en Europe, des fonctionnaires européens chargés de la gestion de programmes budgétaires européens, des membres du réseau EUPAN, des gestionnaires de l'EPSA ainsi que des décideurs politiques et des experts universitaires de l'administration publique des quatre États membres sélectionnés.

Tendances récentes en matière de réforme de l'administration publique

Au cours des dernières décennies, la réforme des administrations publiques en Europe a connu un changement de paradigme. L'application sans recul critique des réformes de la nouvelle gestion publique (NGP), telles que l'appel à la sous-traitance, le recours aux agences ou l'introduction d'approches fondées sur des mécanismes de marché, a été remplacée par une tendance consistant à combiner les approches de la nouvelle gestion publique avec des mesures visant une participation publique davantage axée sur les réseaux. Ces éléments nouveaux, post-NGP, s'attachent à corriger les conséquences négatives des réformes de la nouvelle gestion publique, en particulier la fragmentation croissante et l'affaiblissement de l'esprit de service parmi les fonctionnaires. Ils promeuvent une coordination horizontale et verticale entre les administrations publiques, des administrations publiques plus transparentes et ouvertes, une participation accrue des organisations du secteur privé et du

tiers secteur dans la fourniture de services (cocréation), et la numérisation des administrations publiques. La crise budgétaire actuelle justifie également l'adoption de mesures pour gagner en efficacité par une réduction générale des effectifs du secteur public, la diminution de la bureaucratie interne et un accent accru mis sur les effets et les résultats.

Action de l'Union en matière de réforme de l'administration publique

Le droit primaire confine l'Union européenne à un rôle direct subsidiaire très limité au regard de la structure, de l'organisation et du fonctionnement des administrations publiques des États membres. Cependant, le droit et les décisions politiques de l'Union peuvent avoir des incidences très diverses sur les administrations publiques des États membres, en plus de leur fournir un appui et des incitations budgétaires. Les actes législatifs relevant du marché unique (comme la directive Services ou les directives sur les marchés publics) imposent aux administrations publiques des États membres des devoirs et des contraintes spécifiques. L'Union influence également les administrations publiques des États membres à travers les conditions de préadhésion qui s'appliquent aux pays candidats à l'adhésion. Elle exerce en outre un impact à travers l'établissement de recommandations par pays (RPP) dans le contexte du Semestre européen, et à travers différents tableaux de bord et rapports destinés à évaluer et à comparer l'efficacité des administrations nationales (comme le tableau de bord de la justice dans l'Union européenne, le rapport semestriel anticorruption de l'Union européenne ou le rapport sur la compétitivité de l'Union européenne).

L'approche globale de l'application de ces différents documents a connu un important changement de paradigme. De purement instrumentale (fondée sur la garantie de la capacité administrative à mettre en œuvre le droit de l'Union et à absorber les fonds européens), elle est passée à une approche plus exhaustive et stratégique, qui voit la gouvernance au niveau national comme un prérequis pour atteindre les objectifs de la stratégie Europe 2020 pour une croissance intelligente, durable et inclusive. L'introduction de l'objectif thématique 11 pour le renforcement des capacités administratives durant l'actuelle période de programmation illustre cette conception plus globale des réformes de l'administration publique.

Les questions d'administration publique font aussi l'objet d'une attention croissante dans le contexte du Semestre européen. En 2016, comme les années précédentes, une majorité d'États membres a reçu des recommandations par pays dans le domaine de l'administration publique. Toutefois, les recommandations par pays sur les réformes de l'administration publique n'incluent pas de recommandations ciblées avec précision et cohérentes. Ceci s'explique par le fait que l'inclusion des questions de réformes de l'administration publique dans les recommandations par pays n'est pas le résultat d'un cadre commun d'évaluation, mais est plutôt influencée par les intérêts spécifiques des gestionnaires des pays concernés ou par des tractations politiques. Puisque chaque pays reçoit un nombre limité de recommandations par pays, il existe des cas dans lesquels un pays ayant des lacunes relevant de plusieurs domaines d'action ne reçoit pas de recommandation liée aux réformes de l'administration publique, même s'il présente d'importants dysfonctionnements administratifs, simplement parce que d'autres recommandations urgentes sont considérées comme prioritaires par rapport aux réformes de l'administration publique.

Appui financier de l'Union en faveur des réformes de l'administration publique

Différents instruments de financement de l'Union européenne apportent un soutien direct ou indirect aux réformes de l'administration publique. Une distinction de base peut être faite entre les interventions des Fonds structurels et d'investissement européens (fonds ESI) au titre de l'objectif thématique 11 (OT 11) et les autres programmes budgétaires de l'Union. Les premiers visent à soutenir la définition et la mise en œuvre de stratégies de réformes de l'administration publique exhaustives et descendantes. D'autres programmes, tels que MIE Telecom, Horizon 2020 ou le programme de l'Union européenne dans le domaine de la justice, fournissent un appui financier à des réformes qui visent à apporter une valeur ajoutée européenne à travers une meilleure coopération et une meilleure interopérabilité entre les administrations publiques nationales, ou à travers un renforcement des capacités administratives dans la mise en œuvre de la législation de l'Union.

Les quatre principaux instruments qui fournissent un appui aux réformes de l'administration publique – les Fonds ESI, MIE Telecom, Horizon 2020 et le programme de l'Union européenne dans le domaine de la justice – répondent à des motifs d'intervention différents mais complémentaires. Toutefois, il existe des chevauchements entre certains programmes opérationnels (PO) particuliers et des appels à propositions. En outre, les synergies au niveau de la mise en œuvre des projets devraient être mieux exploitées.

Le budget de l'Union fournit des financements significatifs en faveur de la numérisation des administrations publiques. Le financement de programmes gérés au niveau central (Horizon 2020, MIE Telecom et ISA (solutions d'interopérabilité pour les administrations publiques européennes)) est conforme aux principes et aux priorités fixés dans le plan d'action européen 2016-2020 pour l'administration en ligne, mais tel n'est pas toujours le cas avec les interventions financées par les fonds ESI sur l'administration en ligne.

Il existe de multiples services et programmes européens qui apportent une assistance technique pour la gestion des fonds européens. En théorie, ils sont complémentaires, étant donné que chacun d'eux fournit un appui pour la gestion de différents fonds de l'Union. Dans la pratique, certains services sont redondants. Cette vision compartimentée de l'assistance technique est également contraire aux efforts de la Commission pour promouvoir la combinaison de fonds en vue d'exploiter les synergies.

Il est nécessaire de clarifier le rôle et de délimiter le champ d'action du Programme d'appui à la réforme structurelle (PARS) afin de garantir son efficacité maximale et d'éviter les doublons avec des services ou programmes existants. En particulier, le Programme d'appui à la réforme structurelle devrait intervenir comme un facilitateur plutôt que comme un fournisseur de services. De plus, il devrait s'attacher à cibler son appui sur les réformes ayant une dimension européenne claire, comme les réformes incluses dans les RPP ou les programmes d'ajustement économique qui interviennent pour la mise en œuvre de la législation européenne ou l'absorption des fonds européens.

Études de cas par pays

L'analyse des quatre études de cas par pays révèle le rôle important que la conditionnalité externe de l'Union (c'est-à-dire les conditions imposées par l'Union en tant que prérequis à l'adhésion) peut jouer pour promouvoir les réformes de l'administration publique au niveau national. Dans les deux pays d'Europe orientale (la Bulgarie et l'Estonie), les réformes de l'administration publique se sont accélérées et approfondies durant les années 2000, en conséquence du processus d'adhésion à l'Union, et les efforts se sont réduits une fois que les pays sont devenus États membres. De manière similaire, l'Italie et la Grèce ont consenti à des efforts majeurs pour réformer leurs administrations publiques dans les années 1990, dans le cadre de leur processus d'adhésion à l'union économique et monétaire (UEM), mais, une fois que ces pays ont rejoint l'UEM, ces efforts se sont relâchés.

La récente crise économique et financière a également été un puissant moteur de réformes. Toutefois, dans certains pays (par exemple en Italie et en Grèce), il y a eu des tensions entre les initiatives visant à réduire les coûts et les efforts visant à rationaliser et à augmenter l'efficacité des administrations publiques. En Italie, les réductions linéaires des dépenses étaient censées entraîner des gains d'efficacité, mais elles ont aussi eu comme effet de dégrader la qualité des services publics. En Grèce, l'accent mis par la troïka sur l'atteinte d'objectifs quantitatifs en matière de licenciements et de réduction du personnel a entraîné une résistance aux réformes au niveau politique et au niveau administratif.

Les quatre pays sélectionnés reçoivent d'importants financements des fonds ESI pour améliorer leurs capacités administratives. Toutefois, selon les experts, les fonds de l'Union n'ont pas entraîné de changements majeurs et durables au sein des administrations publiques nationales. Dans certains pays, par exemple en Bulgarie ou en Grèce, le niveau de politisation du personnel administratif suscite une inertie et une corruption importantes, qui à leur tour bloquent les perspectives de réforme majeure.

En ce qui concerne les principales tendances des réformes de l'administration publique, les réformes classiques de la nouvelle gestion publique (NGP) sont combinées avec des réformes de type post-NGP, comme des mesures visant à augmenter la coordination entre les agences et les niveaux administratifs ou les actions visant à renforcer la transparence, l'administration ouverte et la lutte contre la corruption. Dans les quatre pays, des efforts sont déployés pour accélérer la numérisation des administrations publiques, à la fois pour accroître l'efficacité de ces dernières, mais aussi pour promouvoir la transparence et lutter contre la corruption. Les cas ayant rencontré le plus grand succès parmi ces réformes ont aussi constitué les vitrines d'une gouvernance efficace.

Réseaux et distinctions

Les retombées positives des réformes de l'administration publique sur l'activité réformatrice des autres pays ont parfois été empiriquement démontrées. En revanche, il existe peu d'éléments prouvant que les réseaux d'experts et les distinctions sont les principaux vecteurs de ces retombées.

Notre analyse du réseau des administrations publiques européennes (EUPAN) ou du prix européen du secteur public (EPSA) montre que ces dispositifs ne peuvent être considérés comme les principaux moteurs de l'adoption de réformes plus nombreuses et plus efficaces; ils devraient plutôt être évalués en proportion de leurs coûts. Les quatre études de cas confirment aussi la vision selon laquelle les réseaux ont joué un rôle marginal dans la promotion de l'apprentissage mutuel et dans le lancement de réformes de l'administration publique, mais, en même temps, les experts n'ont pas démontré que ces projets avaient des coûts (administratifs ou monétaires) élevés.

Étant donné que la contrainte coût/efficacité est respectée, les dispositifs d'incitation non contraignants tels que les réseaux d'experts, qui favorisent la diffusion d'idées sur la base d'un échange sectoriel entre dirigeants du secteur public, et les distinctions, qui mettent en lumière et diffusent les meilleures pratiques, peuvent contribuer au programme de réformes des États membres. Ceux-ci devraient être limités aux domaines dans lesquels un financement direct de l'Union est soit infaisable, soit inefficace. Plus spécifiquement, l'EUPAN et l'EPSA pourraient être mieux conçus. Afin de maximiser et de dépolitiser leurs retombées potentielles, les réseaux devraient viser une coopération sectorielle entre pairs dans différents domaines d'action publique, présentant d'importantes différences en ce qui concerne le résultat, mais des points de départ comparables. Les distinctions devraient se fonder sur des évaluations très pertinentes, puisque leur efficacité dépend essentiellement de la diffusion d'informations crédibles et reconnues.

Recommandations d'actions

L'étude confirme que le soutien budgétaire de l'Union aux réformes de l'administration publique est généralement en cohérence avec l'approche plus vaste et plus stratégique de l'Union sur les réformes des administrations publiques, qui a émergé au cours de la dernière décennie. Elle dégage toutefois également des marges de progression dans les directions suivantes:

- développer des recommandations par pays (RPP) plus cohérentes et homogènes, en lien avec les réformes de l'administration publique, dans le contexte du Semestre européen, en adoptant une approche fondée sur des principes pour évaluer les faiblesses administratives;
- améliorer le contrôle et l'évaluation des interventions des fonds ESI relevant de l'objectif thématique 11 en incluant des indicateurs spécifiques permettant d'évaluer les progrès réalisés pour atteindre les objectifs et les priorités fixés par l'Union en matière de réformes de l'administration publique (comme la réduction des charges administratives inutiles, l'extension du recours aux marchés publics en ligne, la mise en œuvre du principe de l'enregistrement unique, etc.);
- utiliser le programme de l'Union européenne dans le domaine de la justice pour fournir un appui ciblé aux pays ayant reçu des recommandations par pays spécifiques concernant la réforme de la justice;
- assurer la cohérence et la complémentarité entre toutes les interventions financées par l'Union en faveur de l'administration en ligne, en garantissant la participation de la DG CONNECT à la préparation de tous les programmes de travail et à l'élaboration

des appels à propositions ayant une implication en matière d'administration en ligne, ainsi qu'à la négociation et à l'évaluation des programmes opérationnels relevant de l'objectif thématique 2;

- assurer la coordination et les synergies entre l'ensemble des programmes et des services qui apportent une assistance technique pour la gestion des fonds de l'Union (MIE, Horizon 2020, Jaspers, Fi-compass, EIAH) et explorer la possibilité de créer un "point d'entrée unique" pour toutes les demandes d'assistance technique (par exemple, l'EIAH pourrait jouer le rôle de point d'entrée unique pour toutes les demandes d'assistance technique);
- utiliser l'instrument TAIEX pour promouvoir des échanges ciblés entre pairs parmi les fonctionnaires nationaux chargés de la mise en œuvre de réformes spécifiques dans le domaine des administrations publiques, et développer une évaluation plus crédible pour les prix honorant le secteur public;
- augmenter l'efficacité du futur Programme d'appui à la réforme structurelle (PARS) en clarifiant son rôle (rôle de facilitateur plutôt que de fournisseur d'assistance technique) et en réduisant son champ d'action (il ne devrait fournir un appui qu'aux réformes ayant une dimension européenne manifeste).

1. INTRODUCTION

1.1. BACKGROUND, AIMS AND METHODOLOGY

Administrative deficiencies are increasingly acknowledged to constitute an impediment to social and economic development in EU Member States in several crucial respects. Administrative bottlenecks impair the effectiveness of national and European policies aiming at smart, sustainable and inclusive growth in line with the Europe 2020 strategy. Moreover, poor administrative capabilities are a burden for the development of mutual trust between citizens and governments, while bureaucratic inefficiencies create an unnecessary fiscal burden aggravating challenges of fiscal sustainability and related harsh consolidation needs.

Whereas the EU does not have specific direct legal competences in the administrative field, it exerts a positive influence on Member States' public administrations in various indirect ways. These include: the setting of administrative standards in the *acquis communautaire*, formulation of CSRs in the context of the European Semester, and the exchange of best practices across the Union through the setup of networks and awards. In addition, the EU disposes of budgetary means that may support and incentivise PAR through actions that strengthen administrative capacity and efficiency of administrations, and encourage public sector innovation

The latter, i.e. the actual and potential role of the EU budget for PAR, is the key interest of this study. In particular, the study aims:

- to describe the overall EU approach on PAR against the background of an increasing awareness of administrative bottlenecks also in long-time EU Member States;
- to provide an overview of the different EU funding programmes supporting public sector reform with respect to size, objectives, eligibility rules, modes of management and allocation of funding;
- to explore complementarities and redundancies between these funding schemes as well as possible deficiencies and inconsistencies;
- to explain how these EU funding opportunities have been used by Member States and to identify ways in which the EU budget could be more effectively used for PAR;
- to identify best practices of EU programmes and/or Member State initiatives;
- to provide an overview of existing expert groups and networks like the European Public Administration Network (EUPAN) for the discussion and exchange of best practices in the area of public sector reforms across Member States;
- to examine how public sector awards like the European Public Sector Award (EPSA) have worked as a driver PAR.

1.2. METHODS AND DEFINITIONS

The study is based on extensive desk research on current PAR-related developments in the EU budget and in EU policies. It also takes account of the insights from the academic literature on current administrative reform trends across various disciplines. An important basis for this study are interviews with experts, researchers, and policy-makers. We have conducted semi-

structured interviews, which combine the advantage of comparability (of rigorously structured interviews) with the flexibility of open conversations. The interviews have targeted a variety of partners ranging from the European Commission (responsible for the management of relevant programmes), the EUPAN network members, EPSA representatives, the European Investment Bank (EIB), further institutions, as well as policy-makers and academic researchers from selected Member States. Annex 2 presents the questionnaires guiding the interviews. Overall, we have talked to 33 interviewees who are listed in the acknowledgements part of Annex II. The study also provides case studies on four selected countries for a better understanding of the relevant deeper country-contexts of administrative reform incentives, reform programmes and the EU's role in these. The four case-study countries cover Bulgaria, Estonia, Greece and Italy.

The notion of PAR is key for our study and, therefore, we start by a clear definition of the term. A fundamental distinction is the one between policy reforms on the one hand (i.e., changes in the primary goals, strategies and scope of state intervention in a given public sector), and administrative reforms (i.e., changes in the structures and processes of public sector organisations with the objective of enhancing their efficiency) on the other hand. The latter are the focus of this study. This clear focus on PAR avoids ideological debates (e.g. on the right structural reforms or the size of government). With this purpose, we follow the definition that PAR are “deliberate changes to the structures and processes of public sector organisations with the objective of getting them to run better” (UN: 2006). We also apply the approach taken by the European Commission’s “Quality of Public Administration Toolbox” (European Commission, 2015e) and focus our analysis on reforms aimed at improving core administrative structures (“bureaucracy”) and the judicial system. Administrative reforms in other sector-specific public bodies or public services (e.g. actions to improve public employment or health care services, re-organisation of police forces, etc.) are, therefore, not the main interest of our analysis. The rationale for including the judicial system and no other sectors is that independent and effective judicial systems are essential in guaranteeing the implementation of the EU acquis, the functioning of the Single Market, and the achievement of the EU2020 goals. In coherence with this, justice reform is very salient in the context of the European Semester and the CSR.

In recent years, PAR has been also closely associated with cost-cutting exercises in the public sector. Indeed, the pressures for fiscal consolidation have been one of the main drivers of PAR. Cost-cutting exercises can be considered PAR, but only to the extent that they get the public organisation to run better; that is, that they entail efficiency-saving gains rather than simply reducing the output provided. It should be also noted that certain PARs follow an investment-to-save logic (they require funding to be implemented, but provide long-term savings). Whereas efficiency concerns are high on the agenda, not all PARs are motivated by this logic. For instance, there is also a general trend towards improving transparency and openness of PA (see next section).

In our analysis of budgetary instruments fostering PAR we apply a typology of public sector reforms (Table 1) developed on the basis of a literature review on recent trends in PAR in Europe and input from desk research on EU budgetary programmes (see chapter 4). The following eight categories are jointly exhaustive (they cover all possible types of reforms),

mutually exclusive (reforms cannot be classified in two categories), and are relevant to capture the use of EU spending in support of PAR.

Table 1: Typology of public sector reforms

TYPE OF REFORM	EXAMPLE	CLASSIFICATION BY EUROPEAN COMMISSION (2015e)*
Changes in organisational structures	Decentralisation reforms, creation of new agencies, privatisation, creation of new units to strengthen coordination between ministries/levels of governments, establishment of advisory bodies	“professional and well-functioning institutions”(3)
measures to improve policy making and implementation	Preparation and implementation of strategic plans, forecasting analysis, horizontal regulatory or spending reviews, introduction of performance-based management, introduction of new tools for monitoring and evaluation	“better policy-making”(1)
human resources management/ skill development	Preparation and design of human resources reforms (functional mapping and staffing analysis, training needs assessments), changes in the procedures for recruitment, selection and career development, provision of training	“professional and well-functioning institutions” (3)
E-government measures	Introduction of information and communication technology (ICT) tools to improve service delivery (e.g. e-procurement, e-signature, mobile e-government), to improve the use of data (advanced cloud infrastructures) or to strengthen transparency and citizens’ participation (Open government/e-participation).	“improving service delivery”(4) and “enhancing business environment” (5)
measures to improve service delivery for citizens and firms (other than through e-tools)	Rationalisation/simplification of administrative procedures, reduction of red tape, integration of services, creation of one-stop shops	“improving service delivery” (4) , “enhancing business environment”(5)
measures to enhance transparency and accountability of public administrations (other than through e-tools)	Improvement of ombudsman procedures, creation of an office against corruption, actions to promote citizens’ participation in public affairs	“better policy-making”(1); “embedding ethical and anti-corruption practices”(2)
measures to enhance effectiveness, efficiency and quality of the judicial system	Introduction of e- tools in the judicial system, support to judicial training, re-design/simplification of judicial procedures	“strengthening the quality of the judicial system”(6)
measures to strengthen administrative capacity to manage EU funds	Re-organisation of administrative structures for planning, implementation and monitoring of EU funds, upskilling measures for staff in charge of implementing EU funds, specific advice/technical assistance for creation of “financial instruments”	“managing public funds effectively” (7)

* European Commission (2015e): Quality of public administration- A toolbox for practitioners.

Source: Own compilation

2. PUBLIC ADMINISTRATION REFORMS IN EUROPE

KEY FINDINGS

- National administrative reforms in Europe tend to correct pure New Public Management tools through more integrating elements.
- These elements comprise the coordination of agencies, network-orientation, participation, co-service and digitalisation.
- The academic literature has identified and substantiated numerous channels through which an efficient administration fosters firm dynamics and productivity. It also has shown the interplay between administrative efficiency and citizen involvement.

2.1. RECENT TRENDS IN PUBLIC ADMINISTRATION REFORM IN EUROPE

The Union's approach to PAR should include an appropriate understanding of country heterogeneity, current trends, and changing reform paradigms. In spite of cross-border learning and unifying European reform impulses (see below section 3), heterogeneity remains large. Different historical backgrounds influence traditions of PA, and the structure, size and mission of public bodies remains unique to each Member State. Differences in these historically determined contextual factors also constrain the potential for change.

With respect to the leading reform paradigm, the mainstream view has shifted beyond an uncritical application of NPM approaches without reflecting their limitations. Since the 1980s when the Thatcher and Reagan administrations kicked-off market- and incentive-oriented approaches to foster efficiency of the public sector, NPM has spread across the industrialised world and beyond. NPM elements (decentralisation with autonomous agencies and managers, marketization through contracting-out or other competitive tools, performance-based budgeting and human resource strategies, Christensen, 2012 and Pollitt and Bouckaert, 2011) have become prevalent in most European countries to some degree, even though they are sometimes disguised behind very different rhetoric framings (van de Walle et al., 2016). The consolidation pressure resulting from the financial and economic crisis has even re-emphasised the cost-containment rationale of NPM reforms.

However, over recent years, unintended negative consequences of NPM have become more and more visible. Among them are increasing fragmentation and a weakening service ethos of civil servants (van de Walle et al., 2016). This experience has led to a modified paradigm on PAR (the "Post-NPM era", Dahlström et al., 2011). According to the post-NPM view, market-type mechanisms remain an indispensable element of a modern PA also because they remain functional to the cost-minimisation imposed by budgetary discipline. However, NPM elements need to be counterbalanced by integrating forces. These new elements comprise coordination of agencies, a move towards network-orientation, participation, co-service and digitalisation.

Network-orientation: There is an increasing emphasis on coordination and collaborative governance through reforms that are oriented at improving horizontal coordination across PA organisations. With this logic, politicians take up the role of guarantors of shared deals

involving multiple stakeholders and civil servants become partnership leaders and network managers (Klijn, 2012 and Christensen, 2012).

Coordination: The NPM practices of promoting contracting out, marketization and agencification led to a high fragmentation and specialisation of public bodies. This leads to the need to achieve greater horizontal (e.g. between ministries and “silos” central administrations) and vertical coordination (among different tiers of government and the numerous subordinate institutions).

Participation, transparency and open government: The role of citizens is increasingly being given more weight. High participation can both help in shaping result-oriented reforms and have a direct impact on the perceived efficacy of public services. The key aspects to consider are: 1) opening the access to public services, 2) allowing for greater choice for the provision of services, 3) creating mechanisms to provide feedback and participate in decision-making.

Co-service and co-creation: PAs have started to recognise the increasing relevance of private and third sector organisations in the provision of certain services, which are key to the well-being of citizens. The role of PAs remains pivotal, as they have to identify potential synergies, facilitate cooperation, remove barriers to system-wide cooperation and monitor outcomes. In this context, co-creation refers to innovations emerging from this interaction of the PA and the private sector.

Digitalisation: The use of digital techniques is a natural complement supporting this post-NPM world. It has an obvious high potential for both networking and cooperation within the administration and for the interaction with citizens and the private sector. E-government initiatives are fundamental to ensure transparency, openness and to make PA activities more participatory. In addition, the comprehensive exploitation of e-government is also promising in the light of the traditional NPM objectives like pushing efficiency in service provision and increasing transparency for better performance-orientation.

The literature confirms that the implementation of traditional NPM reforms and – even more – of the correcting post-NPM elements is highly different across countries. With respect to the successful implementation of NPM-based tools, those countries have particular deficiencies that are characterised by a high degree of politicisation or goal ambiguity of administrations, problems particularly relevant in the south and east of the EU (Hammerschmid et al., 2013). A backlog in NPM-related decentralisation is diagnosed in particular for smaller and medium-sized countries such as Bulgaria, Greece, Lithuania, Slovenia and Romania (ECORYS, 2011). Given that post-NPM insights are relatively recent, the backlog of more unifying reform elements complementing the simple NPM approaches is more common across all EU Member States.

This overall PAR context must be kept in mind when optimising the administration-related instruments of the EU budget which should reflect the Post-NPM insights as well as the deficiencies in making traditional NPM functioning in the first place.

2.2. THE ROLE OF PUBLIC SECTOR EFFICIENCY FOR ECONOMIC AND SOCIAL PERFORMANCE

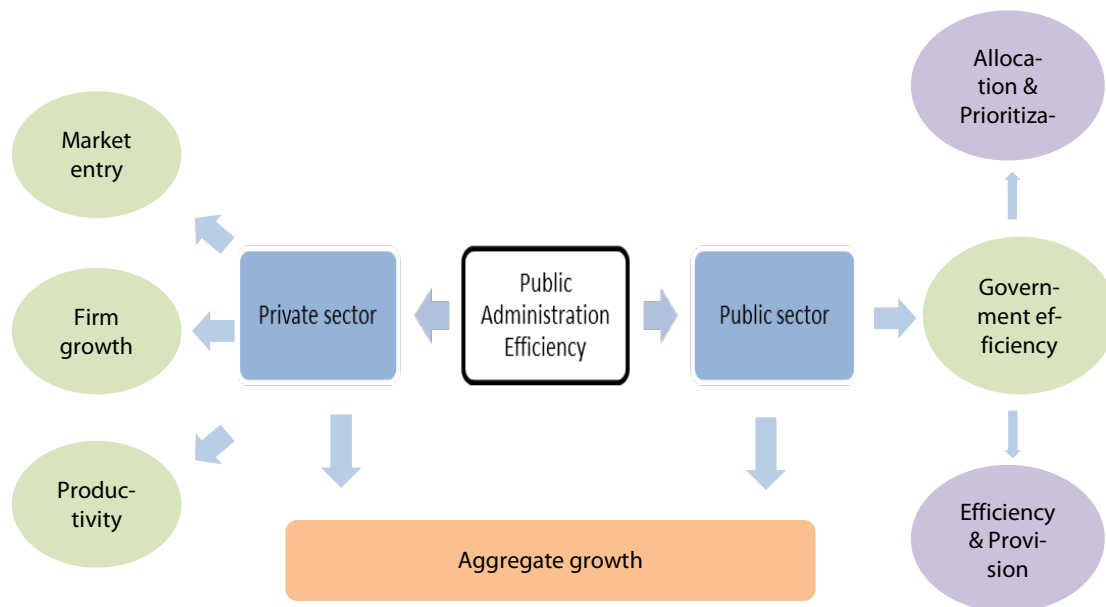
The purpose of this section is to summarise existing empirical evidence on the relation between the efficiency in PA and different indicators of economic and social performance. In this strand of literature, empirical analyses usually test for the impact of administrative efficiency on different outcomes in general, which in turn provides information on the potential impact of efficiency improving reforms of PA.

In general, the impact of the quality of PA on social and economic outcomes is multidimensional and complex. For example, firms interact with PA on many occasions such as when registering businesses, paying taxes or receiving subsidies, or in case of legal disputes, among others. An efficient and transparent PA that minimises the bureaucratic burden can therefore directly contribute to higher firm productivity and competitiveness with positive repercussions for aggregate growth.

As provider of public goods and services, the quality of PA is also key in interactions with the public. A lean PA that efficiently provides public goods and services while absorbing relatively few public resources will equally contribute to growth. Beyond that, co-creation with the public supporting a better identification of the needs and priorities on the side of the administration will contribute to make the growth process more inclusive.

In discussing the existing evidence, it is helpful to distinguish between the respective sectors on whose outcomes the efficiency in PA exerts an influence. Against this background, we distinguish between the private and the public sector and further differentiate between market entry, firm growth, and firm level productivity in case of the former and government efficiency in case of the latter. The impact of PA on aggregate growth stems from both sectors and we therefore discuss it separately. Figure 1 summarises the different channels of impact.

Figure 1: Channels of transmission



Source: Own compilation

2.2.1. Private sector

Efficiency and predictability of the interaction between firms and PA is crucial. The transmission channel to economic and social performance such as competitiveness is established when bearing in mind that costs and risks that firms face are key parameters for private investment decisions and that these investments in turn shape the economic competitiveness of a Member State. While costs may relate to staff time spent to handle bureaucratic tasks or administrative delays resulting in missing business opportunities, uncertainty may primarily stem from low transparency in PA resulting in a lack of prior knowledge about the length of administrative procedures and the amount of resources needed to devote to them.

High costs in dealing with PA affect firms at various stages of their lifecycle. They may deter market entry of new and innovative firms with negative repercussions for a country's competitiveness. While these barriers do not only have adverse effects for new firms to innovate and enter, they also affect already existent firms due to lower competitive pressure (Aghion et al., 2009). Klapper et al., (2009) test this channel of impact using data on the number of newly registered firms for 100 countries including all Member States. They provide evidence for a statistically significant and negative relationship between the entry density of firms and indicators on the ease of starting a business. Using a sample of 57 countries including 11 Member States, Fisman and Sarria-Allende (2004) find a significant and negative impact of high entry costs on the creation of new businesses. Their results imply an increase in new firm creation of 11% when reducing entry costs from the 75th to 25th percentile. Ciccone and Papaioannou (2007) obtain similar results albeit for a smaller sample. Djankov et al. (2008) provide further evidence using a sample of 85 countries, including 22 Member States. Their results imply that an increase in the number of necessary procedures for incorporation from the lowest to the highest regulated country in their sample would result in a decrease in the entry rate by 5 percentage points per year.

Besides the entry of new firms, costs and uncertainty in dealing with PA also affect the survival and growth pattern of new entrants or incumbent firms. Firm survival is crucial, as only entrants operating a sufficient amount of time will exhibit a measurable long-run effect on employment and productivity growth. Against this background, Bartelsman et al., (2009) provide empirical evidence for a cross-section of 24 countries. Their findings show that 80-90% of entrants survive the initial period of two years and that 40-70 % of these firms still operate after 7 years. Cuaresma et al. (2014) find that the institutional business environment is an important driver of firm growth and that the fastest growing firms appear to be the most affected by a low quality PA.

As productivity is a key driver for firm level growth and competitiveness, a different set of studies investigates the impact of PA on productivity. Using firm level data for 20 Member States, Klapper et al. (2006) provide evidence for a significant and negative impact of high costs in interaction with the PA on total factor productivity. The results imply an increase in value added per worker of 14% when reducing registration costs from the 75th to 25th percentile in their sample. Méon and Weill (2005) investigate the impact of the quality of PA on aggregate technical efficiency for a sample of 62 countries including 13 Member States.

They provide evidence that corruption and the accountability of politicians as well as the efficiency of the bureaucracy have the largest negative impact on productivity.

2.2.2. Public sector

The efficiency in PA also exerts an impact on the public and firms through the provision of public goods as well as services and the overall resource need. As the public as well as the firms are prime beneficiaries of public goods and bear the overall tax burden, a more efficient PA, capable of providing relevant public goods of higher quality more cost-efficiently, is likely to affect indicators of social and economic performance positively.

In discussing these aspects, we distinguish between the allocation and the overall efficiency in the provision of public goods or services. The former refers to the fact that the positive impact of a better PA does not only materialise through an increased provision of public goods. More funding and the simple increase in provided public goods do not preclude redundancies. Therefore, their composition, their quality and the correct identification of needs and priorities of the public is crucial (Curristine et al., 2007; Carlin et al., 2010). Especially the last point is important given the limited political capital and administrative capacity. This aspect may also be fostered by co-creation of public services between the PA and the public. Ultimately, this would also increase the transparency of processes within the PA with positive repercussions on policymaking and the costs in dealing with PA. However, even when correctly identifying the needs and priorities, the quality in PA will still differ in the efficiency in providing the respective public good or service. This aspect is summarised by “efficiency in provision” in the graph. It simply refers to the case in which the unit costs of a public good or service vary.

Afonso et al. (2010), for instance, provide evidence for increased government efficiency with increasing levels of average educational attainment. At the local level, revenue stemming from natural resources is found to reduce the efficiency in provision of local public goods (Borge et al. 2015). This is in line with the negative relation between fiscal capacity and efficiency found in other studies (Borge, Naper 2006; Borge et al. 2008). Besides fiscal capacity, increased citizen participation and co-creation of public goods is found to be associated with higher efficiency in PA (Borge et al., 2008; Geys et al., 2010). Furthermore, citizen participation in local decision making through direct democratic instruments has an efficiency-enhancing effect on local public goods provision (Asatryan and de Witte 2015).

Through its impact on both sectors, the efficiency in PA will also ultimately affect aggregate growth. Using a dataset on the average annual growth rate for 135 countries including 24 Member States, Djankov et al. (2006) provide evidence for a significant and negative impact of low efficient PA on per capita growth. Their estimates imply that moving from the worst to the best quartile with respect to the quality of PAs results in an increase of the average annual growth rate per capita by 2.3 percentage points. Busse and Groizard (2008) obtain a smaller effect and report half a percentage point in foregone growth per year.

Overall, the literature points to an emerging consensus about the role of high PA efficiency for the economic and social performance. In the next step, we show how the EU’s overall approach to PAR increasingly reflects this awareness.

3. THE EU ACTION ON PUBLIC ADMINISTRATION REFORM

KEY FINDINGS

- Financial support from the EU budget is only one beside several other (and possibly more important) dimensions through which the EU impacts PAR.
- The establishment and deepening of the Internal Market has resulted in substantial modernisation pressure for national administrations e.g. through the Public Procurement or Service Directives.
- The paradigm on the overall EU approach to PAR has been changing over the past decade. The view that administrative capabilities have merely a serving function for the effectiveness of other European policies has been complemented by an additional interest in public administrative efficiency per se.
- The European Semester with the CSRs emphasises the role of PAR, however, CSRs suffer from a lack of cross-country consistency.
- Budgetary tools should aim at consistency with the overall EU approach.

3.1. IMPACT CHANNELS

Although the specific focus of this study is the role of the EU budget in support of national administration reform, we have to take into account the overall EU approach extending beyond the budget. The broader picture helps avoiding misinterpretations regarding the potential role of budgetary support and incentives. Budgetary programmes are particularly promising if they are consistent with the overall legal and political EU approach towards PAR. Hence, before zooming in on the budgetary dimension, a more comprehensive picture is needed on how the Union affects administrative developments in Member States, and how priorities have shifted over recent years.

In general, the EU may affect procedures, rules and innovations in candidate and Member State administrations through highly diverse channels, including:

- pre-accession conditionality and incentives for candidate countries;
- EU legislation which directly addresses Member State administrations;
- EU legislation with indirect implications for Member State administrations;
- policy coordination in context of the Union's economic policy governance (European Semester);
- fostering cross-border learning through benchmarking and identification of best practices;
- direct or indirect budgetary incentives for PAR (programmes explicitly target PAR or conditionality defines requirements for administration).

As described above, the overall interest of the study lies in the last channel, while this section briefly discusses the full set of options.

With respect to legislation, primary law confines the role of the EU to a very limited subsidiary role on issues of national administration. The Union lacks any direct legislative competency with respect to this issue. EU primary law prescribes binding general principles for the

administration of the EU itself (like Art. 298 TFEU with its call for an “open, efficient and independent” administration or Art. 41 Charter of Fundamental Rights on the rights to good administration) but not for the Member State level.

Table 2 : Examples for secondary EU law with crosscutting implications for national administrations

LEGISLATIVE ACT	PUBLIC ADMINISTRATION RELEVANCE	SPECIFIC REQUIREMENTS FOR NATIONAL ADMINISTRATIONS
Services Directive (2006/123/EC)	Member States required addressing administrative shortcomings that prevent cross-border service provision. Call for administrative simplification to reduce length, complexity and legal uncertainty of administrative purposes with a particular attention for small or medium sized enterprises (SME).	Establishment “points of single contact”. Provision of “electronic means” for fulfilling all requirements for a firm’s accession to national service market.
Public Procurement Directives (2014/24/EU; 2014/25/EU)	Above certain thresholds and subject to defined sectorial exceptions, Member States administrations are required to respect rules and procedures defined in the directives for their procurement.	Definition of available procedures, defined requirements for tools for electronic receipt of tenders, requests, detailed definition of information obligations.
Public Sector Information Directive (2013/37/EU)	Requires Member States to make as much government-held data available for re-use as possible and to apply the principles of transparency and fair competition in related procedures.	Defines rules for charges (with a link to marginal costs), information requirements, and maximum duration of period from request until decision.
Freedom of Access to Information Directive (2003/4/EC)	Member States have to make environmental information systematically available to the public.	Defines the principle that any requests on environmental information from any legal or natural person have to be answered together with the exceptions.

Source: own compilation.

The Lisbon Treaty did not change the status quo and even reemphasised this national prerogative through article 197 TFEU on administrative cooperation. This article reiterates the prevalent instrumental view that Member States’ administrative capacity is of common interest because it is essential for the implementation of Union law – and not because it is a European interest in itself. The article merely allows the Union to support the Member States’ administrations by sharing information or exchanging civil servants as well as supporting training measures. It explicitly excludes any harmonisation of administrative laws and regulations and even clarifies that Member States are not obliged to accept the supporting measures. This article has definitely not expanded the Union’s leeway for administrative harmonisation; on the contrary, the law literature argues that this article on its own even could constitute an obstacle to a process of further administrative integration (Chiti, 2012).

While it follows from the above that the Union’s direct legislative impact on national administrations is virtually non-existent, the EU acquis has nevertheless manifold and highly relevant indirect implications. The acquis has been exercising an innovating and harmonising

impact on national administrations already for years. Several directives, legislated in core policy fields of the internal market, set explicit constraints for national administrations in general (see Table 2). In addition, there is a wealth of secondary law that defines specific requirements for specific parts of national administration (e.g., related to taxation, the provision of statistics or the rule-conform spending of EU funds across all European policies).

Summing up, the legal setup on national administration is characterised by the view that European regulation of national administration is not an EU task per se. The prevailing view is rather that any EU intervention on national administrations serves as an assisting instrument to realise accepted EU objectives like the establishment or deepening of the Internal Market (as the prominent cases of the Services and the Public Procurement Directives demonstrate).

3.2. A PARADIGMATIC CHANGE

This view of PAR as an instrument sub-ordinated to other EU objectives also characterises the budgetary field, at least prior to the 2007-2013 Multiannual Financial Framework. In this past approach, shortcomings in the national administrations were mainly an issue for EU spending if they had prevented the rules-conform and efficient use of EU funding. Hence, the use of EU funds for administrative reforms in Member States has for a long time stressed the narrow objective of safeguarding the national capacity of proper absorption (i.e. in line with formal requirements and serving the spending purpose). The technical assistance programmes in structural funding are the classical case: technical assistance programmes co-finance the national administration of EU funds with the intention of improving the capacity for the absorption of funds in conformity with the formal rules and policy objectives.

This view of PAR as having a sub-ordinated instrumental role has resulted in a selective European interest for national administrations. With this view, attention has mainly been limited to those administrative procedures and departments that are involved in EU spending. In addition, the traditional highly fragmented approach to PAR across Commission services ("silo thinking") has been a logical outcome. If administrative inefficiency is generally not an issue in itself but only a possible constraint in the context of diverse EU policies, then the solutions will also tend to be diverse and isolated. This approach explains that, traditionally, Commission services have dealt with different aspects of national administration from their specific policy's perspective and without strong internal cooperation and integration (see Table 6 in the annex for a survey of Commission service activities on PAR).

By contrast, a much broader perspective on PAR has characterised the surveillance of candidate countries already since the 1990s: The Copenhagen criteria that define the basic conditions for accession prominently rank the administrative issues as the third criterion (in addition to political and economic ones). Consequently, EU candidate countries have experienced a more comprehensive and principles-based scrutiny of their national administrative capabilities and efficiency than it has been the case for Member States. Moreover, since administrative performance is an accession pre-condition, there has been an effective and powerful conditionality for countries in the EU qualification phase.

As expert interviews indicate, SIGMA (Support for Improvement in Governance and Management), the joint OECD-EU-initiative exerts a strong and positive impact in the pre-accession phase. In partnership with DG NEAR and largely financed by the EU, SIGMA works both with EU candidate and neighbourhood countries. SIGMA's ambitions and views on PAR are clearly more comprehensive than the traditional narrow and instrumental view of EU on Member State administrations. SIGMA's key objective is "to strengthen the foundations for improved public governance, and hence support socio-economic development through building the capacities of the public sector, enhancing horizontal governance and improving the design and implementation of PARs, including proper prioritisation, sequencing and budgeting" (SIGMA, 2016). This formulation stresses the link between a well-performing national administration and the overall socio-economic performance of a country, and as such is in contrast to the narrow internal approach adopted by the EU.

Experts have also pointed out that there is some residual effect from the stronger conditionality during the accession phase as well as in the first years of membership after accession. According to their observation, new Member States sometimes tend to show a larger readiness of accepting advice on administrative issues (e.g. through CSR) than old members who have never been seriously challenged for their administrative quality from Brussels.

With this history, the move towards the 2014-2020 Multiannual Financial Framework clearly speeds up a paradigmatic change towards a more comprehensive approach to PAR also for Member States. The experience of recent years has been catalytic to reconsider the traditional instrumental and highly selective perspective. The severe economic crisis of several long-time Member States has increased the awareness that old Member States may have severe deficiencies in their administrations that are not principally different from candidate countries. The absorption problem with several countries unable to channel available EU resources into national projects has further revealed institutional weaknesses. In addition, massive consolidation needs have urged numerous Member States to reconsider their administrative organisations and procedures. Overall, the crisis has proven the implicit assumption that a long-time EU Member State always has an integer and efficient PA to be wrong. The crisis has also made the link between administrative deficiency and overall economic and social performance quite salient. These two arguments have fostered the insight that the objectives of the Europe 2020 strategy are at risk if a modernisation push of national administrations fails to materialise. This process of political learning from mistakes has been also accompanied by a rising awareness in the academic literature of the link between administrative efficiency on the one hand and micro- and macroeconomic performance on the other (section 2.2.).

The following developments and innovations show that, over the recent years, the EU has further broadened its approach on PAR in Member States (with some of these changes already clearly visible in the preceding financial framework, e.g. through the administrative capacity building activity for TO11/convergence regions):

- The TO11 for the 2014-2020 ESIF funding period ("enhancing institutional capacity of public authorities and stakeholders and efficient PA", Regulation 1303/2013, Art. 9) formulates a comprehensive view of PA and its desirable features which goes beyond

the old narrow view (with 17 EU Member States now receiving support under TO11). TO11 receives substantive resources (see 4.1.2). In the interpretation of DG Regio, this objective implies “to introduce new policy solutions and deliver better services” and justifies investment oriented towards “more efficient organisational processes, modern management, motivated and skilled civil servants” (DG Regio, 2016). Clearly, this aims at a functioning and efficient PA in general including a broad human resource dimension and is no longer limited just to a proper use of EU funds in the tradition of technical assistance.

- PA issues have been receiving high attention in the European Semester, both in the Annual Growth Surveys and in manifold CSRs addressing the large majority of Member States (see below). Funding programmes are supposed to align to CSRs.
- The Commission has tried to contribute to a more integrative approach to PAR through the establishment of the “Inter-service Group on Institutional Capacity and Administrative Reform”. The Group has kicked-off relevant initiatives like the Quality of PA Toolbox (European Commission, 2015e) as a guide for Member States who want to reform their administrations.
- In 2015, the Commission has installed the Structural Reform Support Service (SRSS) at its Secretariat-General, which draws on the expertise of the Task Forces for Greece and Cyprus and, inter alia, provides assistance on modern PAs, public procurement practices, combatting corruption and revenue management (European Commission, 2015c). So far, only a few countries (Greece, Cyprus, Bulgaria, Romania and Slovenia) have requested support from the SRSS and its main pre-occupation remains Greece.

3.3. PUBLIC ADMINISTRATION REFORM IN THE EUROPEAN SEMESTER

In line with the rising awareness described above, the European Semester has paid extensive attention to issues of PA efficiency and its link to Europe’s growth potential. Recently, the Annual Growth Report 2016 has explicitly stressed the imperative that a modern and efficient PA should provide high-quality services to firms and citizens. It emphasises the link between the performance of the justice system and investment. The report also explicitly refers to the technical assistance provided by the newly established SRSS, and it emphasises the need of increasing transparency, efficiency, and accountability in public procurement (European Commission, 2015a).

In 2016, similar to the previous years, a majority of Member States have received recommendations referring to PA deficiencies (apart from those in an economic adjustment programme, all Member States with the exceptions of Belgium, Denmark, Spain, Lithuania, Luxembourg, Malta, Netherlands, Poland, Sweden and the United Kingdom).

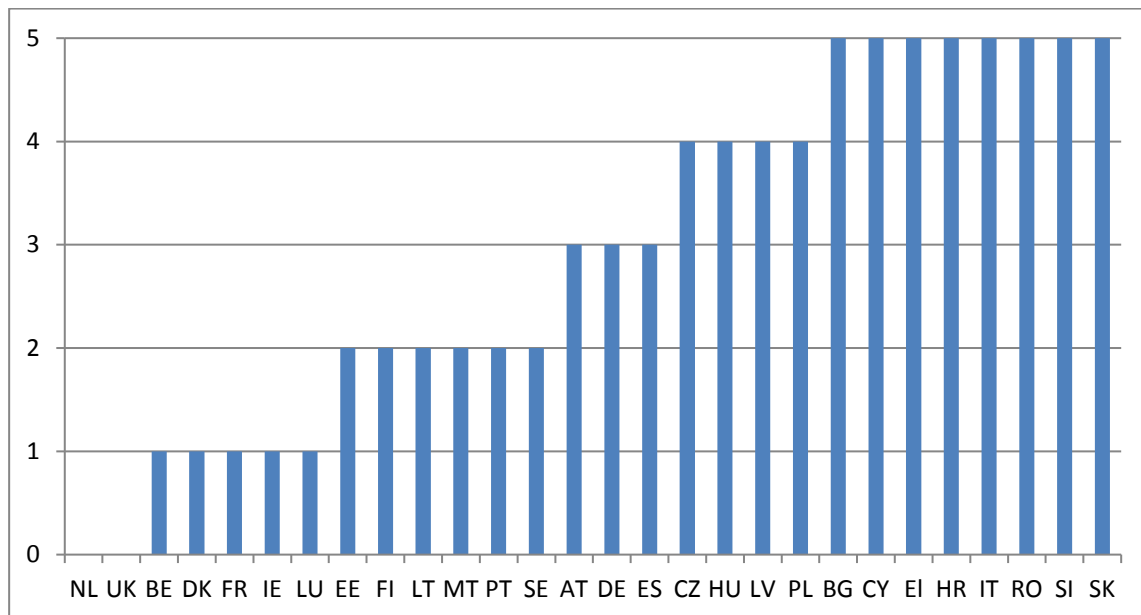
The following graph summarises the findings from Commission analyses and the 2016 CSRs (Figure 2) and, in section 5, we focus on three of the poor performers (Bulgaria, Italy, Greece) in our country case studies along with one of the eastern European top performers (Estonia).

However, the severe limits of the CSR in their signalling function for the relevance of PAR needs in a specific Member State must be clarified. The country-specific emphasis on administrative

reform provided in the CSR hardly provides a set of precisely targeted and consistent recommendations. Experts clarify that the inclusion of PAR issues in CSR is not the outcome of a common assessment framework, but rather that their inclusion is influenced by third factors (e.g., the specific interests of responsible country desks) or by political bargaining. Since the number of CSRs are limited it may also be the case that a country with shortcomings across several policy dimensions may not get a PAR-related recommendation simply because other pressing recommendations are prioritised over PAR. Results of the 2016 CSR confirm this expert assessment.¹

Summing up, the overall EU approach to PAR has considerably broadened and the weight assigned to the related reform needs has increased in a significant way. Against this backdrop, the analysis now zooms in on the budgetary instruments that, in an ideal setting, should reflect the modified overall approach.

Figure 2: Indicator on public administration reform needs according to EU surveillance



Notes: Indicator range between 0 and 5 (the largest reform need). Indicator construction: One point assigned if (a) PA has been identified as structural challenge in CSR 2016 or economic adjustment programme, respectively, (b) regulatory barriers are identified as investment challenge, (c) PA is identified as investment challenge, (d) public procurement rules are identified as investment challenge, (e) judicial system is identified as investment challenge. Source: CSR for (a); European Commission (2015b) for (b)-(e).

¹ For example, in a more systematic screening of administrative investment challenges, the Commission (European Commission, 2015b) diagnoses that in Poland there are problems across all four administrative dimensions covered (i.e. regulatory barriers, administrative burden, public procurement, judicial system), however, in 2016, the country has not received any CSR on PA. By contrast, Finland and Estonia have received an administration-related CSR although the Commission only regards one (out of four) investment challenges as relevant.

4. EU FUNDING IN SUPPORT TO PUBLIC ADMINISTRATION REFORMS

KEY FINDINGS

- Over the last decade ESI funding for PAR has increased in quantity and become more strategic-oriented, in line with the current overall EU approach on PAR. However, important weaknesses remain as regards to the monitoring and evaluation of the impact of this funding on PAR.
- Apart from ESIF, there are other EU budgetary programmes offering direct or indirect support to PAR. These different programmes respond to different but complementary rationales for intervention. However, some overlaps have been observed between specific OPs and calls for proposals and more could be done to exploit synergies at project implementation level.
- The EU budget provides important amounts of funding for the digitalisation of public administration but through different programmes. There is a need to ensure that all these EU-funded interventions on e-government are coherent and consistent with the principles and priorities stated in the EU e-government action plan.
- There are multiple EU services and programmes providing technical assistance for the management of EU funds. This compartmentalised vision of technical assistance is at odds with European Commission's efforts to promote the combination of funds in view of exploiting synergies.
- There is a need to clarify the role and narrow the scope of action of the forthcoming Structural Reform Support Programme in order to ensure maximum effectiveness and avoid overlap with other EC services or programmes providing advisory support and technical assistance.

4.1. BUDGETARY INSTRUMENTS

4.1.1. Overview

There are various EU budgetary programmes, which can offer direct or indirect support to PAR. They differ in terms of size, objectives, eligibility rules, modes of management, allocation criteria and type of support provided. Table 7 provides an overview of these different EU funding opportunities per different fields of PAR reform.

4.1.2. European Structural and Investment funds interventions under TO11

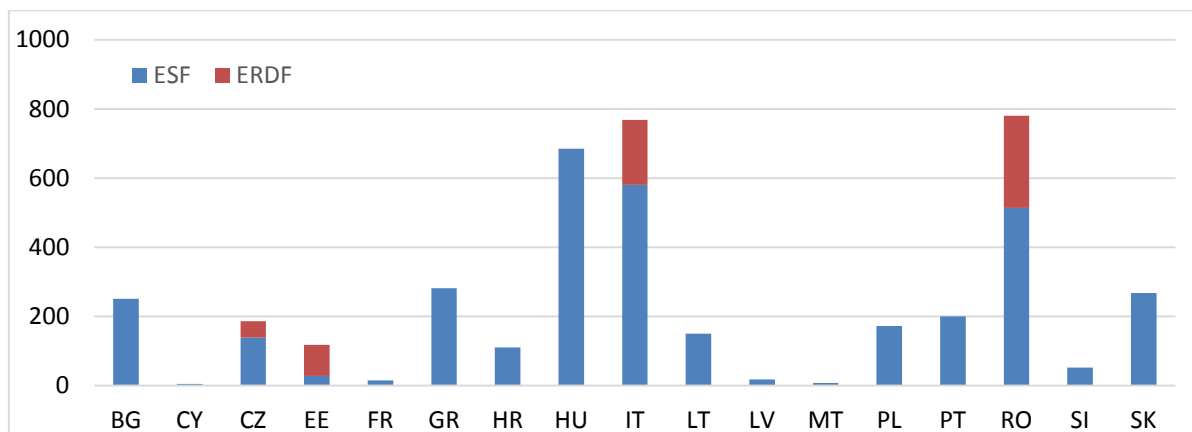
The main source of funding in support for PAR are ESI interventions under TO11, "enhancing institutional capacity of public authorities and stakeholders and efficient PA". The introduction of this TO clearly reflects the growing attention given to PAR at the EU level (see chapter 3). For the period 2014-2020, Member States have allocated EUR 4.7 billion of ESIF to this objective, of which 4.1 billion focused on modernising Member States' PAs.² Most of the funding for TO11 comes from the ESF and serves to finance all type of horizontal measures related with changes in structures and processes, human resources or service delivery in view of increasing the efficiency and quality of PA.

² This excludes ESF-financed interventions under TO11 aimed at strengthening the capacity of stakeholders delivering education, lifelong learning, training and employment and social policies and ERDF-financed interventions under TO11 strengthening institutional capacities for territorial cooperation projects (INTERREG projects).

The rest comes from the ERDF, and has to be used to support ESF actions with equipment/infrastructure or strengthening the capacity and/or efficiency of PA in charge of the implementation of ERDF actions.

ESI regulations stipulate that only Member States with at least one less developed region or being eligible to the Cohesion Fund can use ESF funding for PAR. Among the 18 eligible Member States, all except one (Spain) have allocated funding to this objective (Figure 3).

Figure 3 : ESI funding in support for institutional capacity building and the efficiency of public administrations (TO11), 2014-2020 (million EUR)



Source: DG Regio categorisation data (http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/)

Member States differ in how they manage and use this funding. Actions are implemented in a separate OP in six Member States (Bulgaria, Greece, Hungary, Italy, Romania and Slovakia). The other Member States have chosen to implement them through priority axes in other operational programmes. As regards to the type of actions financed, it is difficult to have a general picture as the priorities and measures are defined very differently in Member States' OPs (some are very specific, others broadly formulated). With this caveat in mind, a look at the main priorities and measures included in the 6 specific OPs on public administrative reform reveals a focus on training, e-government and the reduction of red tape and the administrative burden to business (see Table 8 in annex) These findings are in line with evaluations of the use of ESF in support of capacity building in the previous programming period, which reveal that a substantial part of the budget went to the introduction of new tools as well and to human resource development, mostly in form of training (ERCORYS, 2011).

A novelty of the new programming period is that the use of ESI funds under TO11 is now conditioned on the elaboration of a policy strategic framework for PAR. This has to be in line with the CSR received by the Member State in the field of PA and should include certain number of elements.³

³ The policy strategic framework for PAR shall include: an analysis and strategic planning of legal, organisational and/or procedural reform actions; the development of quality management systems; integrated actions for simplification and rationalisation of administrative procedures; the development and implementation of human resources strategies and policies covering the main identified gaps in this field; the development of skills at all levels of the professional hierarchy within public authorities and the development of procedures and tools for monitoring and evaluation (European Commission, 2014b)

An open question is whether the introduction of this ex-ante conditionality has improved the use of ESI funds for PAR. The vision among European Commission officials is ambivalent on that. While they admit that the European Commission has more leverage than in the past to influence the content of the programmes, the drafting of a strategy does not automatically ensure a good use of funding. This is only the case if there is real ownership and commitment from national authorities (that is, if the strategy has not been drafted just to comply with an externally imposed rule but reflects the national governments own vision of needs and priorities on PAR and is accompanied by political will to reform). In this respect, the perception is that most governments still follow a money-driven, activity-based approach when using ESI funding for PAR (that is, they design PAR strategies by looking first at how they can spend the money instead of thinking first what are the problems to be resolved). A further concern is that the link of TO11 spending to CSR suffers from the shortcomings and to some extent arbitrariness of administration-related CSR (see chapter3).

A related problem is that the European Commission has very few powers to monitor the use of funds. As one European Commission official puts it (and other expert interviews have confirmed similarly), “drafting a strategy is relatively easy; the difficult thing is to ensure implementation”. Indeed, Member States are in charge of managing the funds, monitor the implementation of the actions financed and organise interim evaluations. Not only the powers of the European Commission are limited, but the indicators used to monitor the use and evaluate the results and impact of ESI programmes are inappropriate to assess the use of ESIF in support of PA reforms. The ESF regulation includes a list of common indicators to be used for monitoring and evaluation purposes: most of the indicators are indicators about participants (that is, number of persons benefiting from ESF-financing activities). There is only one indicator about public entities benefiting from funding. It consists of a short-term, quantitative indicator (“number of projects targeting public administrations or public services at national, regional or local level”) that gives no information about the capacity of ESI funds to support genuine and durable reform in PAs.

4.1.3. European Regional Development Fund allocations to e-government under TO2

Among the 11 TO guiding ESI investment during the current programming period, TO2 is meant to support measures “enhancing access to, and use and quality of, information and communication technologies”. Interventions under TO2 can be very varied, from support to broadband infrastructure (mostly via ERDF and EAFRD), e-education and digital literacy projects (predominantly via ESF or ERDF) or digital solutions for SMEs and start-ups (mostly via ERDF).

Of relevance for this study, TO2 supports e-government measures with two types of interventions: i) the development of e-government services and related applications and ii) the use of ICT tools to promote access to public sector information (open government measures).⁴

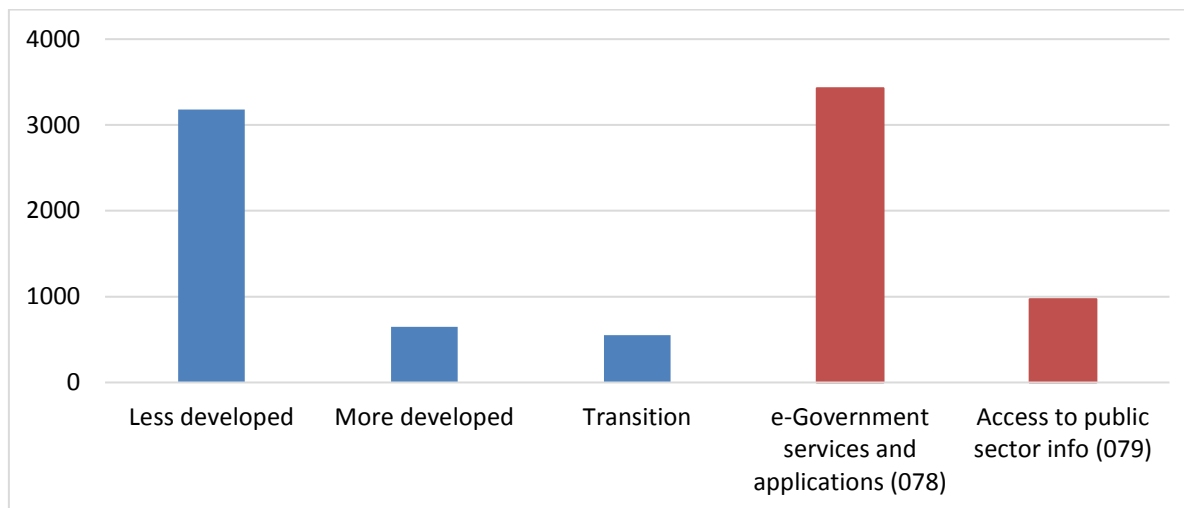
During 2014-2020 Member States will allocate over EUR 13.3 billion ERDF funding to investments in ICT under TO2.⁵ Out of these, EUR 4.398 billion will be allocated to e-government. Most funds for e-

⁴ The official nomenclature refers to “e-government services and applications (including e-procurement, ICT measures supporting the reform of public administration, cyber-security, trust and privacy measures, e-justice and e-democracy)” (intervention code 078) and “Access to public sector information (including open data e-Culture, digital libraries, e-content and e-tourism (intervention code 079). See Annex I to the Commission Implementing Regulation (EU) No 215/2014 of 7 March 2014.

⁵ Additional EUR 914 million will be accessible via EAFRD under TO2.

government will serve to finance e-government services and applications; only 22% of the TO2 budget for e-government will serve to finance open government measures (Figure 4). As regards the distribution per countries, TO2 budget is skewed in favour of less developed regions and countries in general but it is even more the case for funding for e-government. Even though all regions can allocate funding to TO2, it is mostly the least developed ones to make use of ERD funding to invest on e-government (see Figure 4 and Figure 5 in annex).

Figure 4 : ESI funding for e-government under TO2 by category of region and by type of initiative, 2014-2020 (million EUR)



Source: DG Regio, categorisation data (http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/)

There are differences in the way of managing ERDF funds for TO2 actions; some countries have set up a specific OP dedicated to interventions under TO2 (Cyprus, Estonia, Croatia, Latvia) but many have chosen to implement TO2 actions through different priority actions inserted in different OPs, combining at times national and regional OPs.⁶

In this new programming period, the use of ESI funds under TO2 is subject to an ex-ante conditionality that requires Member States to develop a strategic policy framework for digital growth. This framework does not require an analysis of strategic planning and specific indicators for the deployment of e-government.⁷

Finally, the ERDF regulation includes a list of common indicators to be used for monitoring and evaluation purposes: while there are specific indicators to evaluate progress on areas such as broadband deployment or e-literacy there are no specific indicators to assess the results and impact of e-government actions.

⁶ Italy and Spain for instance combine respectively 4 and 2 national OPs with 19 and 16 regional OPs.

⁷ The strategic policy framework for digital growth should include: budgeting and prioritisation of actions through a SWOT or similar analysis consistent with the Scoreboard of the Digital Agenda for Europe; an analysis of balancing support for demand and supply of ICT should have been conducted; indicators to measure progress of interventions in areas such as digital literacy, e-inclusion, e-accessibility, and progress of e-health within the limits of Article 168 TFEU which are aligned, where appropriate, with existing relevant sectoral Union, national or regional strategies; assessment of needs to reinforce ICT capacity-building (European Commission, 2014)

4.1.4. European Structural and Investment funds for technical assistance

Member States can also use part of their ESI envelope to strengthen administrative capacities and improve procedures in the implementation of ESI funds. This includes actions to reinforce the capacity of Member State authorities and beneficiaries to administer and use ESI Funds (purchasing of new equipment, hiring temporary staff) but also actions for the reduction of administrative burden on beneficiaries (e.g. simplification of procedures, introduction of electronic data exchange systems). All Member States can allocate up to 4% of the total Fund envelope to TA (6% for those receiving less than EUR 1 million ESI funds). All 28 Member States have programmed TA but not all have reached the upper limit of 4/6% (see Table 9 in annex for more details).

The total amount of ESI funding allocated TA at the initiative of Member States is very significant; almost EUR 11 billion. In principle, TA actions should not be aimed at supporting reforms and the European Commission asks Member States to use TO11 for this purpose. However, EU Commission officials recognise that there are problems of demarcation between TO11 and TA, particularly in areas related to public procurement processes, state aid, environmental legislation and statistics. It is also noticed that, in countries in which ESI funds represent almost half of total public investment, any action intended to improve the management of ESI funds has effects for the whole PA. Finally, a particularity of TA with respect to TO11 funding is that it can be used to cover salary costs. In this respect, some countries use TA to hire temporary staff for the management of EU funds. This practice can be in contradiction with parallel reform efforts under TO11 to reduce the high staff turnover, a problem that affects in particular some Central and Eastern European PAs.

4.1.5. Connecting Europe Facility Telecom

The Connecting Europe Facility (CEF) programme also provides funding opportunities for PAR. The aim of CEF is to support the development of trans-European networks and infrastructures defined as “projects of common interest” in the sectors of transport, telecommunications and energy. The telecommunications part (CEF Telecom) has a budget of approximately EUR 1 billion,⁸ out of which EUR 870 million are dedicated to finance the development of cross-border and interoperable Digital Service Infrastructures (DSIs). The rest of CEF Telecom budget is used to finance broadband networks.

CEF Telecom provides three types of support for DSIs.⁹ First, it supports the deployment of re-usable basic digital services (called “building blocks”) such as e-signature, e-identification (eID), e-invoicing, e-delivery or automated translation. Second, it supports the creation of EU digital service platforms, that is, EU platforms using and employing these buildings blocks to provide cross-border digital services in specific areas (such as e-procurement, the European e-justice portal, the Business Registers Interconnection System or the Online Dispute Resolution for instance). Finally, CEF Telecom also supports the development of the so-called generic services, that is, services put into

⁸ It should be noted that most CEF funding serves to finance trans-national energy and transport infrastructures. CEF Telecom, with EUR 1.141 billion, represents only 3.43% of the total CEF budget.

⁹ The logic of the programme builds on the results of some pilot projects financed by the CIP programme in the previous programming period. During 2007-13, large-scale pilot projects, i.e. “Pilot Projects A”, were financed under the Competitiveness and Innovation Framework Programme (CIP). Many of these pilot projects - such as E-codex (for e-justice), PEPPOL (for e-procurement), SPOCS (for cross-border e-services for business), epSOS (for e-health) or STORK (for e-identification) – have reached maturity and need to be upgraded technically and extended in terms of coverage. At the same time, the Commission has realised of the importance of ensuring a common set of core components to support cross-border sector-based digital services. For this reason, the upgrading and deployment of common building blocks has been prioritised.

place by national public authorities to link their e-government infrastructures to the core service platforms or to make use of building blocks for their e-government operations.

Financial support under CEF Telecom takes different forms. The technical upgrading and deployment of building blocks and the development of EU core service platforms is mostly done by the EU itself or procured through call for tenders. Support to generic services is provided in form of grants to Member States' public authorities. These grants are awarded through annual competitive calls prepared by the Innovation and Networks Executive Agency (INEA).

Even though CEF Telecom budget is limited, the programme can have a substantial impact on national PAs. According to Commission officials, the programme can trigger important indirect effects for national PA if the EU PA – as it is the case now- progressively integrates the use of these building blocks and core service platforms into their normal activities. CEF Telecom can also have a major effect by paving the way to the adoption of new EU regulations. There is evidence that this happened in the previous programming period: some of the new regulations, such as the eIDAS Regulation¹⁰ and the new EU rules on e-procurement,¹¹ got important leverage from pilot projects financed by the 2007-2013 CIP programme, in particular the STORK (Secure idenTity acrOss boRders linKed) project and the PEPPOL project (Pan-European Public Procurement Online).¹²

Apart from these second-order effects, the impact of CEF Telecom on national PA crucially depends on whether Member States integrate the digital interoperable solutions created by the European Commission into their own PA. CEF Telecom provides small amounts of funding for this purpose¹³ but according to officials from DG CONNECT this can be sufficient as the costs of financing the "hook" are not very high. In spite of that, the take-up rate is quite low: in 2014 about EUR 2 million available through CEF Telecom call for proposals were not disbursed due to a lack of applications. The Commission expected not only PA to apply more extensively, but also universities or state enterprises to take part to the competitive calls for grants for the implementation of e-solutions.

It should be also noted that not only national administrations, but also regional or local administrations can apply for this funding. Indeed, nothing prevents one Member State to ask for funding to "hook" different PAs to the core EU platforms. This can have two benefits for the country: ensuring cross-border interoperability as well as guaranteeing interoperability between the different administrations within the same country. Despite this advantage, out of the 16 Member States that benefitted from CEF grants to implement e-ID and e-Signature applications, only the Netherlands asked for support to implement these building blocks in different PAs. The Ministry of Economic Affairs of the Netherlands has in fact been awarded EUR 1.4 million to ensure the implementation of e-identification in 68 local and municipal PAs.

¹⁰ Regulation 910/2014 of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market.

¹¹ Directive 24/2014 of 26 February 2014 on public procurement. Among other things, it stipulates that tender opportunities and tender documents shall become electronically available by October 2018.

¹² European Commission, Implementation and evaluation report accompanying the communication on EU e- government action plan 2016 – 2020, Commission Staff Working Document, SWD(2016) 108 final, 20 April 2016.

¹³ Data for a 2014 CEF Telecom call for e-ID show that the support per institution ranges between EUR 50.000 and EUR 200.000. It should be noted that CEF regulation allows the Commission to co-finance up to 75% of the cost but the Commission has so far shown a propensity to maintain co-financing around 50% to ensure an active involvement of Member States.

Finally, apart from the impact of CEF telecom on e-government actions, CEF can have an impact on PA through the financing of “programme support actions”, which are technical assistance actions aimed at helping public and private actors in the implementation of the programme.¹⁴ These actions represent up to 1% of the total CEF budget and funding is distributed through calls for proposal. Although in theory they can target all beneficiaries, particular attention is given to support Cohesion Member States in designing and implementation of major CEF transport infrastructure projects.¹⁵

4.1.6. Interoperability solutions for European public administrations

Interoperability is a key pre-requisite for the development of cross-border digital services. In this respect, CEF interventions are strongly connected with those financed by the Interoperability Solutions for European Public Administration or ISA² programme, which runs from 2016 to 2020.¹⁶

ISA² aims at promoting the development, establishment, bringing into maturity and re-use of cross-border interoperability solutions and common frameworks for national PAs. It is managed by DG DIGIT and has a budget of EUR 131 million between 2016 and 2020. The programme mostly finances actions implemented by EU bodies, but it intends to have an impact on national administrations by providing new open, interoperable and re-usable solutions or common technical specifications that can then be used at national level.

In principle, actions supported by CEF Telecom and ISA² are meant to be mutually reinforcing and complementary. CEF Telecom finances the deployment of mature DSIs, whereas the aim of ISA² is to ensure the development of new interoperable solutions which can later on be deployed with the help of CEF or directly by national administrations.

4.1.7. Horizon2020

The EU’s programme on research and innovation, Horizon 2020, also provides funding opportunities for PAR. The programme has a budget of nearly EUR 80 billion for 2014-2020 and is structured along three priorities: “excellence science” (promoting the excellence of EU’s basic research), “industrial leadership” (supporting business-related research and innovation) and “societal challenges” (supporting research and innovation efforts as regards to seven pre-defined EU’s societal challenges).

The programme is managed by DG Research and is open to all Member States as well as to candidate and some EFTA (European Free Trade Association) countries on the basis of bilateral agreements. It provides different types of budgetary support but the most typical form of support are grants to trans-national research and innovation actions, awarded on the basis of bi-annual calls. Actions have to involve at least three partners from different Member States and projects typically last for 3-4 years. Funding for innovative projects is sometimes coupled with funding for “coordination and

¹⁴ See art. 2 comma 7 of the CEF Regulation.

¹⁵ See art. 11 of the CEF Regulation.

¹⁶ The programme builds largely on its predecessor, the Interoperability Solutions for European Public Administration (ISA) programme. Actions are inspired on the European Interoperability Strategy (EIS) and the European Interoperability Framework (EIF).

support actions” (including accompanying measures for dissemination, awareness-raising, networking).

PAs are not the main beneficiaries of H2020 calls. Among the 101 calls for proposals closed in 2014 only 3.5% of applications came from PAs.¹⁷ However, they can benefit from some calls aimed at supporting public sector innovation. In particular, between 2014-2015 and 2016-2017 there have been seven calls supporting ICT-enabled public sector innovation. Six calls have been included under the work programmes for the Societal challenge 6 (“Europe in a changing world - Inclusive, innovative and reflective societies”) and one under the programme “industrial leadership”. More than EUR 70 million of funding have been allocated through these calls¹⁸.

While they have different objectives, all these calls aim at promoting the open governance approach; that is, the use of ICT to opening up public data and services and facilitating collaboration for the design, production and delivery of public service. Most calls provide direct funding to a consortium of research centres, private enterprises and PAs setting up a trans-national innovative project. Some provide funding to several projects, others finance a single big “pilot project”. In other calls, the goal is to develop new business opportunities in the field of ICT public innovation. In these calls, budgetary support is provided through different ways (e.g. through financial instruments or by supporting the use of pre-commercial procurement or innovative procurement).¹⁹

Even if it is too early to assess the results and impact of these calls, a look at the 7 awarded projects under the two main closed calls (INSO-1 and YOUNG-5b) provides some interesting findings (see Table 10 in annex). First, the majority of PAs participating in these projects are local authorities (and only 2 out of 13 are national authorities). Second, all public authorities come from Western European countries and almost half of them are located in two countries: Italy and Spain. Even if the sample is very small and we cannot generalise from the results of only two calls, these results seem to indicate that local authorities are more prone to innovation than central authorities (a perception that is shared by European Commission officials from DG Research) and that Member States’ PAs differ in their capacity to innovate.

While the forward-looking and innovative approach of these Horizon2020 calls is well-regarded among experts, their effectiveness in encouraging public sector innovations across Europe is questionable as the amounts of funding provided are very small and actions are concentrated in a few number of countries. In practice, the capacity of Horizon2020 to have a significant effect will depend very much on ensuring a balanced geographical participation and providing sufficient support to scale-up and disseminate the results of these EU-financed innovation projects.

¹⁷ Horizon2020 monitoring report 2014

¹⁸ This only refers to Horizon2020 calls providing direct funding for public sector innovation. There are other calls providing funding for academic research on PAR. Besides, Horizon2020 also provides financial support to the OECD Observatory of Public Sector Innovation, or OPSI: <https://www.oecd.org/governance/observatory-public-sector-innovation/>

¹⁹ Thus, for instance, a 2014 call provides funding to set up a financial instrument in support to SMEs developing innovative mobile e-government applications. Another call, also published in 2014 aims at stimulating private sector innovation on cloud computing services and open data for public sector. It does so by providing support for groups of public procurers in Europe setting a joint pre-commercial procurement of cloud computing services or a joint procurement for innovative solutions on cloud computing and open data.

Finally, apart from this funding for public sector innovation, Horizon2020 finances a Policy Support Facility that offers on a voluntary basis expert advice to Member States to reform their research and innovation systems (including on how to use public funding for research). For the moment, two countries- Bulgaria and Hungary- have asked for support from this Policy Facility.

Box 1. List of Horizon2020 calls for proposals related with ICT-enabled public sector innovation

In 2014-2015:

- INSO-1: support to pilot projects on personalised and mobile public services (budget: EUR 20 million)
- YOUNG-5b: financing innovative projects on e-Participation of youth in decision-making (budget: n.d.)
- INSO-9: financing innovative mobile e-government applications by SMEs (budget: n.d.)
- ICT-8 (under work programme "industrial leadership"): support to joint pre-commercial procurement of cloud computing services and joint public procurement for innovative solutions on cloud computing and open data (budget: EUR 25 million)

In 2016-2017:

- CO-CREATION 4: financing pilot projects on co-creation between PA and third parties to deliver public services (budget: EUR 10 million)
- CO-CREATION 5: financing pilot project on application of once-only principle (budget: EUR 9 million)
- CO-CREATION 6: financing innovative projects on the use of big data for policy-making, policy-modelling and policy-implementation (budget: EUR 11.5 million)

4.1.8. EU Justice Programme

Another potential source of EU funding for PAR is the EU Justice Programme. The objective of the programme is to contribute to the development of a European area of Justice by supporting judicial cooperation, improving the knowledge of Union law and of other Member States' legislation, guaranteeing access to justice and ensuring the correct, coherent and consistent implementation of EU regulation across the Union.

The programme is managed by DG Justice and is open to all Member States except the UK and Denmark. It provides three types of budgetary support: procurement contracts (particularly for studies and analysis), grants to specific projects awarded on the basis of annual competitive calls ("action grants") and operating grants to certain European networks and platforms very active in the field of judicial training and judicial cooperation (such as the European Judicial Training Network). In addition to that, the programme provides direct funding to the European Commission for the implementation of the e-justice Portal.

As said above, the goal of the programme is not to help Member States in their efforts to modernise their justice systems. However, public authorities can apply to action grants and by doing so receive funding for judicial training or to strengthen specific judicial capacities (such as the capacity to implement EU legislation on for cross-border cooperation on enforcement). Most of the calls finance trans-national actions but some calls are open to national actions having a clear European dimension (e.g. implementation of an EU directive). To judge the relative impact of this funding, however, some elements should be taken into account.

First, public authorities are not the only beneficiaries of the programme. Universities, professional associations, specialised judicial training institutions and NGOs also benefit from action grants. In

the past programming period, national authorities (mostly ministries of Justice) benefited from 21-32% of the funding from EU Justice Programmes. If we extrapolate this to the current programming period, it means that public authorities will probably receive around EUR 152-180 million between 2014-2010.

Second, the objectives of the calls are very narrowly defined (e.g. to support cooperation in the implementation of the European arrest warrant, provide training of judges on EU competition law). This makes it difficult for public authorities to integrate this funding into a broader strategy of reform of the judiciary system.

Third, projects tend to be very small and short in terms of duration. In the previous programming period action grants projects lasted 19.3 /21.8 months on average and the average funding for projects benefiting public authorities was EUR 200/350,000. The same seems to happen in the current programming period: if we look into detail the projects awarded by the two calls more directly linked with judicial reform (a 2014 call for national or transnational projects on e-justice and a 2015 call for transnational projects to support the quality of judicial systems), the average amount of funding per project is EUR 272,594 and EUR 235,263 respectively and the maximum duration of the projects is 24 months – for e-justice- and 12 months- for quality of judicial systems.

Fourth, in the past programming period most grants from DG Justice benefited a selected group of Member States (Belgium, Germany, France, Italy and UK) whereas other Member States were very little involved or not involved at all.²⁰ If this trend is maintained in the current period, it will hamper the capacity of the programme to promote reform and ensure consistent implementation of EU directives across Europe.

4.1.9. Other programmes

There are other funds and programmes offering funding opportunities for targeted reform initiatives in PAs. Member States can use part of the funding from the EAFRD to support the deployment of ICT technologies and services in the rural areas. During 2014-2020, EUR 927 million have been allocated to this purpose but this includes funding for other measures apart from e-government services (in particular investments in broadband infrastructures).

The REC programme has a budget of EUR 439 million. Two of the nine specific objectives covered by this programme are promoting data protection and enhancing the exercise of rights deriving from citizenship of the Union. While this could theoretically serve as legal basis for funding actions aimed at enhancing the transparency and accountability of PAs, in practice there has been only one call for proposals related to these objectives since the start of the programme in 2014 (a call aimed at raising awareness about the EU rules on free movement and/or fostering the successful inclusion and participation of mobile EU citizens in civic and political life). Only one of the five projects awarded by this call has as beneficiary one public authority.

The programmes FISCALIS2020 and CUSTOMS2020 are managed by DG TAXUD and aim at strengthening the administrative capacities of national tax and custom authorities. They have a

²⁰ This was particularly the case for the Civil Justice Programme, less so for the Criminal Justice Programme. It should be also noted that many EU networks/platforms are registered in Belgium, which explains the important number of beneficiary organisations from Belgium.

budget of EUR 223.3 million and EUR 522.9 million respectively and support the development and operation of major trans-European IT systems aimed at connecting tax and customs authorities across Europe. Moreover, they support organisation of common training activities and actions aimed at promoting the exchange of information and cooperation across countries (e.g. organisation of workshops and seminars, short-term working visits of experts, etc.).

Hercule III is a programme managed by the European Anti-Fraud Office. It has a budget of EUR 105 million and funds actions, which aim to prevent and combat fraud, corruption and other illegal activities affecting the EU's financial interests through grants to public authorities and procurement contracts. Actions eligible for funding include technical and operational investigation support, specialised trainings and research activities.

The programme Europe for Citizens provides funding to municipalities and associations wishing to develop networks of towns to cooperate on a common theme in a long-term perspective. The theme must be in line with the programme's objectives (to encourage the democratic and civic participation of citizens) and grants are limited to EUR 150,000 per project. Between 2014 and 2015 7.5 million were allocated to this objective, but should be noted that the latter includes funding for both local public authorities and associations.

Finally, the COSME programme provides funding "to improve the framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs". However, the budget for this objective is very small (around EUR 250000) and it is mainly used to finance studies and EU tools (such as the SME Performance Review that serves to monitor and assess countries' progress in implementing the Small Business Act).

Finally, there are various European Commission/EIB instruments providing technical assistance to public authorities implementing EU funds. This includes JASPERS (technical assistance for the design and implementation of major projects co-financed by ESI funds), Fi-Compass (support to design and implement financial instruments under ESI programmes), JESSICA (support to integrated urban renewal projects) and EPEC (providing specific support to set-up Public-Private Partnerships). All these services are now included in the European Investment Advisory Hub (EIAH), a platform created by the Investment Plan for Europe that intends to become the single point of entry for the provision of technical support to public and private actors for the identification, preparation and implementation of investment projects.²¹

4.2. COHERENCE, EU ADDED VALUE, COMPLEMENTARITIES AND SYNERGIES

To a certain extent, the existence of different programmes providing support to PAR reflects the fragmentation that exist at the EU level as regards to interventions on PAR (see chapter 3). This fragmentation is not problematic insofar as the different programmes are coherent with the EU priorities on PAR, provide "EU added value" and complement each other.

²¹ See article 14 of Regulation 2015/1017 of 25 June 2015.

4.2.1. Coherence with overall EU approach on administrative reforms

As pointed out in chapter 3, over the last decade the purely instrumental approach in support to PAR (that is, PAR seen as a means to ensure the effective implementation of the EU acquis and guarantee a proper use of EU funds) has been complemented with a more strategic approach, which sees the modernisation of national PAs as a key pre-requisite to attain the EU2020 objectives of sustainable growth and jobs.

This more strategic approach has been reflected in the allocated budget, particularly in an increase of the ESI funds in support of PAR. Whereas in the past programming Member States invested, indicatively, EUR 3.7 billion of ESI funds in institutional capacity-building actions (European Commission, 2013c), in the current period EUR 4.1 billion have been allocated to interventions in support of PAR. However, the capacity of these funds to induce sustainable changes in national PA is constrained by the lack of powers the European Commission has to monitor the use of these funds. Besides, the indicators used to monitor and evaluate the results and impact of ESI programmes are inappropriate to assess the capacity of ESI to support PA reforms.

Other programmes have been more immune to this change of paradigm. While “added value” considerations recommend a targeted, instrumental approach when the amount of EU funding is modest, in certain policy areas there is an inconsistency between EU priorities and dedicated funding. This is particularly the case in the area of justice: improving the efficiency and quality of national justice systems is increasingly seen as a key pre-requisite to boost Europe's competitiveness and create an investor-friendly environment. In the last European Semester, 6 Member States received CSRs to reform their justice system (Bulgaria, Croatia, Italy, Cyprus, Portugal and Slovakia) and the Commission decided to closely monitor the efforts in this area in other 7 Member States (Belgium, Spain, Latvia, Malta, Poland, Romania and Slovenia).²² In spite of that, the EU justice programme has practically the same budget than in the previous programming period and provides marginal support to reforms of national judicial systems. In addition, the minor amount of support provided not always goes to those more in need. An example is the 2015 call to support transnational projects to promote the quality of national justice systems. The call finances trans-national projects aimed at promoting comparative analysis and the exchange of best practices to reform national justice systems. Four projects have been awarded under this call, involving each one 5-6 beneficiaries from different countries. Among the total 21 beneficiaries, only two come from countries having received CSRs on the reform of the justice system.²³

4.2.2. Complementarities

Our assessment indicates that the four main programmes providing support to PAR (ESIF, CEF Telecom, Horizon2020 and EU Justice Programme) respond to different but complementary rationales for intervention (see Table 3).

²² European Commission, DG Justice, Consumers and Gender Equality, Contributing to an attractive environment for businesses and investors, strengthening competitiveness and fostering social inclusion, factsheet, may 2016 http://ec.europa.eu/justice/newsroom/files/csr_factsheet_2016_en.pdf

²³ European Commission, DG Justice, Consumers and Gender Equality, Award Decision for action grants to support transnational projects on promoting the quality of the national justice systems, Ref. Ares(2015)5694428 - 09/12/2015

Table 3: Different rationales underlying EU funding in support to public administration reforms and related risks

RATIONALE	MAIN FORM OF SUPPORT	PROGRAMME	MAIN RISKS
Support the modernisation of national PAs as a means to support the socio-economic development and competitiveness of the country	Long-term grants to support comprehensive PAR reforms coupled with policy advice and technical assistance	ESIF	Lack of real commitment to reform, lack of sustainability of reform efforts
Promote interoperable and interconnected e-government services that sustain the Digital Single Market	Set up EU standards and specifications (basic building blocks) and common core e-services platforms + financial incentives for national administrations to adapt to EU standards and link to core service platforms	CEF Telecom	Financial incentive alone does not work
Strengthen specific national judiciary capacities deemed important to guarantee a European area of Justice	Financial support for judicial cooperation projects and implementation of EU directives, support to training actions related with implementation of EU law	EU Justice Programme	Budgetary support is insufficient Funding misallocation (budgetary support not going to those Member States having more difficulties to implement)
Foster ICT-enabling public sector innovation	Grants for trans-national bottom-up innovative projects	Horizon2020	Lack of dissemination/scal e-up

Different rationales for intervention also mean that these programmes are confronted to different challenges and risks. ESIF provides important amounts of funding for PAR but too much money can become a problem if it is not accompanied with strict ex-ante conditionality and effective evaluation so as to ensure real commitment to reform and sustainability of reform efforts. In the case of CEF Telecom and ISA², funding is expected to work as an incentive for national authorities to adapt national e-government services to EU common standards. In this case the main risk is that the financial incentives alone prove ineffective to induce Member States adopt building blocks and “hook” their e-government applications to EU service platforms. The EU justice programme provides funding to strengthen specific judiciary capacities deemed important for the establishment of a European Area of Justice (such as the capacity to implement certain EU directives or to cooperate for cross-border enforcement). As funding is rather limited, and allocated on competitive basis, there is a risk that money goes to those countries having less need of support. Finally, the logic of Horizon2020 is to work as a sort of “risk capital”, stimulating small-scale public sector innovations.

In this case, the main challenge is to ensure sufficient scale-up and diffusion so as to have an impact all over the EU.

While there is complementarity at the level of broad objectives and logics of intervention, some overlaps have been identified at the level of OPs and specific calls for proposals. There are also some risks of incoherence between similar actions being carried out under different programmes. These risks are particularly marked in two areas: 1) EU funding in support of e-government and 2) the provision of technical assistance for the management of EU funds.

With respect to the first, there are multiple EU programmes and funds providing funding opportunities for the introduction of ICT solutions in PAs but not all of them seem to be aligned with the forward-looking approach to e-government promoted by DG CONNECT and materialised in the EU e-government Action Plan 2016-2020. Examples of overlaps at the operational level in this domain are introduced in Section 4.3.

As regards to the second point, there are also various programmes financing technical assistance actions to support the management of EU funds. In theory, these actions are complementary because each provides support for the management of different EU funds (for instance, TA under ESI provides funding for the management of ESI funds whereas CEF “programme support actions” provide support for the implementation of CEF-financed infrastructures) or technical assistance for different purposes (e.g. Fi-Compass provides support to ESI managing authorities in the establishment of financial instruments). However, in practice, there are some services that overlap (e.g. a promoter of a major infrastructure project co-financed by ESI and CEF can receive support from JASPERS or finance technical assistance through CEF). More generally speaking, this compartmentalised vision of technical assistance is at odds with European Commission’s efforts to promote the combination of funds in view of exploiting synergies.

4.2.3. Synergies

Synergies refer to the capacity to provide greater or more effective impact through the combination of two sources of funding. They can be achieved through the combination of different funds in the same project or by financing successive projects that build on each other.

In our analysis we have not found strong evidence of synergies between the various EU programmes providing support to PAR. To a certain extent, this is due to the fact that the programming period has just started and some synergies (particularly the financing of successive projects) haven’t still materialised.

In our analysis of country case studies we have found two examples of synergies being built between different programmes supporting PAR. The first is a Greek open governance project financed by ESI funds, which has been improved with the help of a Horizon2020 grant (see box 2). The second is not exactly an example of synergy between different programmes, but between ESI actions financed in different programming periods: in particular, of how a series of ESI- reform actions introduced in the Judicial office of Bolzano (IT) in 2004 were later on diffused to other judicial offices in Italy with the support of ESI funding (see box 3).

Box 2. An example of synergy: Di@vgeia (ESIF) and “Your Data Stories” (Horizon2020)

In 2010, as a response to a request included in the first Memorandum of Understanding (MoU), the Greek government set up a web portal to publish online all public spending decisions and legally obliged all national, regional and local PAs to post spending decisions on the portal. This portal (called diavgeia, or “transparency” in Greek) was financed by the ESI OP on public sector reform (2007-2013) and is still functioning (<http://diavgeia.gov.gr/en>). The initiative has been presented in many European and international conferences and is has been defined as “best practice” in different for a on open governance. In 2015, the Greek Ministry of Administrative Reform, together with other nine public and private actors from 5 different EU countries, submitted a project to an Horizon2020 call to finance pilot projects on personalised and mobile public services (INSO-1). They won the call with a project to set up different pilot projects on how to provide intelligent and personalised re-purposing of large volumes of publicly available data to citizens and business (project “Your Data Stories”). The first pilot project has been run in Greece, and has consisted into the introduction of some methodological innovations to allow the re-purposing of the data collected by the “di@veia” portal for its use by citizens and business.

Given the complementary nature of the different EU programmes supporting PAR, we think that there is scope for more synergies. For instance, EU countries wishing to reform their justice systems could complement ESI funds (e.g. for general judicial training) with funding from the EU justice programme (for specific training on EU legislation, or strengthening capacities for implementation of certain EU legislation). Vice versa, ESI funding could help disseminate or secure the sustainability of projects funded by EU justice programme or by Horizon2020.

Box 3. An example of synergy: The modernisation of Judicial offices in Italy (ESIF)

In 2004, the Prosecutor of Bolzano decided to implement some interventions of reorganization in his judicial office. He obtained ESF funds from the ESF OP for Province of Bolzano to reorganise the office, introduce new ICT tools and improve the administrative performance. The success of this local initiative was appreciated by the Italian Council for the Judiciary and covered by the media. In 2007 the Minister of Justice decided to use some ESF resources for 2007-2013 to scale up the Bolzano experience to other Italian judicial offices. This led to the creation of a National OP for the “Diffusion of Best Practices within the Italian judicial offices”. The OP provides funding for the introduction of reforms and the exchange of best practices between 182 judicial offices involved in the program.

4.2.4. EU added value considerations

As all EU spending, EU budget interventions on PAR shall finance actions providing a clear EU added value vis-à-vis national actions. Added value considerations recommend providing comprehensive support to PAR only to those countries presenting important weaknesses in their public governance structures: only in these countries extra EU funding and advice can have a real impact in improving the quality, sustainability and amount of reforms. Given that those EU countries presenting the greatest dysfunctionalities in their PA are all least developed countries, the decision to allow only less developed regions and cohesion countries to use ESI funds for TO11 interventions seems appropriate.

For the rest of the programmes, which are open to all Member States, it is strongly recommended to use EU funding only to finance actions having a clear EU added value dimension. This condition is fulfilled by all EU programmes analysed. However, in all programmes we observe a tendency to

fulfil this criterion by focusing on transnational projects.²⁴ While transnational projects provide “per se” added value (by addressing interoperability aspects, promoting the cooperation between national PAs or promoting the exchange of best practices), providing support to national actions can also provide important EU added value, particularly when related with implementation of EU legislation. Finally, to provide real EU added value on the ground it is important to avoid a dilution of funds among many small-scale projects and to secure the conditions for sustainability and diffusion across the Union. Sustainability can be problematic when the EU finances short-term projects (as in the case of the EU justice programme). Diffusion is particularly challenging for Horizon2020, given the small number of projects financed and the uneven geographical coverage.

4.3. A FOCUS OF EU FUNDING ON E-GOVERNMENT

Our overview of EU budget support to PAR reveals that there are important amounts of EU funds supporting digital innovations and e-government services. This is not surprising, given the big potential that offer ICT-innovations to improve the efficiency PA, reduce administrative burden on businesses and citizens and support the development of a Digital Single Market.

To accelerate this process of digitalisation and guarantee the coherence between all national e-government initiatives, the Commission has synthesised its experience with different pilot projects in a comprehensive and forward-looking action plans on e-government.

The EU e-government Action Plan 2016-2020²⁵ is inspired by a long-term vision for an open, borderless, user-friendly public sector and the way public services may be delivered in an open government setting enabled by ICT. Based on a strategic vision put forward by DG CONNECT,²⁶ the Action Plan sets out a series of principles and priorities that should guide EU and national interventions in this field. It does not have a dedicated budget but is expected to help coordinate funding sources and accompanying measures that are available to Member States through different EU programmes. As we have seen, e-government actions can be funded by a multiplicity of EU sources: CEF Telecom, ISA² programme, Horizon 2020, ESI Funds, the EU Justice Programme and the upcoming Structural Reform Support Programme (SRSP).

The 2016 EU e-government Action Plan is very recent and it is not yet possible to evaluate the extent to which it has succeeded in coordinating different funding sources and ensuring policy coherence in a field that appears rather fragmented. Our analysis and the interviews carried out indicate a high degree of complementarity at programme level among the main funding schemes.

In particular, activities promoted within the framework of Horizon 2020 are very much based on the openness of services, co-creation, information and access. On the contrary, CEF Telecoms and ISA² puts the accent on service interoperability. The complementarity between the latter two

²⁴ CEF has a pure trans-national objective (promoting the interoperability between national administrations) even if it does so through grants to national projects; Horizon2020 only finances trans-national public sector innovation projects. As regards the EU Justice programme, it finances both national and trans-national projects but the latter are much more important in number. In the past programming period only 40 out of the 282 actions financed by the Criminal Justice Programme (one of the two former programmes in the area of justice) were national actions.

²⁵ European Commission (2016a), EU e-government Action Plan 2016-2020 - Accelerating the digital transformation of government, Communication from the Commission, COM (2016) 179 final, SWD (2016) 108/109, 19.04.2016.

²⁶ See the strategic paper by European Commission (2013b) which sets out this logic.

programmes occurs in two tiers. First, with CEF Telecom the focus is on the development of core service platforms prioritised by the European Commission, i.e. a top down approach to interoperability; whereas ISA², with a broader component dedicated to sharing practices, community building and awareness raising,²⁷ is a more flexible tool in the hand of Member States to actively contribute to the identification and dissemination of interoperability solutions. Second, as ISA² is best suited to respond to specific user-needs, it may complement CEF Telecom upstream by help closing those technical gaps that inhibit PA from accessing EU core service platforms. For instance, the support provided by ISA² for the Trusted Exchange Platform (eTrustEx) ensures the integration with back-end systems for the CEF-sponsored e-Delivery.²⁸ Equally, ISA² can help bringing software components to the maturity level required by CEF Telecom.

At least at the operational level we have instead detected an overlap between the e-justice programme and CEF Telecom. Box 4 highlights how the two programmes have issued similar calls for the EU Justice Portal.

Box 4. Financing actions on e-justice: CEF-Telecom or EU Justice Programme?

An example of overlap is the 2015 EU Justice Programme call on e-justice and the 2016 CEF-digital programme call on e-justice. Both calls have an available budget of around EUR 2 million and provide funding for national or trans-national projects linking national justice systems to the EU justice portal. If one looks into detail at the specific objectives of the calls, both calls provide funding for the same type of actions; in particular, national or trans-national actions adopting specific web services specifications linked to the e-justice portal (such as “find a lawyer”, “find a notary”, “the European Case Law Identifier” or “e-CODEX”).

An additional factor curbing a far-reaching impact of EU funds on e-government is the potential lack of consistency between some ESIF-backed e-government projects and the principles and priorities embedded in the EU e-government Action Plan 2016-2020.

Some relevant principles, such as interoperability by default and once-only principle have a strong political backing from the EU. It seems also clear that CEF Telecom, ISA² and Horizon2020 are clearly embedded in the forward-looking vision on open governance promoted by DG CONNECT. However, this is not always the case for ESIF-financed interventions in the field of e-governance. An analysis of ERDF-INTERREG C²⁹ projects on e-government³⁰ finds that often in these projects investment on e-equipment is not accompanied by a redesigning of public organisations and their processes. Interviews have further highlighted that ESIF has been often used to digitalise existing services but without having in mind “interoperability” or openness from the start. In this respect, the digitalisation of the PA must be seen as an opportunity to re-think and restructure services,

²⁷ See Decision (EU) 2015/2240 of the European Parliament and of the Council of 25 November 2015 establishing a programme on interoperability solutions and common frameworks for European public administrations, businesses and citizens (ISA2 programme) as a means for modernising the public sector, L318/1, 4 December 2015.

²⁸ See the ISA² Working Programme 2016 Annex I, Detailed Action Description. Kurt Salmon (2012), Interim Evaluation of the ISA Programme, Specific contract n. 4 under framework contract DI/06693, 31 October 2012, Final Report by Alessandro Zamboni, Sebastien Gallezot, and Ludovic Mayot and European Commission (2013), Report from the Commission to the European Parliament and the Council on the Interim Evaluation of the ISA Programme, COM(2013) 5 final, 18.01.2013 regard CEF Telecom as a means to ensure the sustainability of ISA/ISA2 operations.

²⁹ INTERREGC are ERDF-funded programmes involving authorities from different regions and aiming at promoting inter-regional cooperation on a selected topic.

³⁰ E-government services, INTERREGIVC analysis report, October 2014 http://www.interreg4c.eu/fileadmin/User_Upload/PDFs/CAPITALISATION/Report/E-government_services.pdf

processes and organisation. Experts highlighted how e-government solutions entail a certain degree of centralisation and integration.

4.4. THE ARTICULATION OF THE NEW SRSP WITH EXISTING PROGRAMMES

The existing landscape of EU budgetary programmes providing support to PAR has been recently altered with the establishment of the Structural Reform Support System (SRSS) and the proposal to equip this service with a dedicated budgetary programme, the SRSP.

The SRSP builds on the experiences with the Support Group for Cyprus (SGCY) and the Task Force for Greece (TFG). Both consisted into EU-funded services providing technical assistance to countries under an EU economic adjustment programme to plan and implement reforms requested by their respective Memorandums of Understanding (MoU). Unlike these two precedent experiences, the SRSP will be open to all Member Countries. It will provide advice and assistance for the implementation of reforms upon request. These reforms can cover a wide range of policy areas (financial management and budget process, PAR, justice system, improvement of business environment, reforms of the education and training, employment or social policies, asylum and migration, health care, agriculture and environment, financial sector innovation and access to finance among others). They can be linked to CSRs or included in an EU economic adjustment programme, but can also be reforms proposed by Member States at their own initiative (art 7.3. draft SRSP regulation). To support these reforms, the programme can finance very different types of actions (art 6): workshops, training actions, short-term experts' missions, studies and analysis, ICT equipment or the provision of experts for a long-term period among others.

Among the EU officials interviewed for this study, the establishment of the SRSP raises some concerns. Many of them criticise the broad scope of the programme and point that the Service is relatively small and will not be capable to respond adequately to all types of requests. They see a potential overlap between the SRSP and existing European Commission services or programmes providing policy advice and technical assistance in specific areas (research, transport, etc.).

There are reasons to be sceptical about the capacity of this programme to induce reforms. The budget is modest (EUR 142 million) and in many countries the main obstacle to reform is not the lack of advice and technical assistance. Having said so, the programme could be designed in a way so as to increase its potential and reduce the risks of overlap with other EU programmes. In particular, the role of the programme should be better defined and the scope of intervention should be narrowed.

First, as regards to the role, the general perception among interviewees is that there is already an abundance of policy advice across EU through reports, benchmarks and thematic networks. There is also quite a lot of funding and support for technical assistance in specific issues, particularly for the implementation of EU funding. What is lacking in the EU is a service providing extended, long-term support (that is, helping and guiding national authorities through the analysis of needs, identification of possible reform options and accompanying them throughout all the process of implementation, providing if necessary specific technical support for particular aspects). This should be the objective of this Programme. The SRSP should work as a facilitator rather than provider of services. It should help Member States define their technical assistance needs and mobilise and

coordinate the required expertise - both in-house expertise (from the European Commission) and external expertise (from other Member States and International Organisations) - rather than providing themselves the advice.

Second, the programme should provide support only to those reforms having a clear EU dimension. This can include reforms requested by CSRs or by an economic adjustment programme, but also reforms that are clearly complementary to the adoption of new EU legislation (e.g. a reform of the banking system to allow a smooth and effective application of the directive on bank resolution) or to the use of ESI funds (a reform of the health care system in complement to ESI investments on health care infrastructures).

5. CASE STUDIES

KEY FINDINGS

- In the four case-study countries the prospects of acceding to EU (Bulgaria and Estonia) or EMU (Greece and Italy) and the conditionality attached to these has worked as a major incentive for PAR.
- The recent economic and financial crisis has also been a potent catalyst of reforms. However, in indebted countries such as Italy and Greece there has been a tension between cost-cutting initiatives and efforts to rationalise and increase the efficiency of PA. Bulgaria and Estonia, on the other hand, had low levels of debt and were not subject to this constraint.
- Important amounts of ESIF funding to improve administrative capacities do not necessarily translate into major, long-lasting changes in national PAs. In some countries, e.g. Bulgaria and Greece, the level of politicisation of administrative staff causes a high level of inertia and corruption, in turn adversely affecting reform efforts.
- In all four countries, classical NPM reforms have combined with post-NPM style reforms, such as measures to increase coordination, enhance transparency and open government.
- Efforts to accelerate the digitalisation of the PA have been important in all four cases, both to increase the efficiency of PA and as a way to promote transparency and fight corruption. Estonia emerges as the prime example of exhaustive use of e-government.
- Networks have played a marginal role in promoting mutual learning and inducing PAR in the four countries. In Greece and Estonia, national authorities have benefited from the exchange of best practices with other Member States but mostly through bilateral collaboration agreements. The former also benefited from targeted assistance provided in the context of the Task Force for Greece.

5.1. INTRODUCTION AND SELECTION OF CASE-STUDIES

The following four country case studies help shed light on the way in which external support by the EU (funding, technical assistance, and networks) interact with dynamics of PAR taking into account the relevant contextual details. These case studies contribute to improve the understanding of how national characteristics interact with financial and non-financial incentives by the EU in motivating PAR.

The selection of the four Member States - Bulgaria, Estonia, Greece, and Italy - is based on two core criteria. First, the four Member States cover a wide range with respect to the ESI funding allocated to TO11 and the improvement of the institutional capacity of national public administration (see Figure 6 in the annex). In the current Multiannual Financial Framework, Italy receives the largest share of the funding allocated under TO11 in comparison to all other eligible Member States. While Bulgaria and Greece receive a medium share, Estonia receives a relatively low share of ESI funds under TO11. Second, looking at the past reform activity in PA and their success (see Figure 7 in the annex), these four Member States depict interesting showcases. While Bulgaria and Estonia started with comparable initial conditions in the transition process, their success until present has been very heterogeneous. Based on MICREF (database on micro-economic reforms) data on PAR, Italy exhibited the largest absolute number of PAR in the period between 2002 and 2012, but was unable

to improve its scores in indicators on the quality of public administration. Greece depicts a relevant and interesting case as being a programme-country.

Table 4: Selected economic indicators for four case-study countries

	BULGARIA		ESTONIA		GREECE		ITALY	
	Mean 2012- 2015	Growth 2005- 2015*	Mean 2012- 2015	Growth 2005- 2015*	Mean 2012- 2015	Growth 2005- 2015*	Mean 2012- 2015*	Growth 2005- 2015*
Population (thousand) ¹	7.248	-6.0%	1.319	-3.4%	10.940	-1.2%	60.625	4.4%
GDP p.c. (PPP current int. \$), ^{2,7}	17,997	5.0%	27,223	4.1%	25,766	-0.1%	35,399	0.8%
Unemployment rate ¹	11.48	1.3%	8.05	5.1%	25.85	11.2%	11.85	5.1%
Gov. consolidated gross debt (% of GDP, Excessive Deficit Procedure) ¹	21.90	0.4%	9.88	115.6%	173.58	64.7%	129.38	30.2%
Compensation share of employees in PA in total compensation ^{3,8}			10.00	13.6%	17.80	9.6%	10.70	-3.0%
Share of employees in PA in total employment ^{3,8}	7.75	6.2%	6.65	9.0%	8.90	4.7%	6.20	-1.6%
Government effectiveness estimate, -2.5 (weakest) to 2.5 (strongest) ^{4,9}	0.126	-53.4%	0.997	5.5%	0.384	-45.0%	0.413	-34.8%
Doing Business overall distance to frontier: 0 (worst) to 100 (best) ⁵	69.87		76.78		63.64		68.24	
Net lending (% of GDP) ¹	-2.1		0.2		-8.2		-2.9	
Privatisation revenue (total of 2005-2013 relative to GDP 2011) ⁶			3.06%		1.04%		1.56%	

Sources: ¹ Eurostat, ² International Monetary Fund (IMF) ³ OECD, ⁴ WGI, ⁵ Worldbank Doing Business Report, ⁶ Privatization Barometer (own calculations).

Notes: *Average annual growth rate for GDP per capita and unemployment rate. ⁷ Estimate for Bulgaria, Estonia and Greece in 2015. ⁸ The averages are from 2011-2012 and the growth rate is calculated for the period 2005-2012. ⁹ The latest values are from 2014.

Table 4 provides comparative characteristics of the selected countries. Very striking are the differences in gross debt as percentage of GDP. While Estonia and Bulgaria – the two transition countries – have small relative sizes of debt-to-GDP, Greece’s and Italy’s debts exceed the level of GDP before, during and after the crisis. The size of the public sector in Greece is the biggest compared to the other three countries, both in terms of the relative number of employees in total employment as well as in terms of the compensation share of PA employees relative to the total compensation. Government effectiveness, an indicator of the quality of PA, as well as World Bank’s Doing Business indicator is highest in Estonia.

5.2. ESTONIA

Estonia's experience of reforms since its independence in 1991 are frequently cited as "the most radical and most successful" and as "a role model" (Djankov 2014). In 2016 the country ranked 16th in the world (among 189) according to the World Bank's Ease of Doing Business Index and 23rd (among 168) according to the Transparency International's Corruption Perception Index. In this chapter, we discuss the reasons of how the small country of only about 1.3 million population and a per capita GDP of only USD 3,000 in 1995 has been able to create an administration with an excellent performance according to numerous indicators.

5.2.1. Transition period

Disintegration of the Soviet Union in 1991 brought an economic disaster to its former member countries including Estonia. In a short period of time economic output halved, annual inflation soared to 4-digit numbers, massive shortages were felt in food, energy and other essential commodities. In the summer of 1992, Estonia started its first-stage market economy reforms, which were both radical and speedy, and largely followed the examples of Poland, Singapore, New Zealand and others (Laar, 2014). These reforms of the transition period aimed at establishing all the basic institutions of a market economy, including currency reform and the creation of a monetary authority, rule of law and the adoption of the constitution, property rights and a large-scale privatisation programme of state owned enterprises, general liberalisation of all markets for goods and services.

In the mid-1990s, the economy of Estonia started to stabilise, inflation rates were back to normal and output started to grow for the first time. The important structural shifts from primary sectors such as agriculture to services and manufacturing were largely behind. Trade dependence on Russia that peaked at over 90% in the beginning of 1990s was quickly declining. This early success was due to internal factors such as a reformist government and democratic progress based on a one-cameral parliamentary system. Along with the two other Baltic states, it was also due to Estonia's proximity and ties to Europe and especially to the Nordic countries and its fairly complete consensus on West-oriented foreign policy (compared to other post-Soviet countries).

5.2.2. EU-accession period

In the late 1990s and early 2000s democratic institutions were becoming customary, which also meant that ordinary politics started to rule the reform process. At the same time, the state had developed its administrative capacities, which paved the way for more complex and deeper reforms in the public sector. Some of these were motivated by the difficulties spilled over from the Russian crisis of end of 1990s, which also resulted in further moving away from Russian dependence in terms of trade and other economic and political ties. Importantly, the role of the EU started to rise (and take over some of the functions of other international development agencies) especially in this period. The reform objectives were pushed through by integration incentives (such as commitments to reform made credible by EU's ex-ante conditionalities) and to a lesser extent (but certainly non-negligible) by EU's direct support with funding and technical assistance.

During this EU-accession period, the focus of PARs is on the quality and accessibility of public services, public sector transparency, accountability and control, and cost-efficiency of the administrative system (Savi and Randma-Liiv, 2016). One of the main shortcomings of this period,

as indicated repetitively by the European Commission (e.g. European Commission 1998) has to do with the lack of human resources in the PA. One of the leading institutions in guiding administrative reforms in Estonia was the SIGMA project (see 3.2.) and the EU's PHARE Programme.³¹

5.2.3. EU support of administrative reforms

After Estonia had joined the EU (and NATO) in 2004, the third-phase of the reforms started mainly aimed at continuous fine-tuning of the existing systems but also supporting new structures and enhancing the capacity for an efficient administration of EU's structural funds. Technical assistance and other funding by the EU became quite important in supporting the latter activities (see Table 5), and also areas such as the civil service reforms, homogenisation of public and private working conditions, restructuring of ministries and other government agencies.

Particularly on the latter, several reports and our interviewees stress that the main problems do not any more result from a lack of capacity. For example, before the 2008-09 crisis Eurostat's data tell a compelling picture of an average public servant in Estonia: they are fairly young (55% are under the age of 40 and 25 % are under the age of 30); majority women (55%); remarkably well educated (55% are university graduates, 93% of those at senior positions). However, with increasing complexity of the state administration and its functions, the fragmentation of the civil services among several institutions becomes a large obstacle, a problem related to the disadvantages of NPM-style reforms (see section 2).

The decisive role played in civil service is the Public Service Department in the State Chancellery. However, the State Chancellery lacks essential powers, for example as regards to the preparation and drafting of legislation (under Ministry of Justice), controlling the implementation of law (State Audit Office), management of remuneration policy in civil services (Ministry of Finance), etc.

In the more recent years, one of the important and potent catalysts for reforms was the economic and financial crisis of 2008-09. The crisis also had an impact on the PA and allowed carrying out reforms that had been turned down earlier due to political constraints, such as the adoption of a new Public Service Act under the Estonian Government Programme of the Coalition for 2007-2011 (which proposed a considerable reduction in the number of public servants but together with significant increases of public sector wages).

A second direction of reform has aimed at rationalising the administration in order to make it more cost-efficient as well as to increase the coordination between public agencies, which is in line with the recent international trends of Post-NPM reforms counterbalancing the problem of fragmentation (section 2). This strategy has largely followed Estonia's generally conservative preferences towards fiscal policies³² and led to the creation of the Ministry of Public Administration (as of 2016 one among a fairly limited number of ministries of 14 in total). Interviews also suggest

³¹ PHARE (originally created in 1989 as Poland and Hungary: Assistance for Restructuring their Economies) was a pre-accession instruments financed by the EU to assist the applicant countries of Central and Eastern Europe. One of the explicit objectives of the instrument was to strengthen the PAs and institutions to function effectively inside the EU.

³² Estonia government gross debt stands at around 10% of GDP – around 8 times lower than the EU-average – even after experiencing one of the worst output shocks among European countries – along with Latvia and Lithuania – of over a 14% decline of GDP in 2009.

that such preferences among the population and policy-makers explain why Estonia has mostly relied on structural funds and has not used instruments of debt financing such as from EIB.

The ongoing reform activities of the Estonian government follow the national reform programme “Estonia 2020” which was approved in 2011 and describes the objectives for 2015 until 2020. The main objectives of the programme are the improvement of productivity and competitiveness, and decrease of unemployment levels. As also reflected in the European Semester process, PARs seem to be a lesser of priorities (with some focus on decreasing the administrative burden for economic activity and increasing the administrative capacity of local governments), while most of the CSRs targeting, for example, the pursuit of growth-friendly fiscal policies, improving tax and other incentives to work, labour market relevant education reforms such as vocational training, etc.

5.2.4. E-governance

An important pillar of this reform agenda, reflected both in the private and public sector, is the role of information and communication technologies. A well-educated workforce as a Soviet legacy, the ability to catch-up the large gap in technologies as well as the flow of investments from the West has pushed the growth of sectors like engineering, electronics, information technologies, and telecommunications. Estonia’s prime start-up example – Skype – was sold for 2.5 billion Euros to eBay in 2005 (or over one-sixth of Estonia’s GDP that time).

This technological revolution is reflecting in PARs with rapid adoption of ICT in the government services. The quick adoption of e-government reforms was also supported by the fact that there was no former legacy, which would have to be replaced, and these had to be very cost-effective solutions, a phenomenon often referred to as leapfrogging. Everything had to be built from scratch anyways, and “[Estonia] went from having no land registry to creating a paperless one” (The Economist, July 11, 2013). Major reform-programmes are, for example, the e-Estonia Digital society (one of the main services being the e-residency), directly supported by EU regional funds.

Today the country provides what The Economist calls “arguably the world’s most digitised bureaucracy” (The Economist, Jun 28th, 2014). This has become one of the most important factors for transparent and efficient governance in Estonia. All residents of the small Baltic state aged 15 or over have electronic ID cards, which are used in health care, electronic banking and shopping, to sign contracts and encrypt email, as tram tickets, and much more besides (The Economist, Jun 28th, 2014). In 2007, it even became the first country in the world to allow online voting in a general election. It has among the world’s zippiest broadband speeds and holds the record for start-ups per person. 95% of Estonians file annual tax returns online taking about five minutes on average (The Economist, Jul 30th 2013). The state is, by law, prohibited to ask for any piece of information more than once.

5.2.5. Networks and awards

EU networks and awards for PAR have played a relatively minor direct role for administrative reform in Estonia. This is an opinion shared by interviewees, who however also stress the relevance of bilateral learning, such as the exchange of experience with Finland and other Nordic countries. Networks and awards should be an inexpensive tool and should aim to deliver a sectorial platform where best -practices - such as the case of “e-Estonia” - can be recognised and made available to other reformers.

Table 5: Allocation of EU support for each ESI fund in Estonia (million EUR), 2014-2020

THEMATIC OBJECTIVE	ERDF	ESF	CF	EAFRD	EMFF	TOTAL	%
Enhancing institutional capacity and efficient PA	89	30	0	0	0	119	2.74%
Technical assistance	69	0	40	28	6	143	3.28%
TOTAL	1,874	587	1,073	726	101	4,361	

Source: Ministry of Finance of the Republic of Estonia: Partnership Agreement for the use of ESIF, 2014-2020

5.3. BULGARIA

5.3.1. Transition period and EU-accession

Since the first democratic elections in 1990 and until becoming one of the most recent Member States of the EU, Bulgaria has been characterised by a huge variation in the adoption of reforms both in general terms and also specific to PAR. To a large extent this has been driven by frequent changes in the executive government. In fact, no executive government succeeded in remaining in power for successive terms. Further evidence for this is provided by the minister for health who changed nearly every ten months since 1990. Characteristic for this transition period have been alterations in the nature as well as the speed of reforms following each change in the executive government. This involved not only delays in implementation but also reversals of major reforms (Djankov, 2014). A showcase example is given by the right for the customs and tax administration to investigate on illicit business deals which was initially awarded in 1992. This right has been first withdrawn in 1996, reintroduced in 2001, repealed again in 2006 and again reinstated in 2012. Comparable paths have been followed with the pension reform and initiatives for privatisation (Djankov, 2014). Another showcase example is given by the restructuring of ministries following changes in the executive government. Subsequent to the elections in 2009 and a change in the executive government, the Ministry of State Administration and Administrative Reform has been closed and replaced with an operational programme (more details below) managed by a group of 20 executives integrated in the Ministry of Finance.

In the same time period, economic and fiscal conditions were fairly mixed exerting additional pressure for reforms. Following the liberalisation of consumer prices and real estate in 1991, inflation rates increased very sharply peaking in 1997 with a rate of 1.058%. Also unemployment figures rose very quickly and were residing at around 11.4% in 2014. In contrast, fiscal indicators exhibited a much more favourable development. While the debt to GDP ratio was equal to 97% in 1997, this value was reduced to 13% in 2008. Even in the aftermath of the crisis, the debt to GDP ratio amounted to only 26% in 2015.

A rather stagnating picture is drawn by indicators on the efficiency of PA. Based on the score for government effectiveness in the Worldwide Governance Indicators of the World Bank, Bulgaria showed no improvement over the last decade and ranks at 58% of the distribution. With respect to the efficiency in tax administration measured by the indicator Paying Taxes from the World Bank, Bulgaria exhibited significant improvements in the accession period but is stagnating since. Problems with corruption are still severe and rank among the first priorities for reforms in PA. While Bulgaria scored on the lowest fourth of the Worldwide Governance Indicators with respect to the

control of corruption in 1996, the score only slightly improved in 1998 and remained steady until present without further improvement.

In light of the frequent reform reversals and the pressing problem of corruption, our interview partners pointed to specific features of PA in Bulgaria that have direct repercussions for PAR. As our interview partners have emphasised, PA in Bulgaria exhibits a high level of politicisation of public servants. This has been accompanied by a setting in which the appointment of administrative staff is not performance based but rather based on the affiliation to a political party, personal relations or patronage. Moreover, our interview partners have stressed, that the salary of public servants is low hence raising the probability to accept bribes. Consequently, they argued that this has two direct consequences for PAR. First, this results in a high degree of bureaucratisation in administrative processes in which public servants strictly adhere to strong formalisation in order to avoid the threat of displacement. This prevents the creation of an environment conducive for innovative solutions to contemporaneous problems in PA. Second, every change in the executive government is associated with a far-reaching change in administrative personnel even in lower level administration. In sum, these circumstances hamper reforms and prevent already implemented ones from exerting a long-lasting impact.

5.3.2. EU support of administrative reforms

In the context of EU Cohesion Policy, Bulgaria received funds to improve administrative capacity under both the Multiannual Framework 2007-2013 as well as 2014-2020. The funding is provided via the ESFs. Summarised under the TO11 in the current Multiannual Financial Framework, Bulgaria receives 3.6% of overall funding in this thematic area and captures the largest share among Member States together with Romania. In order to manage these funds, Bulgaria relies on the Operative Programme Administrative Capacity (OPAC) founded in 2009 under its National Strategic Reference Framework. The objectives of the OPAC are summarised under four priority axes: good management, human resources management, quality administrative services and development of e-government, technical assistance. Moreover, these priority axes are divided into sub-priorities comprising funded projects. These sub-priorities involve among others: the effective structure of state administration, transparent and respectable state administration, modern human resources management, competent and effective state administration, and the improvement of services through e-government. Against the background of the most pressing reform needs in PA in Bulgaria, sub-priorities match well. This has also been confirmed by our interview partners. The first and foremost issue is the fight against corruption and is targeted in virtually every sub-priority. Also the e-government strategy targets the latter through the linkage of existing database and information in order to increase transparency and to reduce opportunities for corruption

In the funding period 2007-2013, Bulgaria budgeted a total of EUR 180 million for the OPAC. Out of this amount, EUR 153 million were provided by the ESF whereas the national co-financing amounted to EUR 27 million. Absorption rates for this operational programme were relative low in the beginning but rose to 90% towards the end of the contracting period. Prior to the acceleration in absorption rates, Bulgaria even encountered an automatic de-commitment of EU funds in 2012 amounting to EUR 5.72 million (NSRF, 2014). Following this de-commitment, Bulgaria did introduce an action plan for minimising the risk of an anew withdrawal of funds in its national strategic reference framework. This action plan involved over-contracting of up to 10% of the programme's budget, supporting measures to increase certification of expenditures to the European Commission,

the reallocation of funds between priority axes, and a motivation for large-scale projects (NSRF, 2014).

Besides EU funds, Bulgaria also receives funding from other external sources. These involve for instance the EIB and the World Bank. While the EIB lent EUR 1.3 billion to Bulgaria in the period between 2001 and 2015, these funds did not primarily target PAPARs. By financing infrastructure projects, these funds could only indirectly contribute to an improvement of PA, for instance, through the improvement of public procurement. Furthermore, due to the provision as credit, Bulgaria did not prefer these kinds or sources in order to prevent additional fiscal burden.

Funds provided by the EU for PAR therefore take a prominent position. Our interview partners emphasised that these funds may indeed be decisive for the adoption of reforms as Bulgaria exhibits a low intrinsic motivation to PAR. This view may be supported by the relatively low share of national co-financing. Given that the Bulgarian budget only reports the sum of expenditures in the area of PA, the most cautious estimation of national investment in PAR would be equal to the co-financing share. In fact, under the current Multiannual Framework, the reported national co-financing shares range between 5% and 15%. While these values depict the status quo in the different priority axes summarised under TO11, the legally targeted co-financing shares are equal 15% for all of these axes.

Interview partners also pointed to the difference in speed of reform in comparison between pre- and post-accession. They argued that this can be explained by two reasons. First, in the pre-accession period the common goal of EU accession aligned the political will to engage in PAR irrespective of party ideology. Second, during this period, a potential non-accession posed a serious political threat. After accession, the remaining sanctioning tool was given by a potential withdrawal of European funds, which our interview partners however assessed as a weaker threat. In combination with a low intrinsic motivation, they argue that this explains the reduction in reform progress after accession.

Given the structure of the PA in Bulgaria, however, providing funding alone is not a sufficient condition for the success of PAR. This is also supported by the most recent recommendations to Bulgaria by the European Commission (European Commission, 2016b). Evaluating the performance on past recommendations, the European Commission concludes that despite the effort of the executive government only minor improvements in the area of PA can be observed and that Bulgaria is still struggling to achieve improvements in other areas of PA with identified reform needs such as tax administration, fighting the shadow economy and public procurement. The inherent inertia due to the structural condition of PA in Bulgaria prevents the endogenous formation of a reform process without external pressure or support. Consequently, our interview partners pointed to the importance of innovations such as the SRSS. Moreover, they argue that the main bottleneck to PAR is given by proper implementation, which should be supported by improved monitoring. While the OPAC already includes a monitoring body, it rather monitors the general progress on the objectives of the programme and the selection of projects instead of doing a simultaneous or ex-post evaluation of funded projects.

In summary, one can conclude that the funding in support of PAR by the EU exhibits a decisive role. However, funding alone will not suffice to achieve a long-lasting impact. This is due to the high level of politicisation in the Bulgarian PA and the thereby caused inertia. Therefore, supporting the reform

process by technical assistance such as the SRSS and its monitoring in the implementation phase is decisive. A drawback in case of the latter, however, is given by the fact that Member States have to opt for the service and not automatization is associated with it.

5.3.3. Networks and awards

Besides the funding schemes, the EU also intends to foster PAR through networks and awards. Interview partners acknowledged the general relevance of these channels but pointed to a potentially only marginal impact of those. In the context of Bulgaria, the reliance on awards is also not new as there has already been a national award programme by the former Ministry of State Administration and Administrative Reform. However, together with the closure of this ministry, the award programme has also been discontinued. With respect to networks, interview partners provided a recommendation. From their point of view, networks may achieve a greater impact if formed by close peers. These peers are rather given by Eastern European Member States, and especially Romania, instead of the entity of Member States.

5.4. GREECE

Greece is probably one of the EU countries facing the greatest challenges as regards to the modernisation of its PA. An OECD report published in 2011 identified the following major dysfunctionalities of the Greek PA: lack of central steering, translating into lack of ownership for reforms and accountability for results, weak coordination between and within ministries conducting to a silo-based vision of governance, a highly politicised PA favouring corruption, weak implementation capacity due to a combination of weak central supervision and a culture of legal formalism, major shortcomings in data collection and management (particularly in taxation and budgetary management) and deficient human resource management.

While these dysfunctionalities were well known before the crisis, it is only during the last years that the reform of the public sector has been placed at the top of the agenda, due to a combination of strong EU external conditionality imposed by the EU-IMF Economic Adjustment Programme and targeted technical assistance provided by the European Commission's TFG.

5.4.1. Pre-crisis period

Before the crisis, Greece did not have an overall strategy for PAR reform. An important attempt to modernise the Greek PA had taken place in the early 1990s, when the Greek government had to make significant efforts to join the EMU. In addition to various structural and liberalisation reforms, a number of actions were adopted to reduce the costs of civil service employment and better control budget expenditures. Several important measures were taken to tackle chronic problems of the central administration itself, including human resource measures (civil service recruitment process) and the reform and rationalisation of the regional and local administrations. After joining the EMU in 2001, however, the impetus to reform decreased. During the 2000s, there were some isolated initiatives to improve the functioning of the public sector– many of them financed by the ESI funds- but a lack of comprehensive strategy to reform. Overall, EMU's favourable economic and financial conditions were taken as opportunities to expand the state rather than tackling its inefficiencies (Featherstone and Papadimitriou 2008, OECD 2011).

5.4.2. Post-crisis period

Since 2010, the adoption of an EU/IMF economic adjustment programme for Greece has translated into major pressures to deliver on PAR. The first Memorandum of Understanding (MoU), signed in 2010, already included a detailed list of PAR measures. Yet, they were not based on a comprehensive vision of PAR needs but rather inspired by budgetary concerns.³³ The most pressing demand was to downsize the PA, by shedding 150,000 posts between 2011-2015 and the application of a 1:5 replacement rule (allowing only one recruitment for each 5 departures in the public sector).

During 2010 and 2011, the Greek government enacted a number of PA reforms in response to the demands of the Troika. According to expert interviews, legislative changes were swiftly adopted but many of them were poorly implemented. From September 2011 onwards, the Greek government's action on PAR improved in quality and became more strategic-oriented, thanks to the advisory support provided by the TFG.

In particular, the TFG advised and helped Greek authorities to set up a permanent structure for inter-ministerial coordination able to steer, coordinate and monitor all reform efforts.³⁴ Moreover, the TFG provided technical support for the undertaking of a comprehensive functional assessment of all existing structures and public entities, helped the Greek government to formulate a two-year strategy and action plan for the reform of the central administration (including a HR reform strategy) and provided assistance in the development of an integrated e-government strategy.

The TFG used different modes to deliver technical assistance. In some areas, another EU Member State acted as Domain Leader, leading and coordinating- in cooperation with the TFG- the provision of technical assistance. France took this role in the field of central PAR. To provide support to the Greek authorities in this field, the French government seconded some high-level French civil servants to Greece.

The evidence gathered from interviews and from two reports evaluating the Task Force (Alvarez and Marsal Taxand 2014, European Court of Auditors 2015) indicate that overall the TFG was effective in supporting the Greek authorities to undertake PA reforms, despite time constraints and difficult conditions. However, some factors hamper the effectiveness of the Task Force.

Firstly, between 2011 and 2013 the Troika was very much focused on reducing the size of PA. According to former officials from the TFG, the obsession with attaining quantitative targets on layoffs and staff reduction had the effect of creating enormous resistance to reform at the political and administrative level. During the first years, the TFG discussed extensively with the Troika to try to shift the focus away from quantitative downsizing targets and towards structural reform objectives associated with qualitative targets. Having France as the "Domain leader" for PAR helped a lot in this respect, given their condition of "creditor" country (and thus principal of the Troika). The efforts made by the TFG and France, combined with progress by the Greek authorities on meeting

³³ This initial list included measures such as the unification of the remuneration system (aimed at reducing the overall public wage budget), the reorganisation of the system of local government, the creation of a single public procurement authority or the adoption of legislation requiring the online publication of all government expenditure decisions

³⁴ The Secretariat General of inter-ministerial coordination, directly linked to the office of the Prime Minister

the quantitative targets on exits, succeeded in gradually changing the Troika agenda towards more qualitative aspects of reform.³⁵

Secondly, the TFG was very active in the conception of reforms but implementation was out of its scope and subject to various problems. In particular, the political instability and lack of a clear centre of leadership for central administration reforms within the government had a negative impact on the implementation of reforms.

Finally, complex and rigid funding arrangements hampered the work of the TFG. The Task Force did not have a dedicated budget and therefore had to finance the provision of technical assistance by combining different sources of financing (funding from the TA budget managed by the European Commission, part of ESI funding from TA managed by the Greek authorities –transferred to the TFG-, funding from other national or international organisations, funding from Domain Leaders –which financed the salaries of its own civil servants seconded to Greece). Securing and finding the funding for each action was very time-consuming. Besides, restrictions on how funding could be spent meant that it was not always possible to finance the most appropriate expertise.

5.4.3. EU funds

Since the 1990s, Greece has received important amounts of ESI funding but has traditionally displayed very low absorption rates and problems of misallocation. The TFG provided specific technical assistance to improve the management of EU funds. The result was quite impressive: between 2010 and 2013 the Greek absorption rate raised from 21.8% to 67.4%³⁶.

When the TFG arrived in Greece, the Greek government was managing an ESF-funded OP on PAR (AROP: Administrative Reform Operational Programme). According to some former members of the TFG, efforts were taken to ensure complementarity between the reform strategy supported by the TFG on PAR and the actions financed by this OP. However, in practice the coordination was far from perfect. As noted by a report from the European Court of Auditors, some of the actions financed by the OP were not directly linked with the reform of the central administration promoted by the TFG. Besides, “synergies with the Structural Funds were not fully exploited (as) the specific needs and scope of the TA provided by the TFG were defined without consulting the AROP managing authority or DG Employment, Social Affairs and Inclusion, although the operational programme and the TA share similar objectives” (ECA 2015:).

Finally, the TFG made an interesting use of the funding opportunities provided by FISCALIS2020. In particular, TFG officials applied to FISCALIS to mobilise experts on taxation from other EU countries and finance short-term punctual missions to Greece. The FISCALIS model of mobilising experts was seen as “very positive, and very easy to deploy” (Alvarez and Marsal Taxand et al 2014).

5.4.4. Networks and awards

According to interviewees, EUPAN did not play a major role in providing advice and supporting Greece on PAR during the crisis. Greek authorities benefited from the experience and specific technical expertise from other Member States, but the latter was mostly given through the

³⁵This is reflected in the Fourth Review of the Second Economic Adjustment Programme for Greece (April 2014), which states for the first time that “the authorities are [...] increasingly focusing on qualitative aspects [of reform]”.

³⁶Task force for Greece, fifth activity report (October 2013)

involvement of other Member States' specialised public agencies or bodies in the provision of technical assistance (such as the German KfW, which helped the Greek government to set up a Greek public development bank, or the French ADETEF, which provided targeted expertise for PAR). The figure of Domain Leader also allowed a more structural support from other Member States. Whereas France played this role in the field of PAR, other countries acted as Domain Leader in the field of local and regional PAR (Germany), debt collection (Belgium) or judicial reform (Austria).

5.5. ITALY

Traditionally, the Italian public sector is extensive. It was based on a four-tier system with powers divided between the state, regional, provincial and municipal level, with a marked presence of the state in the regions (with the *prefetto* authority) and in the economy (with relevant state-owned enterprises). Significant regional differences concern both PA practices and socio-economic outcomes, suggesting that local traditions and culture largely affect nation-wide provisions in their concrete implementation. Overall, Italian PA is perceived as a slow-moving and rather inefficient machine. Impressions confirmed by international rankings: Italy, member of the G7, is ranked 61 in the Corruption Perception Index 2015,³⁷ and 45 in the Ease of Doing Business 2016, with particularly low scores for contract enforcement and taxation.

Since the 1990s policy-makers recognised the need to reform PA in Italy; several moves have been taken in that direction but results have been often watered down at the implementation level. The EU has supported transformation of the PA in Italy thanks to good practices introduced by structural funds and, after the crisis, with a firm request to contain the costs of PA, to modernise and simplify it. Fiscal pressure has always been a relevant determinant for PAR, however the latest ongoing reforms as well as those introduced in the '90s combine a cost-containment rationale with a more systemic goal of promoting an efficient reorganisation.

Respondents to the COCOPS Survey confirms that budget cuts are among the primary drivers to improve the efficiency of Italian PA with linear cuts perceived as the predominant measure to realise savings. The survey also points out that the degree of politicisation in public management is still wide ranging. (Curry et al., 2014 and Ongaro et al., 2013).

5.5.1. Pre-crisis period

In 1992, the monetary crisis of 1992 and the "Mani Pulite" judicial investigation, which uncovered a corrupt system of kickbacks given for public work contracts, put pressure for changes in the political and administrative systems. The wind of reformism that followed was mostly focused on distancing administrative responsibility from political leadership so that privatisations and decentralisations became the way to go (Pollit and Bouckaert, 2011). During the 1990's, the EU (and the Italian Treasury) largely influenced the development of NPM ideas: structural funds helped spreading practices of financial planning and evaluations and privatisations and downsizing were presented as necessary steps for Euro convergence criteria (Ongaro, 2009). Local authorities, who were given autonomy to organise their services,³⁸ played a key role in the changing process; a more managerial

³⁷ According to Transparency International that runs the index, Italy has the same score as Lesotho, Montenegro, Senegal and South Africa.

³⁸ New rules on administrative transparency were introduced in 1990 and local authorities were given greater autonomy.

culture was first introduced at regional and local levels and in public hospitals and health care units. (Pavan et al., 2014).

Nevertheless, as reported by Ongaro and Valotti (2008), most reforms inspired by the NPM doctrine were watered down in the implementation phase. A broad set of cultural, political and legal factors influenced the implementation of PA reforms, not last the fact that management capacity was built at the level of individual public sector organisations. Two reforms of the early 1990s, which found particular struggle at the implementation level, were the demarcation between the political priority-setting role and the managerial one at local level and the introduction of decentralised collective bargaining for public employment. HR management in general, is probably the area where the gap between reform design and implementation has been larger (Pollit and Bouckaert, 2011 and Ongaro and Valotti, 2008).³⁹

5.5.2. Post-crisis period

After the wave of reform in the 1990's, public management reform in Italy became secondary in the years 2000s till the hit of the crisis. Even before the financial crisis translated into a public debt crisis, in Italy, PA was under scrutiny since "loungers" in public employment were identified as one of the causes of the weak impact of Berlusconi Government's reforms. Minister Brunetta, in charge of Civil Service and Innovation, conducted a strong campaign against absenteeism in the civil service and proposed laws to increase transparency in public service pay and introduce evaluations and performance pay in public employment (OECD, 2010).⁴⁰

When public debt crisis burst, the pressure to implement rapid cost savings measures affected PA largely and a series of cost-containment reforms downsized public employment and regional as well as ministerial allocations. Among other measures, in 2010, a three-year⁴¹ freeze on public sector wages and a block to hiring was applied to the civil service. The impact of public spending cutbacks has been particularly harsh on local and regional authorities as national funds to regional development dropped over EUR 20 billion. Such linear cuts were supposed to induce each administration to seek efficiency gains internally but results have been rather disappointing and affected the quality of public services.⁴²

³⁹ In 1993 a decree extended general rules for private employment to public employment; in 1998 a decree allows the appointment of public managers (from outside the public service) by political bodies; in 1999 personnel evaluations were introduced.

⁴⁰ In 2009, laws were enacted to improve public sector productivity and responsiveness to citizens: i) it becomes possible for citizens to take administrative authorities to court in case standards of service are not met, ii) the enforcement of public employment regulation is strengthened and iii) evaluations and performance bonuses for public officials and managers are revised.

⁴¹ Later extended by Monti Government and by Renzi Government. According to the budgetary law of 2013, cuts to public employment could entail savings for EUR 300 million in 2014 and up to EUR 1.5 billion till 2018. Besides freezing salaries and cutting wages to top public managers, the law proposed again the 20% rule for the block in hiring that was originally introduced in 2008. Expenditure for newly hired public employees should not exceed 20% of the savings from discharges.

⁴² In well-functioning administrations where resources were already optimised, cuts to spending mostly resulted in cuts to services; in poorly-managed administration where efficiency gains could have been achieved, the absence of managerial capacity and the lack of top down strategic guidelines paved the way for a worsening in the quality of services. See Lorenzani and Reitano (2015) for a review of cuts to public spending in Italy.

It is from 2012 onward that a more systemic and targeted spending review was carried out in Italy. The Giarda Spending Review Report⁴³ first and the Cottarelli Report⁴⁴ afterwards analysed a broad range of spending items in an attempt to propose targeted cuts to wasteful spending. Such analyses identified priority actions to rationalise Italy's spending for PA and recommended to: (i) pursue more centralised public procurement, (ii) streamlining all PA and abolish the provincial level of government, (iii) accelerate on the digitalisation of public services, (iv) downsize the involvement of local governments in state-owned enterprises. The Italian government only took into account some of the recommendations and included them into the 2015 and 2016 DEF.⁴⁵ Furthermore, saving targets tend to be systematically lowered or underachieved than recommended (Lorenzani and Reitano, 2015).

5.5.3. Ongoing reforms

It is rather evident that the European Semester exercise has impacted PA in Italy. As underlined, in the aftermath of the crisis the strong push for fiscal consolidation translated into linear cuts affecting public employment and the provision of public services. There is however evidence⁴⁶ of a more beneficial influence. For instance:

- Several recommendations included in the CSRs 2011 and 2012 about the simplification of PA for firms have been taken up in the reform packages of 2012 and 2013, which facilitate the setting-up of businesses, simplify the framework for infrastructure investment and widen the scope of e-government measures.
- CSRs have systematically made reference to the need of improving the management of EU funds at regional level and suggested the creation of a dedicated agency. In 2013, the Agency for Territorial Cohesion⁴⁷ was created and programmes to increase capacity of regional authorities were established.
- The European Commission, among others,⁴⁸ identifies the inefficiency of the Italian judicial system as one of the leading causes of slow growth, low investments and unfavourable business environment. A number of initiatives enacted in this domain mirrored the recommendations received. In 2013 and 2014, the Italian government created specialised courts for businesses, reinforced the digitalisation within the courts and introduced measures to reduce the backlog of civil cases⁴⁹.
- CSRs in 2015 specifically recommended the Italian government to “ensure that the spending review is an integral part of the budgetary process (European Council, 2015)” and Italy's 2016 National Reform Programme (NRP) (see MEF, 2016) actually provides that the spending review no longer stands alone as an *una tantum* exercise to cut unproductive costs of the PA but it is

⁴³ See www.irpa.eu/wp-content/uploads/2012/07/rapporto_spending_19.3.13.pdf.

⁴⁴ Mr Cottarelli was appointed Spending Review Commissioner in October 2013 and put forward what can be considered the most systemic and comprehensive revision of Italian public expenditure. He resigned from the three-year post in autumn 2014 and his report was only made public in 2015. It is available at http://revisionedellaspesa.gov.it/documenti/PRIME_PROPOSTE_PER_UNA_REVISIONE_DELLA_SPESA_xfinal.pdf.

⁴⁵ Documento di Economia e Finanza (DEF) is the yearly budgetary law in Italy.

⁴⁶ Evidence is collected through experts interviews and desk research with particular reference to: OSE (2015), Lorenzani and Reitano (2015), OECD (2015), and European Commission (2016d).

⁴⁷ More information at www.agenziacoessione.gov.it. It is too early to assess the impact of such agency in promoting a better use of EU funds, but in 2016 for the first time CSRs to Italy do not include the management of EU funds as one of the priorities to be addressed, see European Council (2016).

⁴⁸ See for instance the IMF paper Esposito et al. (2014).

⁴⁹ E.g. attributed a greater role to arbitration and introduced out-of-court settlements.

now integrated in the budgetary process and promote a systematic rationalisation of budgetary allocation.

A second positive aspect of the latest NRP highlighted by the experts relates to the monitoring of the implementation process by means of reports on enacted laws. The most positive aspect however is that most of the reforms included in the NRP 2015 and 2016 are included in a comprehensive reform package for Italian PA led by Minister Madia, in charge of Public Administration and Simplification. The latest legislative act to reform Italian PA, enacted in August 2015, is ambitious and comprehensive. It comprises: i) a “Simplification Agenda for 2015-2017” aiming at reducing regulatory and administrative burden on businesses, ii) a strategy to improve HR at all levels of government, iii) enhancing transparency, open governance and strengthening anti-corruption measures, iv) it includes elements for a better coordination of different levels of governments, v) opens the way to digital citizenship and promote e-services. Turrini and Valiotti (2016) report that the reform represent a step change particularly in the field of public employment as the driver for change is no longer linked to rules or to incentive structures but it is based on the development of skills and competences in the civil service.⁵⁰

Furthermore, a constitutional reform⁵¹ also attempts to rationalise the public sector by shifting shares competences between the state and regions toward central administration, abandoning the so-called “perfect bicameralism”, eliminating the provincial level⁵². Experts agree that ongoing reforms can potentially enhance the efficiency of the PA and deliver on a long-awaited modernization. Nevertheless a sizable degree of uncertainty about the expected impact remains: first, certain measures still have to be approved; second, even when enacted, reforms in Italy may fall short at the implementation phase.

5.5.4. EU funds

As highlighted in chapter 4, in absolute terms, Italy is one of the Member States allocating more EU funds to PA and is the Member State assigning more ESI funds to PA under TO11.⁵³ Furthermore, Italy remains one of the primary recipients of EU funds promoting bottom-up transformation of the PA, with Italian municipalities particularly active on Horizon2020 calls.

The management of EU funds however has always been a critical point, especially for Southern regions.⁵⁴ Evaluations of the previous programming period denounce a critical lack of reliable result indicators at policy instrument level and a chronic delay in the implementation of programmes and absence of systemic evaluations⁵⁵. According to the European Commission, the 2007-2013

⁵⁰ In fact, the reform includes measures for a more flexible turnover management and a generational handover. It pushes for mobility within the PA and enhances the performance appraisal system to support skills development and a result-oriented approach for senior management (Marconi, 2014).

⁵¹ The constitutional reform was approved by the Parliament in April 2016 but it awaits the uncertain backing of a referendum set for autumn 2016.

⁵² The provincial level was de facto abolished in 2014, the constitutional reform will more simply cut out the word province from the constitutional law.

⁵³ With approximately EUR 800 million from ESF and ERDF, Italy is the Member State allocating more funds under TO11; additional EUR 505 million goes to PA for e-government measures under TO2. See Figure 6 and Figure 5, respectively.

⁵⁴ Over the 2007-13 programming period, the absorption rate calculated 2015 was still at 80%, substantially below the EU average. In convergence regions the absorption rate did not reach 68% (European Commission, 2016c).

⁵⁵ See for instance Naldini et al. (2010) and the ex-post evaluation of the ERDF Operational Programme 2007-2013 for Apulia available at http://ec.europa.eu/regional_policy/sources/docgener/evaluation/pdf/expost2013/wp2_case_study_it.pdf.

programming period as a “negative experience” for interventions on institutional capacity, which “were fragmented, not result oriented, without an effective governance and not aimed at a longer term and structural changes”. (European Commission, 2014c) For the current programming period, the European Commission has also expressed numerous concerns on the proposed Partnership Agreement 2014-2020. The three main criticisms are: i) the confusion between technical assistance and institutional capacity under TO11, the generalised lack of indicators to monitor impact of projects funded under TO11 and that demarcation and synergies regarding e-government and e-procurement are poorly defined. (European Commission, 2014c) In addition, interviews have highlighted that about 3000 projects targeting PA or public services, 38 managing authorities active on ESI funds and 23 OPs touching PA-related issues, the impact of EU funds for the transformation of the public sector results very much fragmented, particularly in the area of e-government.

The last two country reports reveal however a timid optimism⁵⁶ as recent reforms including the above mentioned Agency for Territorial Cohesion may support regional capacity to manage funds, promote a more integrated approach, and facilitate monitoring and evaluation. Furthermore, managing authorities are now required to define an Administrative Reinforcement Plan to demonstrate the adequacy of structures and competences for a proper management of EU funds.

Despite the systemic problems, success stories at regional and local level are no absent. We report here two cases in which EU intervention have served improving the Italian PA in two key sectors: justice and ease of doing business. First, as reported in Box.3, a project developed with ESF at local level at the Persecutors’ Office of Bolzano was scaled up and served as reference point for a national programme on the “Diffusion of best practices within the Italian judicial offices, introduced in April 2008. (Vecchi, 2013 and Esposito et, al. 2014) Second, the Lombardy Region has decided to deploy funds for SMEs in synergy with Horizon 2020 SME Instrument and minimising the administrative burden for businesses. In fact, firms which were positively evaluated in phase 1 but were not allocated funds can directly apply, with no additional paperwork, to an “SME Voucher R&I call” promoted by the Region.

5.5.5. Networks and awards

Neither desk research, nor expert interviews have been able to identify any significant impact of European networks and awards⁵⁷ for the development or dissemination of good practices for PA. Experts appeared to exclude the possibility of achieving any impact for awards unless at municipal level, and for top-down networks.

⁵⁶ See European Commission (2015d) and European Commission (2016c).

⁵⁷ Experts referred to the positive experience of an Italian network called Formez, which is not structured to disseminate best practices but rather to create networks between public managers for knowledge sharing and cross learning. More information available at www.formez.it.

6. THE VALUE OF SHARING BEST PRACTICES

KEY FINDINGS

- The positive impact of networks and awards on PAR in sharing best practices is marginal and, thus, the existence of these schemes can only be justified when the costs of having them are low and when other instruments such as direct funding are either unfeasible or ineffective.
- The impact of networks is potentially highest when they are organised on the sectorial level such as tax administration, e-governance, human resources, etc.
- Diffusion is potentially strongest when there are large heterogeneities in terms of output, but for cases, which are otherwise comparable and can serve as a yardstick.
- In order to be credible, the issuing of awards for good PA performance should follow clear and transparent selection criteria. Awards can serve as a tool for supporting rather risky and innovative PA projects, which are generally hard to incentivise with budgetary tools due to bureaucratic constraints.

This section explores the role of soft incentives such as expert networks, which foster diffusion of ideas based on peer-to-peer contacts and awards (which may publicly identify best practices) in promoting public sector reform activity in EU Member States. The objective is to understand whether the ambition set by such schemes is feasible in serving as catalysts for public sector innovations and the fast dissemination of best practices. There is some empirical evidence that reforms and particularly reforms in PA give rise to spillovers in reform activity to other countries (Asatryan et al., 2015). However, it is less clear and there is not much (empirical or anecdotal) evidence whether expert networks and awards are really the mechanism through which spillovers operate.

Relying on insights from expert interviews and desk-research, we focus our analysis of networks on one important network, the EUPAN. This network differs from other networks, as it is purely intergovernmental and takes place at a very high political level. We also describe a selection of awards; the EPSA and the European Prize for Innovation in PA. Additionally we synthesise the existing academic and policy literature that tries to evaluate the potential effectiveness of vertical and horizontal incentive schemes operating in different countries.

Overall, these incentive schemes cannot be expected to be a main driver that directly and significantly affects the status quo and bring both more and better reforms. However, it should be also recognised that these schemes are often not very costly and their impact has to be judged proportionally to their costs. We conclude by discussing some features of well-designed schemes, which can be helpful at the margin and can contribute to the reform-agenda in areas where direct EU-funding is either unfeasible or ineffective.

6.1. DISCUSSION OF NETWORKS

The EUPAN is the largest intergovernmental network of PAs in Europe. This is an informal network targeted at improving the performance, competitiveness and quality of PAs.⁵⁸ It is managed by the ministers responsible for PA and shall benefit the EU Member States and the European Commission. In particular, the exchange of experiences and good practices is important in meeting these goals.

At the heart of the networks stands the vision to place the citizen at the centre of public management in order to implement the Lisbon Strategy. Furthermore, to enhance efficiency and customer orientation, the work in different areas, i.e. human resources, innovation and quality of PA, e-government and social dialogue, and with different actors is important. The definition as an informal network is essential for EUPAN; the voluntary involvement of Member States as well as their consensus decision-making is stressed in the vision statement. The network shall lead to a gradual creation of a European administrative space.

EUPAN is organised in three different levels: a political level, a management level and a technical level. The Commission provides expertise and is involved in all of the levels. The Commissioner responsible for human resources and administration participates on the political level, which involves ministers responsible for PA. On the management level, the Director-General for Human Resources and Security (DG HR) supports the Directors-General in managing and supervising the network. The Directors-General represent general managers of PA in the Member States.⁵⁹ The technical level comprises several working groups; amongst others the Human Resources Working Group (HRWG) and the Innovation Public Services Group (IPSG). The HRWG focuses on topics of human resource management in PAs. Members of the DG HR participate in the working groups. The country presiding over the Council of the EU takes the role of the Presidency. The tasks of the Presidency include to take the initiative in developing projects and to stimulate the work of the working groups. Our interviewed experts shared the view that networks should be organised on the level of expert working groups concerning specific topics. EUPAN's working groups are already a good start for this purpose. However, the already existing groups are very few and probably too broad in their coverage. Especially the IPSG seems to target any innovation concerning public services. There could be individual working groups for each of the following areas: legal system, quality of regulation, management modernisation, rationalising public administrative service, tax system, systematic monitoring, e-government, enforcement of contracts, Start-up regulations, one-stop contact points, speedy settlement.

EUPAN also works in cooperation with other networks. One is DISPA, which is a network of directors of Institutes and Schools of Public Administration. It emerged from a EUPAN meeting in 1995. The

⁵⁸ The United Nations Public Administration Network (UNPAN) established in 1999 is largely modeled along the European network. It has the goal of bringing together national and regional PAs on an online platform to foster information exchange and training in public sector management. It is especially devoted to support the capacity building of developing countries, but also operates in some regions of Europe. The UNPAN partners in Europe are the Institute of Information Society (IIS), the Network of Institutes and Schools of Public Administration in Central and Eastern Europe (NISPAcee) and the Regional School of Public Administration (ReSPA).

⁵⁹ <http://www.eu2013.lt/en/events/political-meetings/international-level-and-expert-meetings/61st-meeting-of-directors-general-of-eupan->

European School of Administration coordinates the activities of this informal network.⁶⁰ Its goal consists in sharing best practices concerning the training of civil servants. Another one is DEBR, a network of Directors and Experts of Better Regulation, whose specialisation is the exchange of best practices regarding regulations. The members are senior officials who have the mandate to promote better regulation at the Member State level.⁶¹ The outcomes of their meetings are reported to the ministers responsible for PA.

The Common Assessment Framework (CAF) is a tool developed by EUPAN's IPSPG working group enabling Member States to self-assess their PA in an effort to improve the public sector. The CAF Resource Centre (CAF RC) is responsible for promoting the use of CAF among the Member States and for providing training and methodological support for applying the CAF. Responsible for updating and improving the CAF is the CAF Expert Group (CEG). The latter also cooperates with the European Institute of Public Administration (EIPA) on CAF support tools such as the provision of online service.⁶² The CAF was established in 2000 and until March 2016, more than 3800 PAs in Europe made use of it. In a first step, the CAF should help to identify weaknesses and areas in the PA where improvements can be made. In a second step, the CAF user needs to implement improvement actions in the areas previously identified as having some lacks.

When the CAF was established, the programme did not have a large group of users. Only after some Member States have established various support tools, the CAF nowadays has a good reputation, which is the main reason for the big user community today. Conferences, awards and contests help the spread of best practices among the Member States. Individual country reports show that the Member States have a positive opinion about the programme and its effectiveness in improving PAs and that they are eager about increasing its usage in the future.

Some parallels can be drawn between the CAF and certain performance assessment schemes of different countries. For example, England, Wales and Scotland have different performance improvement regimes in local public services, which are to incentivise local politicians to improve service quality. In England, the Comprehensive Performance Assessment (CPA) scheme was introduced in 2001. This scheme focused on the local public sector performance by rating their education, housing, social care, environment, libraries and leisure as well as their use of resources which is done by auditors and inspectorates. Martin et al. (2010) compares the different schemes in England (CPA), Scotland (Best Value Audits, BVAs) and Wales (Wales Programme for Improvement, WPI), and finds that the former two programmes may have led to improvements in PA. Lockwood and Porcelli (2012) is one of the few academic papers that credibly quantifies the effects of the CPA. The paper finds that the introduction of the programme raised output quality – through a higher effort of the incumbent – by about 4%. However, the CPA has involved significant monetary as well as administrative costs in that the national government's "top-down" system had to set certain "one-size-for-all" standards and through auditors and inspectorates had to administer and assess the performance of the local public services.

⁶⁰ <http://sna.gov.it/en/cosa-offriamo/international-activities/the-network-of-directors-of-institutes-and-schools-of-public-administration-dispa/>

⁶¹ www.montin.com/archive/documents/dbr_history.pdf

⁶² The EIPA with centres in Maastricht, Luxembourg and Barcelona is a private institute founded in 1981 that hosts 15,000 civil servants from local and regional governments a year who participate in several seminars and courses organised by the institute. The goal of the institute is to support the Member States and the European Union in dealing with issues evolving in PA. Their seminars include topics like EU Decision-Making, EU Policies like Cohesion Policy and EU Law.

This approach is potentially costly and the benefits against which the costs are to be weighted are marginal. Establishing a similar performance assessment scheme for Europe is not desirable unless the administrative burden of audits and inspections is already being undertaken and can be analysed with no further cost.

The majority of expert interviews similarly indicate a generally sceptical view towards the impact of networks on fostering reform. With few tools of credible policy-evaluation of the impact of networks as well as little anecdotal evidence such scepticism is not surprising. However, recognition of excellence and the diffusion of best practice may still be important even though the potential gains are often not directly observable. This characteristic lies in the heart of networks, where, at least theoretically, learning and accumulation of know-how may generate well-designed reforms indirectly over some period of time.

As argued by Provan and Milward (2001) diffusion will often work through public sector managers, their training and exchange. Significant benefits may be due to a catch-up process by small and young agencies and for networks within which large heterogeneities exist in the quality of public sector management practices.

On balance, an uncontroversial conclusion is that the benefits of networks have to be weighed against their costs, something that experts often failed to take into account. EUPAN, for example, does not receive direct EU-funding and is financed mainly in a decentralised way by participating institutions. Similarly, the CAF mainly operates online and is very cost-effective. Therefore, the existence of networks can be justified if potential positive effects arise on the margin without imposing additional (monetary or administrative) costs.

In the view of our interview partners, tools like TAIEX (Technical Assistance and Information Exchange) could be efficient in improving PAs and sharing best-practices. TAIEX was primarily created as an instrument by the European Commission to support PAs of candidate EU countries in implementing and enforcing EU law as well as in sharing best-practices. It offers three different support tools. First, TAIEX beneficiaries can learn from EU Member State experts in workshops. Second, experts can directly advise PAs on-site in so-called expert missions. Lastly, TAIEX offers study visits where practitioners from a beneficiary PA can visit an EU Member State's administration. Civil servants from central PAs, judiciary and law enforcement authorities, Parliaments and civil servants of Parliaments and Legislative Councils, as well as representatives of social partners, trade unions and employers' associations can apply for the services of TAIEX. TAIEX is managed by DG NEAR and is funded by the Instrument for Pre-accession Assistance. TAIEX-REGIO is a project managed by DG REGIO to support EU Member States in their allocation of the EDRF and the Cohesion Fund by using the same tools as TAIEX.

6.2. DISCUSSION OF AWARDS

The EPSA is a contest launched by EIPA in 2007, which awards prizes to projects enhancing PA quality. The EPSA takes place biannually with one or a few specific topics, which change over time. For example the topic of 2015 was "The Public Sector as Partner for a Better Society" and 2013's topic "Weathering the storm – Creative solutions in a time of crisis". In 2015, projects with integrated and participatory governance approaches were rewarded. In 2013, mainly projects that found

innovative ways of problem-solving regarding events like the recent crisis won a prize. The main goal of the contest is to provide an incentive to Member States to learn from the best practices of each other. More specifically, the aims are to support the implementation of Europe 2020 (or before that, the Lisbon Strategy), to create a common European administrative space as well as a learning platform for PAs, to develop tools for solving administrative problems and to boost constructive competition among public sector organisations.⁶³ In the five editions of the EPSA between 2007 and 2015, more than 1300 projects were submitted. These projects then had the chance to be awarded a diploma / best practice award, to be an award nominee or to win the award, which is the highest honour.

The evaluation takes place in four steps. First, individual evaluators rate the online application. The evaluators come from academia, politics and the private sector as well as from different countries. They assess the applications according to several criteria previously determined. In 2015, these criteria were: innovation, stakeholder involvement, relevance of actions taken, impact/results, sustainability, transferability and learning capacity, social inclusion and effect of financial sustainability and economic growth. Second, the evaluators come together and discuss which projects to put on the short-list. Third, the short-listed projects are visited onsite for a reality check. Lastly, a jury consisting of high-ranking stakeholders and/or politicians decides on the nominees and the winners.⁶⁴

Figure 8a in the annex, provides an overview of the shares of nominees and winners during the contests of 2007, 2009 and 2011. A bit less than 25% of the submissions receive some kind of prize (Figure 8b). Figure 9 and Table 11 provide further interesting information about the different levels and sectors represented in the submissions and the submissions as well as prizes by country from the contests 2007 to 2011. Most applications concern the regional level, national and regional level applications have more or less the same share of about 25% and there are only very few applications on the multinational or EU level. One can also see that most of the submissions (around 34%) directly relate to PA and its modernisation. Most submissions concerning PA come from Romania, followed by Italy, Spain, Germany, Poland and Austria. Bulgaria and Estonia rank in the middle and Greece submits the least. The UK, Sweden, Norway and Finland have had the highest success of winning an award or being a nominee in relation to the number of submissions in all sectors. Estonia, Greece and Bulgaria have never won an award nor have they been a nominee so far.

6.3. FINAL REMARKS

- Schemes that celebrate best practices (and shame worst performers) can potentially have a positive but limited impact. Given the limited nature of the impact – an observation concluded from interviews, desk-research, and a summary of the existing literature – the existence of such schemes is justified on the condition that they do not impose additional and significant (monetary or administrative) costs. Networks should be primarily viewed as a free platform where public managers can share experiences and ideas.

⁶³ <http://www.epsa2015.eu/en/content/Aims-of-EPSA.7/>

⁶⁴ <http://www.epsa2015.eu/en/content/The-EPSA-evaluation-and-assessment-methodology.33/>

- The diffusion of best practices operates through informal channels, including but not limited to networks, therefore the role of a potential state intervention and direct funding of such activities should be highly limited.
- When networks exist, they should target sectorial cooperation and aim at bringing together good and bad performing agencies with otherwise similar conditions. On the former, networks in different fields of public policy – such as e-governance, tax administration and other business regulation, legal procedures, monitoring and coordination efforts, human resources and management, etc. – should be established. Such sectorial networks not only maximise the exchange between relevant professionals but also help de-politicise the potential exchange. Regarding the match of peers, diffusion is potentially strongest when there are large heterogeneities in terms of output but can serve as a yardstick for cases that are otherwise comparable.
- Similarly, awards can also play a limited but positive role. However, the effectiveness critically depends on clear and transparent selection criteria. When the credibility of the award is lost, its impact will vanish or may even become negative since the only channel through which the impact operates hinges on spreading credible and reputable information.
- Relatedly, the interviews and desk-research suggest that the award process of EPSA could be improved. The monitoring and awarding processes should follow much more salient evaluations and criteria. EPSA may also transparently publish real-time data on its evaluations enabling citizens and politicians to credibly assess the performance of different public agencies or jurisdictions. Relatedly, awards should avoid the practice of rewarding the intention to reform and should target the actual outcomes.
- Finally, it should be noted that the overall scepticism towards networks and awards regards their average impact. However, the picture may change when moving the discussion from the average to the important outliers, such as to innovations that are new and deviate from the normal. Such initiatives are often not supported by EU funding, because being eligible for EU funding requires clear proposals including known and feasible outcomes from the beginning. Projects that aim at an innovation are almost by definition risky, while bureaucratic rules (in the EU or elsewhere) do not favour and rather punish and discourage risk. When EU-funding is either unfeasible or ineffective, awards could step in – such as the European Prize for Innovation in PA (albeit a one-time prize in 2012/13) or the specific calls of the Horizon2020 – to incentivise innovative projects in PA and to recognise and spread these through networks.

7. CONCLUSIONS AND RECOMMENDATIONS

7.1. CONSISTENCY OF BUDGETARY INSTRUMENTS WITH OVERALL REFORM APPROACH

In general, the study confirms that the evolution of PAR-related instruments in the EU budget is consistent with the broader EU perspective on administrative reforms that has developed over the past decade. According to this view, a purely instrumental approach where PAR is seen merely as a means to ensure the effective implementation of the EU acquis is not sufficient. Instead, efficient national administrations are acknowledged as pre-requisites to attain the EU's broader social and economic objectives. TA-type budgetary support remains justified, but it should increasingly augment programmes targeting administrative capabilities, efficiency, integrity, and openness in general. Such a broadening of objectives has already become visible through the increase of the ESI funds in support of PAR under TO11 (EUR 4.1 billion in 2014-2020).

Moreover, the increasing allocation of budgetary means to programmes that support digital innovations in the public administration is in line with the dominating "post-NPM" paradigm of administrative reforms in industrial countries. NPM approaches have emphasised the need of market- and incentive-oriented reforms in fostering the efficiency of the public sector. However, processes of decentralisation and marketization as classical elements of NPM run the risk of detrimental fragmentation of public services. The "post-NPM" paradigm, therefore, stresses the principles of cooperation and networks as potential counterweights against these fragmenting forces. In this context, digital connectivity is a promising remedy. The potential of e-government refers to both an improved intra-administrative coordination and an easier access of citizens to public services.

Overall, while the general budgetary trends go into the right direction, there is room for improvement. Before describing the potential for better PAR-related instruments in the EU budget in more detail, two initial principles should be mentioned.

First, it should be recognised that other EU instruments and incentives outside the budget (such as administration-related rules of the Internal Market) may well be as important in encouraging PAR. Therefore, budgetary programmes should be consistent with these incentives.

The second principle relates to subsidiarity and the highly limited role of the EU in national administrative reforms. The country case studies of this study have highlighted that the success of EU support for PAR crucially depends on domestic factors and initial conditions. The contrast between countries like Estonia and Bulgaria demonstrates that a successful and lasting change resulting from PAR depends on a country's internal consensus on reform programmes and its political ability to implement these reforms. When these preconditions fail, a country may find itself trapped in an undesirable equilibrium of a highly politicised and low-performing public sector. Moreover, such equilibrium is often characterised with a reform resistant bureaucracy, thereby giving rise to a trap. With this country-specific experience in mind, it is obvious that reform incentives in general and budgetary support in particular must not be built in a uniform way. Instead, they should target country-specific weaknesses and build on country-specific strengths. The added value from EU interventions is largest when national administrative bottlenecks and

institutional obstacles to reform are effectively targeted. This general insight speaks for an ever-closer link between PAR-related reform strategies and individual country assessments (as given in the CSR). With this overall background in mind, this study derives the following more specific recommendations.

7.2. A MORE PRINCIPLE-BASED APPROACH TO ADMINISTRATIVE CSR

The increased attention being paid to public administration deficiencies in the European Semester is highly welcome. However, given their guiding function for budgetary instruments like TO11 spending, the CSRs send out signals with insufficient precision. In particular, CSRs do not consistently identify poor administrative performers or particularly problematic administrative weaknesses. This weakens the guiding function that the CSRs are supposed to have for the budgetary instruments. Hence, for the administrative dimension, the CSRs would benefit from a more principle-based approach to the identification of country weaknesses. A well-established approach like that applied by SIGMA-OECD should be adapted for that purpose.

7.3. ESI-TO11: BETTER EVALUATION AND PERFORMANCE INDICATORS

In the current programming period, there has been an increase of ESI funding in support of PAR. Also, the use of ESI funds under TO11 (“enhancing institutional capacity of public authorities and stakeholders and efficient PA”) is for the first time conditioned on the elaboration of a policy strategic framework for PAR (ex-ante conditionality).

While it is still early to evaluate whether the introduction of this ex-ante conditionality has improved the use of ESI funding in support of PAR, our analysis has pointed out that money-driven spending approaches are still frequent in related OPs. A more strategic use of EU funding ultimately requires real ownership and commitment from national authorities, but some changes could favour a better use of funds. One particular weakness in the current ESIF regulation is the lack of common specific indicators to evaluate the results and impact of ESIF interventions in support of PAR. In effect, the ESF regulation includes a list of common indicators to be used for monitoring and evaluation purposes, but most of these indicators are about participants (that is, number of persons benefiting from ESF-financing activities). There is only one indicator about public entities benefiting from funding and it consists of a short-term, quantitative indicator (“number of projects targeting public administrations or public services at national, regional or local level”). This indicator is not informative about the capacity of ESI funds in supporting genuine and durable reform in PAR, or in supporting progress towards the attainment of EU stated goals and priorities on PAR (such as the reduction of unnecessary administrative burdens, extension in the use of e-procurement, implementation of once-only principle, etc.).

The European Commission should provide specific guidance on how to evaluate the results and impact of ESIF interventions in support to PAR. In particular, common indicators should be defined at the EU level. These indicators should include short-term and long-term indicators, and should aim at assessing the progress towards the attainment of EU’s stated goals and priorities on PAR. These indicators could be already implemented during the current programming period on a voluntary basis. Based on a learning process they may be improved further and introduced in the ESF regulation in the next programming period.

7.4. EU JUSTICE PROGRAMME MORE ALIGNED WITH CSRS

While ESI TO11 spending, in terms of both budget substance and contents, reflects the broader paradigm on PAR fairly well, other programmes have been less influenced by this changing view. This is particularly the case for the EU Justice Programme. Improving the efficiency and quality of national justice systems is increasingly seen as a key pre-requisite to boost Europe's competitiveness and create an investor-friendly environment. In the last European Semester, six Member States (Bulgaria, Croatia, Italy, Cyprus, Portugal, and Slovakia) received CSRs to reform their justice systems, and the Commission decided to monitor closely the efforts in this area in additional seven Member States. In spite of this, the EU Justice Programme maintains its focus on promoting judicial cooperation and training across the EU, paying little attention to weaknesses in national judicial systems. Additionally, the programme allocates funding on a competitive basis: as a result, those countries receiving CSRs on justice reform are not among the main beneficiaries of the programme.

Support to comprehensive reforms of national judicial systems is provided by ESI TO11 spending. However, since the quality of national justice systems is an important pre-condition for an effective EU area of justice, the EU Justice Programme would deliver more added value by providing more targeted support to those countries with more dysfunctional justice systems. A characteristic of the programme, which distinguishes from ESI, is the fact of financing transnational projects for the exchange of best practices and mutual learning. We recommend making the obtention of a grant for a trans-national project grant conditional on the participation of countries that have received CSRs on justice.

7.5. COMPLEMENTARITIES AND SYNERGIES IN E-GOVERNMENT AND TECHNICAL ASSISTANCE

The four main programmes providing support to PAR (ESIF, CEF-digital, Horizon2020, and EU Justice Programme) respond to four different but complementary rationales for intervention. However, some risks of overlap and lack of coordination exist at the level of OPs, annual work programmes; and specific calls for proposals. This could lead to similar actions being financed by different programmes or funds, with the risks of incoherence that this entails.

This risk is particularly visible with regard to EU funding in support of e-governance; as well as with regard to the provision of technical assistance for the management of EU funds. We, therefore, recommend a more prominent role of DG Connect in the preparation of all working programmes and definition of calls for proposals having implications for e-governance. The EU e-government Action Plan 2016-2020 offers the policy framework to steer coherence and effectiveness in the field of ICT solutions for PA; the centralised action by DG Connect could help avoiding overlaps and enhance synergies. Furthermore, DG Connect and DG Regio should work in close cooperation to ensure that the negotiation and evaluation of OPs under TO2 is in line with the strategic principles set out in the Action Plan.

We also recommend that more effort should be devoted to ensure coordination and synergies between the various services and programmes providing technical assistance for the management of EU funds (CEF, Horizon 2020, Jaspers, Fi-compass, EIAH). The possibility to create a "single entry

point” for all demands of technical assistance should be explored (e.g. EIAH acting as single entry point for all demands of technical assistance).

7.6. TAIEX INSTRUMENT TO PROMOTE PEER-TO-PEER EXCHANGES ON SPECIFIC PAR REFORMS

One of the impressions from our analysis is that high-level governmental networks such as EUPAN are of limited importance in promoting PAR. Targeted peer-to-peer exchanges among public officials to share experiences on the implementation of specific PAR reforms could be more useful and could augment the existing networks. Therefore, more EU budgetary support could be allocated to promote focused peer-to-peer exchanges among national officials in charge of reforms that are considered to be of utmost importance by the EU, such as the introduction of once-only principle, the extension of e-procurement, the reduction of administrative burdens for businesses, or the improvement of insolvency frameworks.

In this respect, TAIEX is a promising instrument managed by DG NEAR that supports the exchange of best practices and mutual learning among public administrations from candidate EU countries with regard to the approximation, application and enforcement of EU legislation and adoption of required reforms to join the EU. It is demand-driven and, unlike the new SRSS, does not imply an active role from the Commission: the instrument simply serves as a facilitator of exchanges between officials from different national PAs, by financing expert missions, study visits and workshops.

TAIEX is very flexible and has a lot of potential to promote mutual learning among public administrations facing similar challenges. DG REGIO has set up a pilot project using the TAIEX instrument to support peer-to-peer exchanges between managing authorities in charge of implementing ESI funds (TAIEX-REGIO peer2peer), and, according to DG Regio officials, the results so far are very positive. The programme FISCALIS, that promotes the exchange among national tax officials, is also deemed to work very well. We propose expanding the scope of the TAIEX instrument to promote the exchange of practices on specific PAR areas. For instance, a “TAIEX” for national officials in charge of promoting open governance solutions, in charge of public procurement, or among officials from the Ministry of Justice in charge of reforming the justice system could be considered.

7.7. REALISING THE FULL POTENTIAL OF SRSP

The existing landscape of EU budgetary programmes supporting PAR has been recently altered with the establishment of the SRSS and the proposal to equip this service with a dedicated budgetary programme, the SRSP. There are reasons to be sceptical about the capacity of this programme in inducing reforms. The budget is modest and, in many countries, the main obstacle to reform is not the lack of advice or technical assistance. Having said so, the programme could be designed in a way to increase its potential and reduce the risks of overlap with other EU programmes. In particular, the role of the programme should be better defined and the scope of intervention should be focused.

First, we recommend to define more clearly the role of the SRSS. The general perception among interviewees is that there is already an abundance of policy advice across EU through reports,

benchmarks and thematic networks. There is also quite a lot of funding and support for technical assistance in specific issues, particularly for the implementation of EU funding. What is lacking in the EU is a service providing extended, long-term support (that is, helping and guiding national authorities through the analysis of needs, identification of possible reform options, and accompanying them throughout the process of implementation, providing if necessary specific technical support for particular aspects). The SRSP should also work as a facilitator rather than provider of services. It should help Member States define their technical assistance needs, and mobilise and coordinate the required expertise – both in-house expertise (from the European Commission) and external expertise (from other Member States and International Organisations) – rather than providing the advice by themselves.

Second, according to the draft regulation the new programme should provide support to practically any type of reform proposed by a Member State (art 7.3) which is likely to be unfeasible with the provided means. We recommend narrowing the scope of action. The new service should provide support only to reforms having a clear EU dimension. These can include reforms requested by CSRs or by an economic adjustment programme. They can also embrace on reforms that are clearly complementary to the adoption of new EU legislation (e.g. a reform of the banking system to allow a smooth and effective application of the directive on bank resolution), or to the use of ESI funds (a reform of the health care system in complement to ESI investments on health care infrastructures).

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ANNEX I: TABLES AND FIGURES

Table 6: European Commission action on public administration reform - mapping DG interests /areas of intervention, networks and funding

DG	Key themes	Key 'Products'	Networks	Funding
BUDG	EU Budget for results	⇒ Upcoming – EU budget reform		
CNECT	Digital agenda Cross-cutting – quality & innovation through technology	e-government Report Large Scale Pilots (STORK, PEPPOL, SPOCS, epSOS, e-CODEX and e-SENS)- see “funding” Digital Agenda Scoreboard e-PRIOR	e-government expert group	Large Scale Pilots (LSPs) (CIP programme 2007-2013) CEF (2014-2020)
DIGIT	Inter-operability Digital services	Document "A vision for public services"	ISA Committee	ISA Programme
ECFIN/SG	Public Financial Management	European Semester – Annual Growth Survey and CSRs Guidance on applying Stability & Growth Pact (SGP) rules	Economic Policy Committee	
EMPL	Funding TO11 Guidance (linking policy to funding)	Leading the “inter-service group for PA” (IGPA) Quality PA Toolbox (produced by IGPA) European Public Sector Award (EPSA)	ESF committee ESF Transnational Thematic Network on “Governance and public administration”	ESF (for TO11) = EUR 3.6 bln 2014 – 2020 ESF TA
ESTAT	Policy-making (indicators); public financial management (accounting)	European Public Sector Accounting Standards (EPSAS) in collaboration with ECFIN, BUDG, FISMA, and SG		
GROW	Business environment Single Market agenda	Small Business Act; Competitive Proofreading Toolkit; SME Test guidelines; European Competitiveness Report; Member States’ Report (including PA Scorecard); Eurobarometers; Single Market Scoreboard; e-Procurement Golden book of Good Practice. European Public Sector Innovation Scoreboard (EPSIS)	High-Level group on Administrative Burdens (HLGAB); Networks of SME Envoys; Enterprise Europe Network (EEN); Expert Group on e-Tendering	

DG	Key themes	Key 'Products'	Networks	Funding
HOME	Ethics & anti-corruption	Anti-Corruption Report	Expert Group on Corruption	Anti-Corruption experience sharing programme
JUST	Quality, independence & efficiency of justice system	Justice Scoreboard; European e-Justice portal; European Case Law Identifier (ECLI). EU judiciary training		Justice programme 2014-2020.
NEAR	Quality and capacity of PA for candidate countries	Principles of PA (SIGMA); TAIEX (see also REGIO)		IPA Budget for PAR
REGIO	Funding TO11- ERDF Technical assistance ERDF	ARACHNE risk-scoring tool (incl EMPL) Integrity pacts Procurement guidelines Competency frameworks for managing EU funds	TAIEX – Peer2Peer (short term twinnings)	ERDF (for TO11) = EUR 1.6 bln 2014-2020 ERDF TA
RTD	Public sector innovation	Reports of the Expert Group on Public Sector Innovation	Expert Group on Public Sector Innovation OPSI National Contact Points + innovation contact points (practitioners at national level)	FP7 / Horizon 2020
TAXUD	Quality and efficiency of tax & customs administration Fighting tax and customs fraud	EU competency framework for the customs profession; e-Customs Multi-Annual Strategic Plan (MASP); EU customs information portal		Fiscalis2020

Source: European Commission, internal document presented for discussion at the Interservice group for Public Administration

Table 7: Overview of EU funding opportunities in different areas of public administration reform

PAR AREAS	EU FUNDING OPPORTUNITIES
CHANGES IN ORGANISATIONAL STRUCTURES	<p>European Social Fund (ESF), eligible Member States*, funding support for all types of reforms- if required, complemented with ERDF support for equipment/infrastructure</p> <p>ESF, all Member States, funding support for the establishment of “sectoral/territorial pacts to mobilise for reforms”</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>
IMPROVE POLICY MAKING AND IMPLEMENTATION	<p>ESF, eligible Member States*, funding support for all types of reforms- if required, complemented with European Regional Development Fund (ERDF) support for equipment/infrastructure</p> <p>Horizon2020, all Member States, Policy Support Facility to provide advice to national and regional authorities for the formulation of R&I policies and strategies (upon request)</p> <p>FISCALIS2020, all Member States, funding support for actions aimed at improving the functioning of national taxation systems</p> <p>CUSTOMS2020, all Member States, funding support for actions aimed at strengthening administrative capacity of custom authorities</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>
HUMAN RESOURCES MANAGEMENT/SKILL DEVELOPMENT	<p>ESF, eligible Member States*, funding support for all types of reforms- if required, complemented with ERDF support for equipment/infrastructure</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>

PAR AREAS	EU FUNDING OPPORTUNITIES
E-GOVERNMENT	<p>ESF, eligible Member States*, funding support for all types of reforms- if required, complemented with ERDF support for equipment/infrastructure</p> <p>ERDF, all Member States, funding support for strengthening ICT applications for e-government.</p> <p>European Agricultural Fund for Rural Development (EAFRD), all Member States, funding support for ICT deployment (including e-government) in rural areas</p> <p>Horizon2020, all Member States, various competitive calls to support specific ICT-related public sector innovations</p> <p>CEF, all Member States, various competitive calls to support the link of national PAs to EU-digital service platforms.</p> <p>Interoperability Solutions for European Public Administrations (ISA), all Member States, funding interoperability solutions and common frameworks as a means for modernising the public sector</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>
IMPROVE SERVICE DELIVERY (OTHER THAN E-GOVERNMENT)	<p>ESF, eligible Member States*, funding support for all types of reforms- if required, complemented with ERDF support for equipment/infrastructure</p> <p>ERDF, all Member States, funding support for infrastructures or services enhancing the competitiveness of SMEs (TO3)</p> <p>COSME, all Member States, funding for actions aimed at improving the framework conditions for SMEs.</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>
ENHANCE TRANSPARENCY AND ACCOUNTABILITY OF PUBLIC ADMINISTRATIONS (OTHER THAN E-GOVERNMENT)	<p>ESF, eligible Member States*, funding support for all types of reforms- if required, complemented with ERDF support for equipment/infrastructure</p> <p>Rights, Equality and Citizenship (REC) Programme, all Member States, funding to support national and trans-national actions aimed at ensuring data protection and empowering citizens</p> <p>Europe for Citizens, all Member States, funding for “networks of towns”</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>

PAR AREAS	EU FUNDING OPPORTUNITIES
ENHANCE THE EFFICIENCY, EFFECTIVENESS AND QUALITY OF THE JUDICIAL SYSTEM	<p>ESF, eligible Member States*, funding support for all types of reforms- if required, complemented with ERDF support for equipment/infrastructure</p> <p>EU Justice Programme, all Member States except UK and DK, various competitive calls to support national and trans-national projects in judicial cooperation, training and access to justice</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p>
STRENGTHEN ADMINISTRATIVE CAPACITY TO MANAGE EU FUNDS	<p>All ESI funds, support to authorities administering ESI funds through “technical assistance”</p> <p>ERDF and CF, actions to strengthening institutional capacity and the efficiency of PAs and public services related to the implementation of ERDF / CF</p> <p>SRSP, all Member States, advice to national authorities for the formulation and implementation of reforms (upon request)</p> <p>HERCULE III, all Member States, funding support to strengthen national administrative capacities to fight fraud, corruption and other illegal activities related with the use of EU funds</p> <p>JASPERS (EIB/DG Regio), where eligible**, technical assistance for the design and implementation of major projects co-financed by ESI funds (included in EIAH –see below)</p> <p>Fi- Compass (EIB/DG Regio), all Member States, support to design and implement financial instruments under ESI programmes (included in EIAH- see below)</p> <p>EIAH (EIB/European Commission), all Member States, provision of advisory support and technical assistance to project promoters, public authorities and private companies across Europe. The aim of the Hub is to work as a single entry point for all advisory support and technical assistance in Europe, and to provide specific assistance to structure projects eligible for the new European Fund for Strategic Investments (EFSI). Existing EIB technical assistance programmes (JASPERS, FI-Compass, EPEC) are now included in the Hub.</p>

Table 8: Main priorities and measures included in the 6 Operational Programmes on PAR (TO11)

AREAS OF PA REFORM	BULGARIA	GREECE	HUNGARY	ITALY	ROMANIA	SLOVAKIA
CHANGES IN ORGANISATIONS AND STRUCTURES		Strengthening organisational and institutional capacity of PA				
IMPROVE POLICY-MAKING AND IMPLEMENTATION		Strengthening operational capacity of PA	Creation of comprehensive information database for local policy-makers		Strengthening capacities for strategic planning, programme budgeting, impact assessment, evaluation and monitoring; introduce quality management systems in local administration	Regulatory impact assessment
HUMAN RESOURCE MANAGEMENT /SKILL DEVELOPMENT	Training for central administration and the judiciary system	Development of human resources	Reinforcing human resources	Skill development for e-government	Training for central administration and the judiciary system	Modernising human resource management
E-GOVERNMENT	Introducing horizontal e-government systems and e-procurement, e-health and e-customs	Promotion of e-government	Strengthening e-governance	Increase transparency, interoperability and access to public data ICT and e-services for government		Provision of e-government services
IMPROVE SERVICE DELIVERY (OTHER THAN E-GOV)	Reduce administrative and regulatory burden on citizens and business Improve functioning of public procurement systems	Strengthening operational capacity of PA	Reducing red tape, lowering administrative burdens for business	Reduce regulatory burdens	Improving public procurement, reduction of red tape	Reducing regulatory and administrative burdens

AREAS OF PA REFORM	BULGARIA	GREECE	HUNGARY	ITALY	ROMANIA	SLOVAKIA
ENHANCE TRANSPARENCY AND ACCOUNTABILITY OF PA				Prevention of corruption	Setting up a preventive framework to address ethics and integrity challenges	Fight against corruption
REFORM OF JUDICIARY SYSTEM	Improve quality, independence and efficiency of judicial system			Improve quality and efficiency of judicial system	Improve the functioning of judicial system	Address identified key problem areas in the judicial system
IMPROVE MANAGEMENT OF EU FUNDS	Improve management of ESI funds			Strengthen institutional capacity and public services related to implementation of the ERDF		

Source: Own elaboration based on the description of the OPs priorities and measures at the DG Regio website

Table 9: ESI funding allocated to TA, in absolute terms and as % of total ESI funding per country. 2014-2020

MEMBER STATES	AMOUNT ALLOCATED TO TA (in EUR)	AS % OF TOTAL ESI FUNDING
AUSTRIA	47 150 092	4.82
BELGIUM	60 942 414	3.02
BULGARIA	294 703 971	3.97
CYPRUS	23 324 607	3.32
CZECH REPUBLIC	822 112 432	3.80
GERMANY	703 427 926	3.85
DENMARK	19 215 272	4.65
ESTONIA	109 060 815	3.09
SPAIN	360 516 791	1.29
FINLAND	39 184 796	3.00
FRANCE	544 870 787	3.69
GREECE	587 730 799	3.85
HUNGARY	345 856 263	1.61
CROATIA	324 606 689	3.84
IRELAND	14 106 529	1.38
ITALY	1 039 906 251	3.28
LITHUANIA	213 355 381	3.18
LUXEMBOURG	2 373 518	6.00
LATVIA	101 316 303	2.29
MALTA	19 152 589	2.71
NETHERLANDS	40 584 607	4.00
POLAND	2 635 080 433	3.43
PORTUGAL	646 662 100	3.03
ROMANIA	620 722 497	2.75
SWEDEN	70 540 438	4.00
SLOVENIA	119 567 590	3.97
SLOVAKIA	544 809 883	3.1
UNITED KINGDOM	359 453 119	3.28

Source: own elaboration on the basis of DG Regio categorisation data

Table 10: Public administrations participating in the 7 projects awarded for calls INSO-1 and YOUNG-5b (Horizon2020)

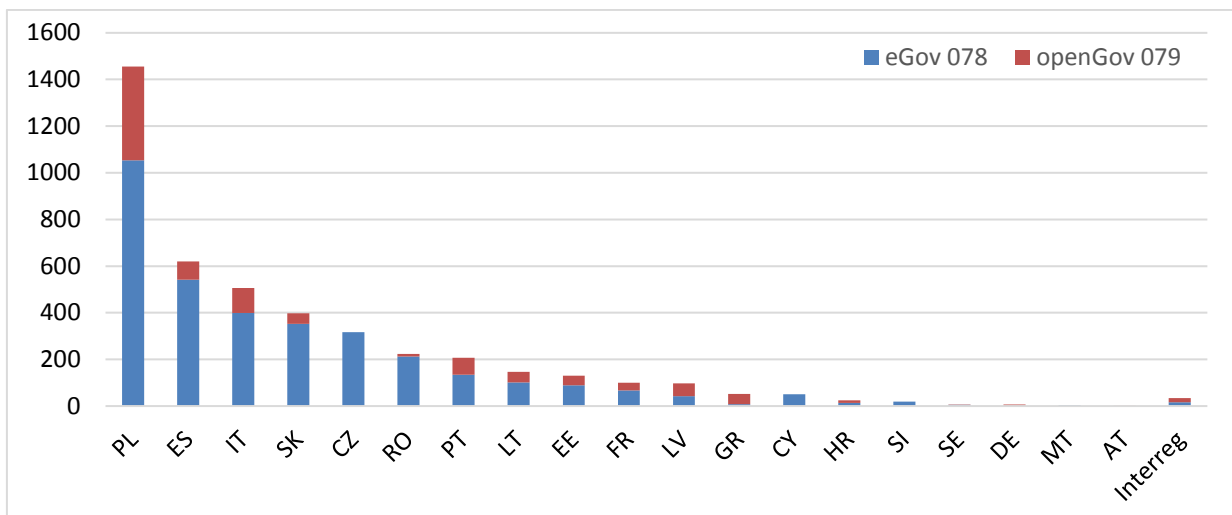
PROJECT	PUBLIC ADMINISTRATIONS INVOLVED ¹
WE LIVE (INSO-1)	Bilbao city council (ES), Trento city council (IT), Helsinki regional government
YOUR DATA STORIES	Department of Public Expenditure and Reform (IE), Hellenic Ministry of Administrative Reform and e-governance (EL)
ROUTE-TO-PA	The Hague city council (NL), Dublin city council (IE), Prato city council (IT), Issy-les-Moulineaux city council (FR)
DIGIWHIST	No PA involved
OPENBUDGETS	No PA involved
EUTH	No PA involved
STEP	Crete regional government (EL), Sant'Agata del Bianco city council (IT), Mollet del Vallès city council (ES), Valdemoro city council (ES)

¹Does not include PA from candidate countries or EFTA countries

Table 11: Submissions to the EPSA-award by sector (2007-2011)

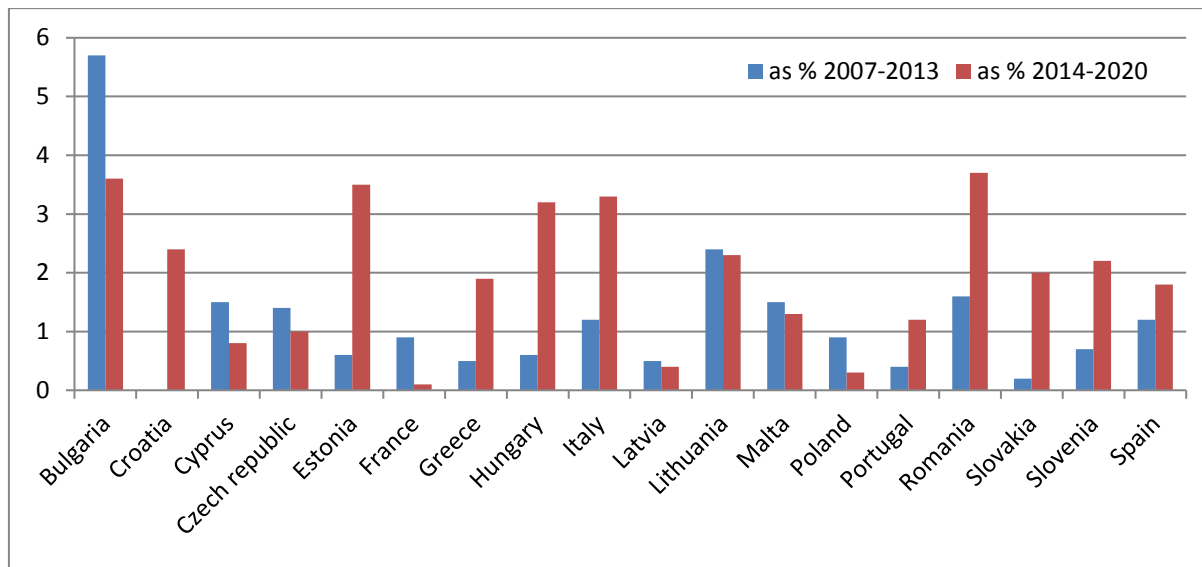
SECTOR	NUMBER	PERCENT
Economic affairs, competition, SME	30	3.69
Education (higher and lower), training and learning	54	6.65
Employment, labour related affairs and gender equality	20	2.46
Environment, climate change, agriculture (incl. food safety) and fishery	57	7.02
External relations and aid, development and enlargement	4	0.49
Information society, technology, media and audio-visual	31	3.82
Justice, police, human rights and security	40	4.93
<i>Public administration, modernisation, institutional affairs, reform</i>	279	34.36
Public health and social welfare/affairs	106	13.05
Regional policy and development, decentralisation	27	3.33
Science, research, innovation	8	0.99
Sports, youth, culture and art	17	2.09
Taxation, customs, finances	34	4.19
Transport and infrastructure	32	3.94
cross-sectoral	59	7.27
other	14	1.72
Total	812	100

Figure 5: ESI funding for e-government (initiative 078 and 079) under TO2, 2014-2020 (million EUR)

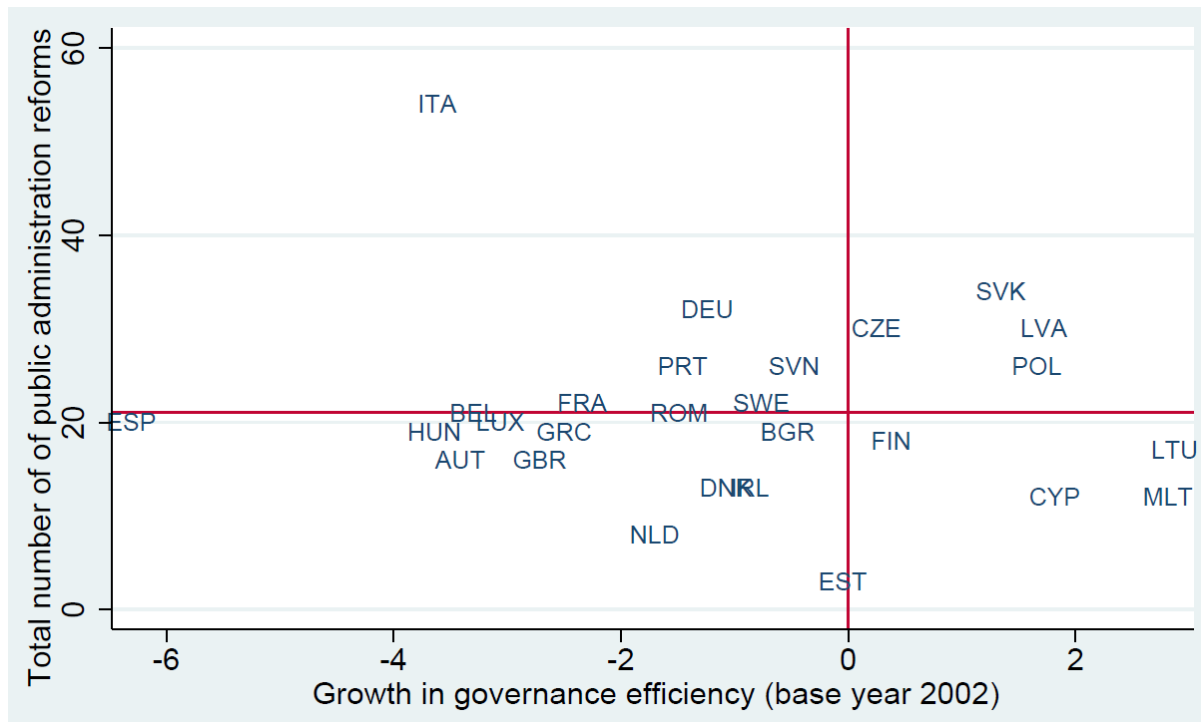


Source: DG Regio, categorisation data (http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/)

Figure 6: Share of ESI funds allocated to "institutional and administrative capacity building" (TO11) among eligible countries*, 2007-2013 and 2014-2020



Notes: Member States with at least one Convergence Region and/or receiving Cohesion Fund assistance. Only those Member States can use part of their ESF envelope to finance administrative capacity building actions and actions aimed at increasing the efficiency of PAs (TO11).

Figure 7: Public administration reforms and governance efficiency: EU Member States, 2002-2012

Notes: Growth in efficiency is defined as the overall growth rate in governance efficiency for the period 2002 to 2012. Governance efficiency is taken from the Worldwide Governance Indicators (WGI). The estimate used gives the country's score on the aggregate indicator. Detailed documentation of the WGI and underlying source data is available at www.govindicators.org. Data for PARs comes from the MICREF dataset(http://ec.europa.eu/economy_finance/indicators/economic_reforms/micref/). Number of observations and base year for growth varies by country: no observations before 2004 (Bulgaria, Cyprus, Estonia, Latvia, Poland, Romania); no observations before 2003 (Czech Republic, Malta, Slovak Republic, Slovenia); no observation in 2012 (Greece); no observations for Croatia.

Figure 8: Submissions by type (a) and level of government (b)

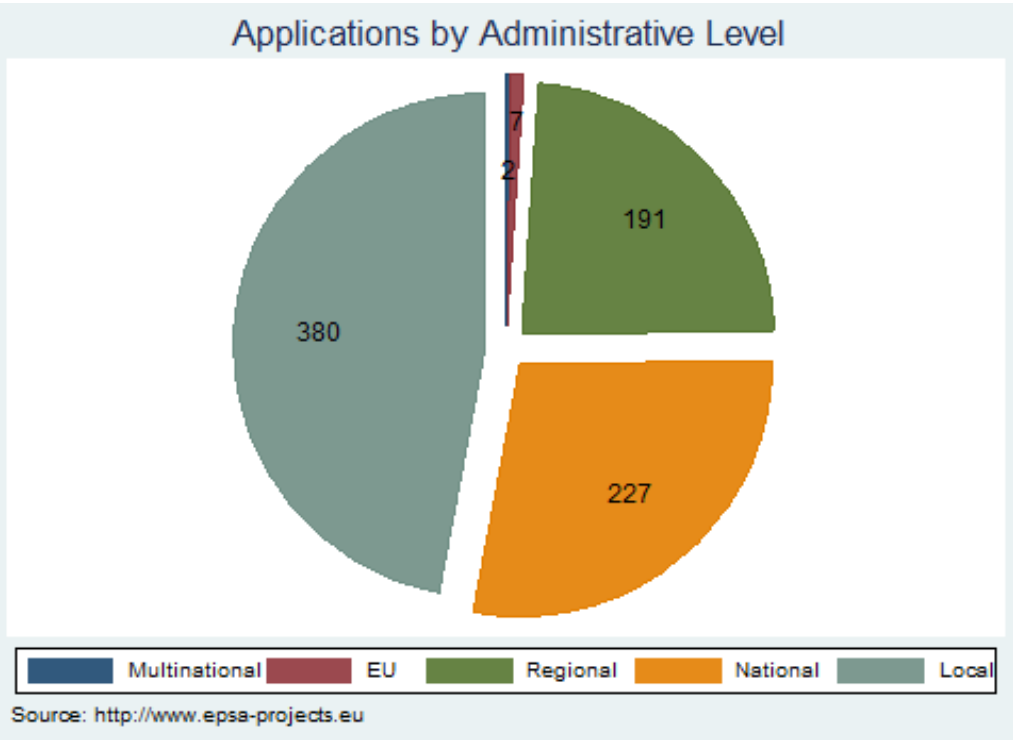
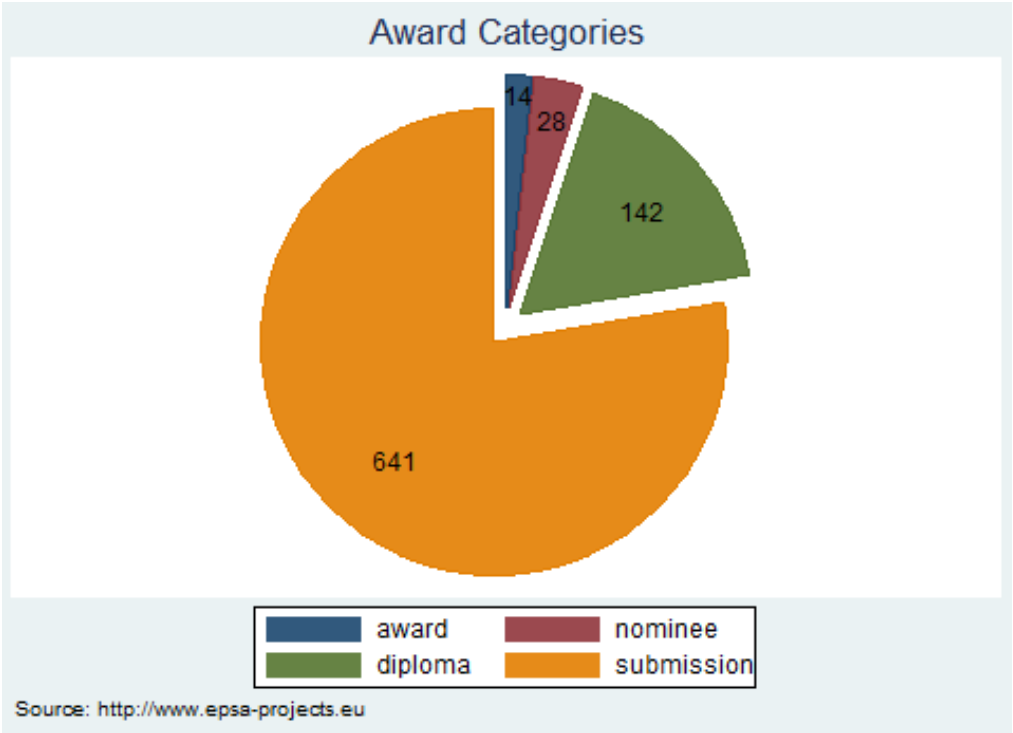
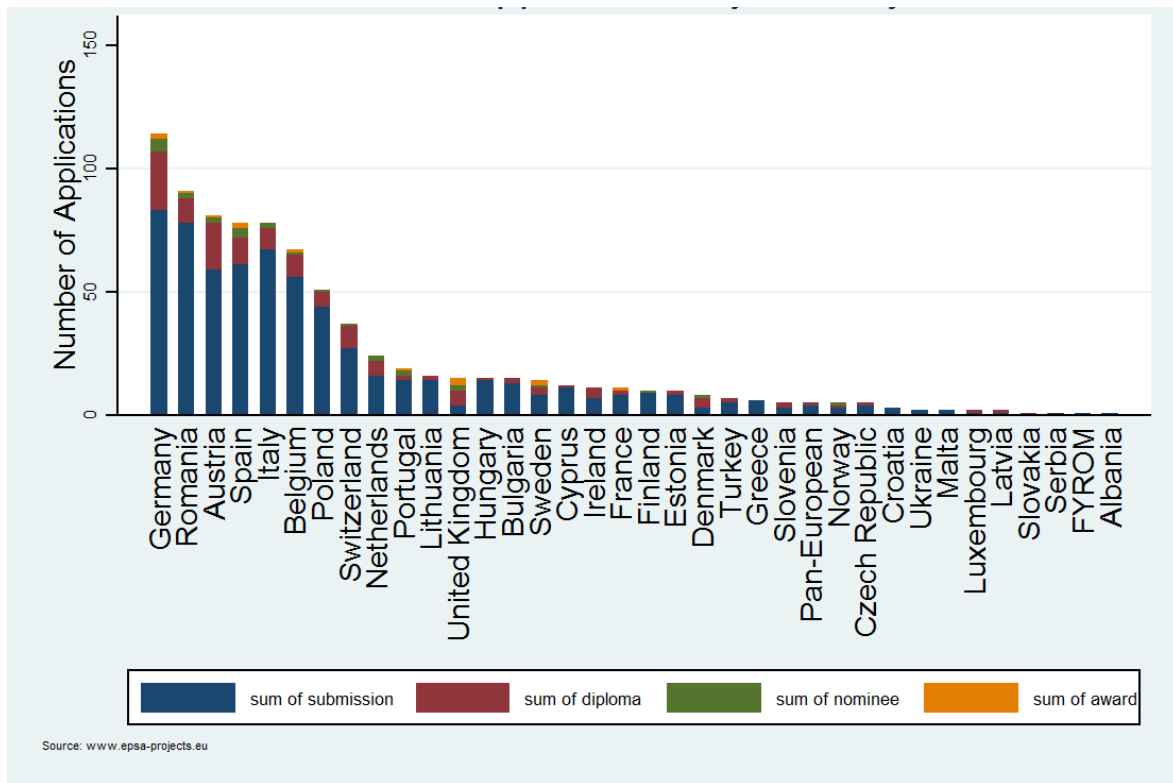


Figure 9: Submissions and success rate by country



ANNEX II: INTERVIEWS

Acknowledgements

We are grateful to a number of experts for conducting valuable interviews with us. Experts are listed in alphabetical order.

Alain SCRIBAN (European Commission)
Alari PAULUS (University of Essex)
Alex TURRINI (SDA Bocconi University)
Andrea ERDEI (European Commission, DG Research & Innovation)
Antonio MATONTI (Confindustria)
Astrid STEIN (Federal Office of Administration)
Claude WENDLING (European Commission, SRSS)
Damiano BRIGUGLIO (European Commission, DG ECFIN)
Dimitri CORPAKIS (European Commission, DG Research & Innovation)
Dino PINELLI (European Commission, DG ECFIN)
Emilia ZANKINA (American University of Bulgaria)
Florian HAUSER (European Commission, DG Employment)
Gerhard HAMMERSCHMID (Hertie School of Governance)
Harrie SCHOLTENS (European Institute of Public Administration)
Ilko YORDANOV (Open Society Institute)
Jean Francois JUNGER (European Commission, DG Connect)
Julia BOSSE (European Institute of Public Administration)
Lauro PANELLA (European Commission, DG Growth)
Magda DE CARLI (European Commission, DG Research & Innovation)
Marjorie JOUEN (Jacques Delors Institute)
Martin BRUSIS (Ludwig-Maximilians-University Munich)
Martine PARMANTIER (European Commission, DG Justice)
Massimo SABATINI (Confindustria)
Merilin TRUUVÄÄRT (Government Office Estonia)
Mina SHOYLEKOVA (European Commission, DG Employment)
Pascal BOIJMANS (European Commission, DG Regio)
Pier LEPETIT (EPIC BPI France)
Ringa RAUDLA (Tallinn University of Technology)
Silvano PRESA (European Commission, DG Budget)
Simeon MITROPOLITSKI (University of Ottawa)
Thomas ANDREOU (European Commission, SRSS)
Urmo MERILA (Ministry of Finance Estonia)
Vincenzo BACCARO (European Commission, SRSS)

Protocols of semi-structured interviews

Protocol for the semi-structured interviews with EU officials in charge of ESI funding- thematic objective 11 (task 4)

GENERAL QUESTIONS – EU APPROACH TO PAR

- (1) In general terms, how would you define the EU approach to public administration reforms?
- (2) Do you think that the crisis has increased the EU interest on public administration reforms/or has prompted changes in the way Member States use EU funding for PAR?
- (3) Besides the EU funding schemes, there are various channels through which EU policies can impact on national administrations, such as the adoption of new EU directives with administrative implications, the formulation of Country Specific Recommendations in the context of the European Semester, EU indicators/benchmarking exercises or reports and EU specialised networks. How do you judge the impact of these various channels on PAR reform?
 - a. Funding
 - b. EU directives
 - c. CSR (European semester)
 - d. EU indicators/benchmarking exercises/reports
 - e. Networks

ON ESI FUNDS

- (4) Taking now a look at the use of ESI for PAR: In the new programming period there have been some changes likely to affect the way Member States allocate ESI funds on TO11. In particular, the disbursement of the funds is now conditioned to the elaboration of a PAR strategy and the latter has to respond to the Country Specific Recommendations received in the field of PAR. Do you perceive an improvement in the way of planning ESI funds for TO11?
- (5) Evaluations of previous programmes highlighted the lack of strategic vision in certain cases and the tendency to define PAR programmes according to the money available (resource-driven rather than strategic-driven PAR reforms). Do you see the same problems in the new programming period?
- (6) Which type of activities are more frequently financed with ESF funding for TO11? Do you see some common patterns (e.g. a lot of funding on training, on e-government) or it is very different from one country to another? Are there differences compared with the previous programming period?
- (7) Which public administrations benefit most from the program? Local/regional/national?
- (8) Not all eligible Member States decide to spend ESF funds to TO11, and not all spend the same amounts of funding to this objective. How do you explain these cross-national differences?
- (9) Has the crisis had an impact in Member States "activism" on PAR and the type of PA reforms undertaken? Has it affected the way they use ESI funds for TO11?
- (10) Which roles do ERDF, CF and EAFRD play in support to TO11? Which are the possible options to combine the different ESI funds (ESF, ERDF, EAFRD and CF) in the field of PAR? Do Member States use them in a synergetic way? Can you identify concrete examples of positive synergies and/or lack of synergies?
- (11) ERDF also finances INTERREG initiatives, some of them allocating funding for TO11 actions. Which type of TO11 actions are financed under Interreg? The establishment of inter-regional administrative structures, or actions aimed at promoting the exchange of best practices in PAR?

(12) How frequent is the use of ERDF funds to finance e-government actions? Which governments/regions do most use of that? Which specific aspects of e-government are more relevant to Member States?

(13) How frequent is the use of EAFRD to finance e-government in rural areas? Which governments/regions do most use of that? What are the most relevant areas in which regions adopt e-government solutions?

ON OTHER EU FUNDING

(14) Apart from ESI funds, there are other EU budget programmes providing funding opportunities for reforms in public administrations (Horizon2020, EU Justice Programme, CEF-digital services,, etc).. For each of these programmes, could you tell me whether you think there is a risk of duplicities/overlaps with your program? Please build on concrete examples if possible

- a. Horizon2020
- b. CEF
- c. EU justice programme
- d. REC programme
- e. Europe for Citizens
- f. COSME
- g. EIB actions

(15) Do you see some potential for synergies with any of these programmes? Can you provide us examples of actors (public administrations, others) having used these programmes in a complementary way to support PAR? Do you think that the exploitation of synergies should be further encouraged?

(16) Do you think that the EIB encourages in some way public administrative reforms at national level? (by providing funding, or advice support?)

(17) What is your opinion about the "Structural Reform Support Service"?

(18) Given your experience, would you have any suggestions for the improvement of EU funding support to PAR?

Protocol for the semi-structured interviews with managers of EU programmes – except ESI (task 4)

GENERAL QUESTIONS – EU APPROACH TO PAR

(1) In general terms, how would you define the EU approach to public administration reforms?

(2) Do you think that the crisis has increased the EU interest on public administration reforms/or has prompted changes in the way Member States use EU funding for PAR?

(3) Besides the EU funding schemes, there are various channels through which EU policies can impact on national administrations, such as the adoption of new EU directives with administrative implications, the formulation of Country Specific Recommendations in the context of the European Semester, EU indicators/benchmarking exercises or reports and EU specialised networks. How do you judge the impact of these various channels on PAR reform?

- a. Funding
- b. EU directives
- c. CSR (European semester)
- d. EU indicators/benchmarking exercises/reports
- e. Networks

ON THE PROGRAM

- (4) Looking now at (the name of the program): Do you think that it plays a role in inducing/supporting reforms in public administrations? Would you say that this impact is:
- Significant
 - Important even if limited to specific sectors/areas
 - Very limited, negligible
- (5) How exactly does the programme induces/supports PAR?
- It provides grants to public administrations to implement reforms that wouldn't have been taken otherwise
 - It provides funding support to private firms or research institutes to develop new innovative methods/tools that can be afterwards applied to public sector
 - It finances analytical actions that pave the way to reform
 - It encourages the exchange and dissemination of best practices
 - Others?
- (6) Which public administrations benefit most from the program? Local/regional/national? From which countries?
- (7) Do you think that the capacity of (the name of the program) to induce PAR reforms could be enhanced? If yes, how?
- more funding
 - changes in the scope and objectives of the program
 - changes in the modes of allocating funding (e.g. financing of multi annual PAR programmes instead of annual competitive calls for proposal), or in eligibility rules
 - more capacity from EU Commission to participate in the design of funded actions/monitor the projects funded

ON OTHER EU FUNDING

- (8) Apart from (name of the program), there are other EU budget programmes providing funding opportunities for reforms in public administrations (ESI funds, Horizon2020, EU Justice Programme, CEF-digital services,...). For each of these programmes, can you tell me whether you think there is a risk of duplicities/overlaps with your program? Please provide examples if possible
- ESF
 - ERDF
 - EAFRD
 - Horizon2020
 - CEF
 - EU Justice Programme
 - REC programme
 - Europe for Citizens
 - COSME
 - EIB
 - Others?
- (9) Do you see some potential for synergies with any of these programmes? Can you provide us examples of actors (public administrations, others) having used these programmes in a complementary way to support PAR?
- (10) Do you think that the exploitation of synergies should be further encouraged? If yes, how?
- (11) Besides the EU funding schemes, there are various channels through which EU policies can impact on national administrations, such as the adoption of new EU directives with administrative implications, the formulation of Country Specific Recommendations in the context of the European Semester, EU

indicators/benchmarking exercises or reports and EU specialised networks. How do you judge the impact of these other channels on PAR reform?

- a. EU directives
- b. CSR (European Semester)
- c. EU indicators/benchmarking exercises/reports
- d. Networks

(12) Do you think that the EIB encourages in some way public administrative reforms at national level? (by providing funding, or advice support?)

(13) Have you heard about the “Structural Reform Support Service”? What is your opinion about it?

(14) Given your experience, would you have any suggestions for the improvement of EU funding support to PAR?

Protocol for the semi-structured interviews with EUPAN network members and national experts (task 5, 6 and 7)

GENERAL QUESTIONS – EU APPROACH TO PAR

- (1) In general terms, how would you define the EU approach to public administration reforms?
- (2) Do you think that the crisis has increased the EU interest on public administration reforms?
- (3) There are various channels through which EU policies can impact on national administrations, such as EU funding, the adoption of new EU directives with administrative implications, the formulation of Country Specific Recommendations in the context of the European Semester, EU indicators/benchmarking exercises or reports and EU specialised networks. How do you judge the impact of these various channels on PAR reform?
 - a. Funding
 - b. EU directives
 - c. CSR (European semester)
 - d. EU indicators/benchmarking exercises/reports
 - e. Networks

EU FUNDING ON PAR

- (4) Are you aware of the availability of EU funds in support of administrative reforms?
- (5) Has your government used European Structural and Investment funds (ESI) to support public administration reforms? If so,
 - a. What is the amount of ESI funds in relation to overall spending on administrative reforms?
 - b. In your view, has this funding been determinant for the adoption of reforms?
- (6) In the new programming period there have been some changes intended to improve the use of ESI funds on PA. The disbursement of the funds is now conditioned to the elaboration of a PAR strategy and the latter has to respond to the Country Specific Recommendations received in the field of PAR. Do you think these changes have improved the way your government is using these funds?
- (7) Apart from ESI funds, there are other EU budget programmes providing funding opportunities for reforms in public administrations. Are you aware of that? Have these programmes been used to support reforms in your country?
- (8) Have your government received funding or advisory support from the EIB for the implementation of public administration reforms, or to improve the implementation/absorption of EU funds?
- (9) Have you heard about the “Structural Reform Support Service”? What is your opinion on that?

- (10) Besides the EU funding, did your government rely on other external funding schemes?
- a. If so, which were those?
 - b. Do you see differences between external and EU funding in the way they support reforms in public administration?

ON NETWORKS AND AWARDS

- (11) In proposing reforms, did you consult / benefit from existing networks or the exchange of reform experience with other countries?
- (12) Would you consider sharing your reform experience with other Member States or in networks?
- (13) Are you aware of award programmes with respect to reforms in public administration?
- (14) Would you consider submitting your reform proposal for an award?
- (15) Given your reform experience, would you have any suggestions for the improvement of EU funding schemes?

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT BUDGETARY AFFAIRS **D**

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Print ISBN 978-92-823-9859-3 doi: 10.2861/28536

PDF ISBN 978-92-823-9860-9 doi: 10.2861/804296