

Focus

Public Management Newsletter

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This newsletter is prepared by the Public Governance and Territorial Development Directorate (GOV) with guidance from the OECD Public Management Committee.
Web site: <http://www.oecd.org/puma/focus>

Creating new synergies for public governance New Public Governance and Territorial Development Directorate

On 1st September, the OECD Public Management Service (PUMA) and the Territorial Development Service (TDS) were merged to form a new OECD Public Governance and Territorial Development Directorate. This new Directorate will service both the Public Management and Territorial Development Policy Committees, and will be known by the acronym "GOV", reflecting its governance focus. The merging of the two services into a single directorate will allow important new synergies to be created for OECD work on public governance.

In announcing the merger, OECD Secretary-General Donald Johnston noted that both PUMA and TDS dealt with similar public governance issues. The merger will thus help strengthen and consolidate OECD work in this area as well as facilitate further inter-directorate collaboration on regulatory reform, policy coherence and partnerships at different levels of government. Ms. Odile Sallard will continue as Director of the new body.

Territorial development

The term *territorial development* points to the sub-national or local roots of economic development found in the regional, urban, rural and intermediate micro-economies within a country's borders — and sometimes extending beyond them. It encompasses the following elements:

- A "space-based" approach, founded on territorial needs and assets.
- An emphasis on multi-sectoral development and co-ordination across policy areas (e.g. economic, social and environmental).
- A recognition that governments at all levels — not just the central level — as well as business and community groups, are key to development.
- A perception that the boundaries of functional local or regional econo-

mies do not always coincide with traditional administrative jurisdictions. This calls for institution-building as well as co-operative relationships among existing institutions.

Territorial Development Policy Committee

Work on territorial development is carried out by the Territorial Development Policy Committee (TDPC). The TDPC's main objectives are to share views, undertake policy analysis and evaluate and promote innovative policies in two main areas:

- The shift currently taking place in most OECD countries in development policies from subsidies to competitiveness-enhancing policies in addressing territorial disparities; and from traditional sectoral to space-based actions (in both rural and urban areas).
- The innovative solutions that are being implemented by OECD countries in the governance of territorial development policies, namely in partnerships among different levels of government and with social partners and civil society.

The TDPC has three subordinate working parties, which focus on urban

development, rural development and territorial indicators. Main activities include analysis of the territorial effects of policy tools, territorial reviews, and the collection and analysis of territorial statistics and indicators.

Reviews and studies

Territorial Development Reviews constitute the TDPC's "flagship" product. They can be national or regional in scope, and are complemented by the Committee's Urban Renaissance studies. Reviews are prepared at the request of the national or sub-national authorities concerned. National reviews focus on policies to create the proper conditions for all regions to benefit from their development opportunities. They evaluate the governance framework, the territorial impact of national non-territorial policies and specific aspects of fiscal federalism. Regional reviews concentrate on development strategies for a particular region. Urban renaissance studies demonstrate the practical application of territorial development concepts and practices, and highlight the importance of urban centres for the sustainable development of the regions to which they belong.

Recently, territorial reviews were carried out on Canada; Mexico; Siena, Italy; and Tzoumerka, Greece; a study on Canberra was published as part of the Urban Renaissance series (see p. 7).

The TDPC also examines thematic issues. Publications on such thematic issues include *Urban Policies in Japan*, *Cities for Citizens*, *ICT and Rural Development* and *Housing and Ageing Populations*.

In order to enhance both its command of the issues and its dialogue with people and institutions in the territorial economies themselves, the Committee organises a number of seminars and conferences in countries each year.

Statistics and indicators

The TDPC collects and organises data and statistics to support analysis and inform policy-making. It has also developed typologies for classifying regions to allow comparative analysis and territorial benchmarking.

For more information on the activities and publications of the TDPC, see <http://www.oecd.org/tds>. ■

●Public Sector Benchmarking Service

The Public Sector Benchmarking Service (PSBS) is a good practice exchange, set up as a complement to other benchmarking initiatives in the **United Kingdom**. It has been developed as a partnership between Her Majesty's Customs and Excise and the Cabinet Office. Via a website and a telephone/e-mail helpdesk service, it provides guidance on benchmarking and links to other sources of information. It also looks for benchmarking partners for those organisations that are just getting started. For more information, see <http://www.benchmarking.gov.uk>.

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●Partnership for modernisation

In November 2001, the **Italian** Department of Public Administration and the business association Cofindustria agreed a Protocol of Understanding on "shared actions for the efficiency and quality of public administration". The Protocol's primary objective is to improve relations and promote knowledge exchange between the public and private sectors, and thus help modernise the public administration. For its part, the private sector should gain a better understanding of the principles, functioning and needs of public administration. Joint working groups will be set up to study challenging issues and propose solutions in the areas of improving management practices, regulatory simplification and contracting-out public services.

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The OECD Journal on Budgeting provides insights on leading-edge institutional arrangements, systems and instruments for the effective and efficient allocation and management of resources in the public sector.
See <http://www.oecd.org/puma/Budget/>.

●Management scorecard

To ensure accountability for performance and results, the **United States** administration is using an Executive Branch Management Scorecard. It will track how well departments and agencies are executing the five initiatives that form the President's Management Agenda (see *Focus* No. 22, p. 6), and where they stand at a given point in time against overall standards for success. The scorecard uses a simple grading system: green for success, yellow for mixed results and red for unsatisfactory. Scores are based on five standards for success defined by the President's Management Council and discussed with experts from government and academia. For more information, including samples of the scorecard and standards for success, see <http://www.whitehouse.gov/omb/memoranda/m02-02.html>.

●Focusing on outcomes

In the **New Zealand** public management system, the focus is now on achievement of results as well as delivery of outputs. The Pathfinder Project allows participating agencies to develop outcome measures and management tools, and to demonstrate ways of improving outcomes. The network is currently made up of eight departments building outcome-based management systems that work for them and collaborating to share the lessons learned. Central agencies assist departments in defining appropriate outcome measures, provide co-ordination with other central agency projects and assess the transferability of approaches to other agencies. See <http://io.ssc.govt.nz/pathfinder>.

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Database of Budget Practices

In the coming months, the OECD, in conjunction with the World Bank, will launch a 60-country survey of budget practices and procedures. The survey will lead to the creation of a database of Budget Practices and Procedures. The database will provide a unique and comprehensive resource for government practitioners, parliaments, academics, and non-government organisations ranging from international organisations and associations of budget officials, to advocacy and grassroots groups. The data collected will enable these groups to compare national practices, aid the development of common practices or standards, and lay the foundation for identifying best practices as the database reflects changes over time and country budgetary performance. It will also lead to a better understanding of budget practices and provide for analysis and quantitative measures.

The collection of this data is unique. Apart from a few targeted and limited country surveys, for the most part this data does not exist. Where the data does exist, it is not available for the number of countries envisioned and it does not reflect a standard or common conceptual basis.

The collection of this data will be comprehensive. Instead of looking at narrow subjects (e.g. budget execution or intergovernmental fiscal relations), this survey will examine all aspects of budgeting, including the structure of a country's organic budget law, government budget development, parliamentary oversight and parliamentary budgeting, executive branch budget execution, fiscal relations between branches and special functions of government (e.g. the judiciary, the military and independent agencies), fiscal relations between levels of government, and audit and financial management. The database will include basic human resources and governance data culled from other sources. It will be complemented by existing data on national accounts from the OECD and the IMF, as well as data on public sector pay and employment.

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● Knowledge management

Korea has been developing integrated knowledge management systems to improve sharing of information and practices, and thereby enhance individual and organisational competence. In December 2000, the Ministry of Government Administration and Home Affairs (MOGAHA) launched the Government Knowledge Management System (GKMS). Any member of the organisation can register his or her specialised knowledge in the GKMS, so that others can access useful ideas or know-how necessary for their work. Knowledge thus registered is evaluated by other members of the organisation. Based on these evaluations, the person who registers the knowledge can earn “mileage” that serves as a basis for monetary rewards, promotions or prizes. In December 2001, the MOGAHA created the Government Knowledge Management Center, a server that links the GKMSs of various public organisations. The MOGAHA will provide knowledge management programmes to other public organisations as well as training in the use of the GKMS.

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<http://www.oecd.org/bookshop/>.*

● New e-government initiatives

In February 2002, the Office of Management and Budget (OMB) of the **United States** released an e-government strategy made up of 24 initiatives to improve the efficiency and effectiveness of the federal government’s transactions. The aims are to make it easier for citizens and businesses to interact with government, to save taxpayer money and to streamline business-to-government transactions. The initiatives could generate savings of several billion US\$ by reducing operating inefficiencies, redundant spending and excessive paperwork. Examples include:

- E-grants: creates a single grant portal to simplify the application process and increase awareness of grant opportunities.
- Disaster Assistance and Crisis Response: creates a one-stop portal with information on public and private organisations involved in disaster preparedness and response.
- EZ Tax Filing: Allows citizens to file simple tax forms online, easily and free of charge.

The e-government strategy can be found on the OMB’s website at: www.whitehouse.gov/omb/inforeg/egovstrategy.

● Alternative service delivery

On 31 January 2002, the **Canadian** government approved a new policy on Alternative Service Delivery (ASD). The ASD has two key elements for providing improved, more “seamless” services to citizens:

- Establishing the right organisational form (inside or outside traditional structures or outside the public sector) to carry out the right function.
- Creating partnerships between government organisations at the same level, between different levels of government or between the public and private sectors.

Under the new policy, all significant new collaborative arrangements between the government and other sectors must:

- present a comprehensive case to Treasury Board Ministers showing how the initiative serves the public interest;
- ensure appropriate ministerial accountability and authority;
- respect Canada’s official languages; and
- document the initiative (including lessons learned and best practices) in a case study.

For more information, see <http://www.tbs-sct.gc.ca/si-si>.

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● Promoting innovation

In February 2002, the **Italian** Department of Public Administration launched “Cantieri”, a programme for promoting and speeding-up innovation in the public administration and public services. Cantieri draws on an established network of 5000 innovators from the civil service, providing information, training and consultation services. It supports projects — known as “innovation docks” — for experimenting with innovative solutions. Rather than provide a model for change, the programme promotes innovation based on institutional empowerment, encouraging public bodies themselves to identify where change is needed and how best to implement it. Cantieri has five main priorities for helping administrations achieve the right environment for change:

- improving citizens’ and businesses’ satisfaction with public services, particularly at the front line;
- enhancing policy-making capacity;
- strengthening strategic objective-setting, planning and resource management;
- improving management, communications and internal working conditions;
- improving communications with external actors to facilitate innovation.

The programme makes wide use of partnerships with national institutions such as training institutions, business associations and organisations representing local and regional government. See <http://www.cantieri.it>.

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Administrative simplification: Practices and strategies in OECD countries

The number and complexity of government formalities are among the most common sources of complaints from businesses and citizens. Criticism tends to focus on the negative effects of “red tape” on business productivity and innovation. At the same time, government formalities are important tools for supporting public policies in areas such as taxation, safety and environmental protection. Thus, government efforts to “cut red tape” are promoted in a rather paradoxical political environment: on the one hand, businesses and citizens pressure governments to cut red tape; on the other, they increasingly demand more accountable, effective, fair and transparent government, which requires more information and regulations.

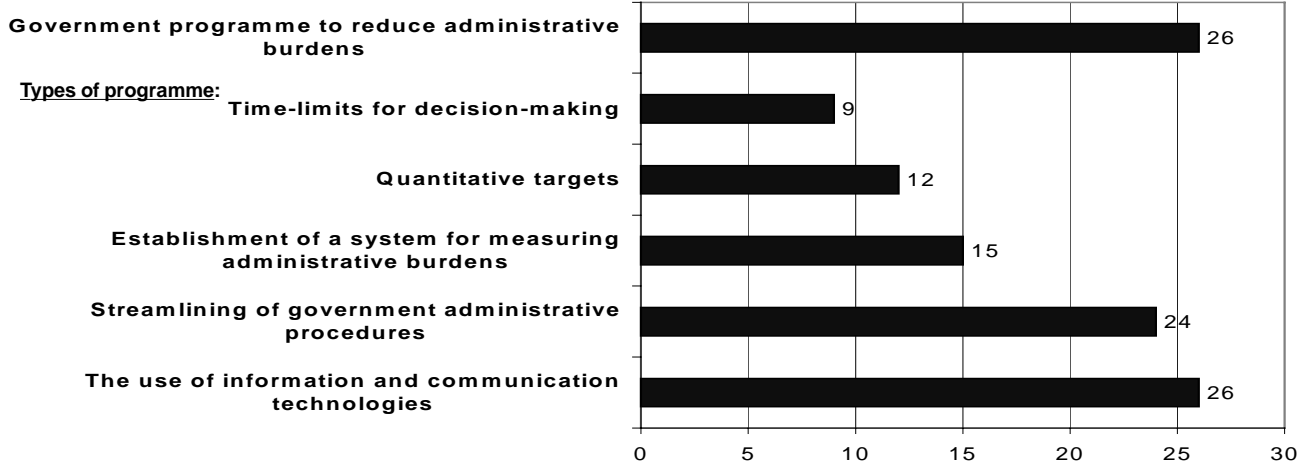
A forthcoming OECD report looks at practices and strategies used in Member countries to reduce and simplify

administrative requirements, including:

- one-stop shops (physical as well as electronic);
- simplification of permits and licensing procedures;
- time limits for decision-making;
- assistance to small and medium-sized enterprises in implementing regulation;
- methods to measure administrative burdens;
- organisational and structural approaches; and
- the use of IT-driven mechanisms.

Most OECD countries have an administrative simplification programme (see figure below). Efforts to systematically address administrative burdens began in most OECD Member countries in the mid-1980s as a response to regulatory inflation and the increasing complexity of public administrations.

Figure 1: Aspects of government strategies to reduce administrative burdens in OECD countries (n=28)



Source: OECD/PUMA (2000): Responses to Survey on Regulatory Capacities in OECD Countries.

Seven country case studies undertaken for the report show some broad similarities in approaches to administrative simplification. For example, IT mechanisms are major drivers and enablers of administrative simplification. However, IT is not a panacea, and requires intelligent application to yield maximum benefits. Furthermore, even in the case of administrative regulations, IT mechanisms cannot always substitute for the accountability, flexibility and “user-friendliness” of face-to-face encounters.

The prominence given administrative simplification policies varies substantially among countries. For some, they remain a relatively minor component of broader regulatory reform policies, while for others, administrative simplification is the major focus of regulatory reform efforts. The report explores the pros and cons of various institutional approaches to promoting administrative simplification and how such efforts are integrated into broader regulatory reform policies.

It also highlights the limited information available on the effectiveness of most administrative simplification initiatives. Despite revolutionary advances in the use of IT, good, hard data on the impact of reforms are rare. Apart from a few notable exceptions such as the Netherlands, governments are only beginning to set targets for levels of administrative burden and objectives for reducing levels over time.

Among the most important trends is a gradual shift from an exclusively *ex post* focus to an increasing recognition of the need to ensure that unnecessary or unreasonable burdens are not implemented in the first place. A second trend is that “bottom-up” simplification initiatives are being supplemented by “top-down” initiatives and increasingly integrated into broader government programmes. An example of this is the creation of government web portals and “one-stop shops”, which seek to improve the flow of both information and transactions among government, citizens and businesses.

A third trend is that simplification seems to be driven increasingly by the adoption of liberal, market-based economic policies based on the assumption that economic agents should be free to conduct their business unless compelling arguments can be made for protecting sections of the public. Finally, administrative simplification is increasingly driven by IT mechanisms; they are not only the most important “physical” enabler of administrative simplification, but they can help expose badly designed forms and regulations on the Internet. This “shaming” can create pressure and momentum to go beyond further simplification toward substantial changes in regulatory means and measures.

The final report will be published in late 2002. For more information, please contact peter.ladegaard@oecd.org. ■

OECD Reviews of Regulatory Reform: Fourth round

The OECD has just completed the fourth round of country reviews on regulatory reform : Canada, Poland, Turkey and the United Kingdom. These reports are available via the Online Bookshop (<http://www.oecd.org/bookshop>).

Canada: : Maintaining Leadership Through Innovation

Canada, one of the OECD's strongest economies, has a mature, effective and innovative system of regulatory governance closely linked to the government's public policy goals. Canadians attach growing priority to health, safety and the environment, and seek a balance among economic competitiveness and social goals. This is a demanding agenda: in international trade – a major driver of the economy – Canada needs to maintain a careful balance between bilateral and multilateral liberalisation efforts. Further work is needed to improve the effectiveness of the single internal market. Competition policy needs to make a much stronger contribution to regulatory reform and market openness. Despite a positive policy shift, some important sectors are protected through import and foreign ownership restrictions. The government's recently launched Innovation Strategy is expected to make a major contribution to addressing these challenges.

Poland: From Transition to New Regulatory Challenges

Like other Central and Eastern European countries, Poland underwent fundamental change in the 1990s as it made the transition from a planned to a market economy. The liberalisation of economic activity and the democratisation of government institutions were deep and strong. Today, Poland has a functioning market economy and a democratic framework of state institutions, with the EU accession process fostering further liberalisation and modernisation.

However, this is only the "end of the beginning". Achievements, especially in economic performance, need to be consolidated, and new legislation must be implemented efficiently. Major challenges lie ahead in enhancing the state's regulatory capacities, including improving the quality of human resources in the public sector and the effectiveness of regulation at all levels of government. Liberalisation of the remaining state monopolies calls for a more courageous approach and points to the need for further regulatory reform in support of the structural changes required in these sectors. A business environment more conducive to entrepreneurship is also desirable. The key message of this review is the necessity for continuous reform.

Turkey: Crucial Support for Economic Recovery

Among OECD countries, Turkey is a comparative latecomer to regulatory reform, yet has a crucial need for it. Over the last three decades, the Turkish economy has suffered from macro-economic instability and chronic inflation, with implications for both investment and growth. Governance and regulatory structures remained weak and also contributed to the 2001 economic crisis.

Nonetheless, this review notes the highly encouraging efforts being undertaken to reform key economic sectors, the

public administration and regulatory frameworks. These developments appear to mark a fundamental break with the past. Important elements, such as a clear competition policy, are already in place. Fighting corruption is high on the policy agenda, and constitutional amendments are reshaping the relationship between citizens and the state. The "depoliticisation" of the public sector and its renewal on a merit basis is under way. Future success will depend crucially on the continuing implementation of the programme. In particular, sustained political commitment is required well beyond the recovery from the recent crisis.

United Kingdom: Challenges at the Cutting Edge

The United Kingdom presents a stimulating contrast of tradition and modernity, which is reflected in a mature and innovative regulatory system. The broad sweep of its reforms is impressive. Continuous reforms of the regulatory management system, competition policy and law, and the regulatory regimes of key economic sectors create a strong basis for ensuring high-quality regulation. The UK was early in liberalising its public utilities and in developing new regulatory approaches to the complex problems of managing the network industries. It was also among the first countries to introduce a system of regulatory impact assessment, which has been continuously updated since. Its regulatory environment is among the most supportive of market openness and global competition in the world. The UK now faces challenges typical of a mature regulatory regime at the cutting edge of development. Complexity and diversity -- of regulatory objectives, of the institutional architecture and of procedures -- are major issues to be continuously monitored. Building on these efforts and continuing to address regulatory challenges and areas of weakness will permit the UK to remain a leader in regulatory governance.

Regulatory Policies in OECD Countries: From Interventionism to Regulatory Governance

In the past 20 years, few reforms of the public sector have received more attention, and stimulated more controversy, than the reforms made to regulation-making and regulatory management. The rise of regulatory policies – an explicit policy that aims at continuously improving the quality of the regulatory environment -- shows how early notions of "deregulation" or "cutting red tape" quickly gave way to a central good governance notion based on an understanding of how regulatory practices can substantially improve market performance, public sector effectiveness and citizen satisfaction, through a mix of deregulation, re-regulation and better quality regulation, backed up by new or improved institutions.

This recent report documents the development and emergence of that understanding. It describes the "state of play" in OECD countries in adopting the regulatory policy agenda and identifies the key challenges facing regulatory practitioners in the future.

Distributed Public Governance

The OECD has just published a book entitled *Distributed Public Governance: Agencies, Authorities and Other Government Bodies*. "Distributed public governance" is used to refer to proliferating public organisations that operate with some degree of separateness from core government ministries. Although in many countries such bodies represent more than half of public employment and central public expenditure, they have not been comprehensively studied from a governance perspective.

In most countries studied, governments report that the creation of such bodies has been a largely positive experience. Government reviews show that these various organisational forms have helped to: increase efficiency and innovation; bring management of services closer to citizens; allow more effective partnerships between different levels of government; involve citizens, private sector or civil society organisations in the management of agencies; and allow central ministries to concentrate on policy-making.

At the same time, priorities have moved away from the need to create new separate bodies to the challenge of finding the right balance between accountability and autonomy, and between openness and performance management, as well as strengthening the steering capacity of central ministries. In some countries, crucial "whole-of-government" issues have also arisen, such as how to ensure policy coherence or a coherent public service, or how to maintain the clarity of the administrative organisational system.

This publication provides unique comparative information and analysis on distributed public governance and examines governance problems involved in managing arm's-length government bodies in OECD member countries. By creating a common language and formulating common concepts, it aims to provide an important analytical tool for governments and scholars of public management. It presents the experience of nine countries with distributed public governance, and draws preliminary conclusions from OECD work on this topic. For more information, please contact elsa.pilichowski@oecd.org.

Improving Policy Coherence and Integration for Sustainable Development: A Checklist

This checklist provides guidance for policy-makers on improving policy coherence and integration for the pursuit of sustainable development. It is not a compilation of "quick fix" solutions or "recipes". Rather, building on the experience of OECD countries and their concerns that achieving sustainable development requires specific attention to governance practices, it draws attention to the main obstacles to be overcome at the domestic level in order to address institutional challenges. Guidance is presented in the form of an outline on the different aspects of policy coherence and integration. These institutional challenges involve not only government but all stakeholders, including the business community, civil society organisations and other citizens' associations. This checklist is intended to contribute to building longer-term governance for sustainable development. For more information, contact frederic.bouder@oecd.org.

Knowledge management in the public sector

The OECD/GOV survey on knowledge management practices for central government ministries/departments/agencies was launched in February 2002. Twenty countries are participating in the survey: Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Korea, Mexico, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Sweden, the United Kingdom and the United States, with a participation rate of 84%. GOV has received 168 questionnaires in total from selected ministries.

Survey results will be discussed at a symposium on "The Learning Government: Managing Knowledge in Government" scheduled to take place at OECD headquarters in Paris on 3-4 February 2003. The goal of the symposium is to provide tools for OECD countries to become better "learning organisations" by improving the knowledge base of their activities and policies. The symposium will analyse the increasing pressures put on public organisations by the knowledge-intensive economy. It will also review the challenges created by the increasing variety of sources of knowledge and the tools available to governments for incorporating this new knowledge. Based on the OECD Public Sector Knowledge Management Survey, and on presentations and analysis of cases within some member countries, the symposium will draw concrete conclusions about possible reforms, their sequence and tools, and provide recommendations for governments.

The text of the survey is available on the OECD website. For more information, please contact elsa.pilichowski@oecd.org (Tel: + 33-1.45.24.76.12); or dorothee.landel@oecd.org (Tel + 33-1.45.24.82.43).

Public Sector Transparency and Accountability: Making it Happen

This publication presents the papers discussed at the Latin American Forum on Ensuring Transparency and Accountability in the Public Sector that took place on 5-6 December 2001. The Forum brought together more than 450 ministers, senators, senior government officials, business leaders, representatives of international organisations, non-government organisations and the media from OECD countries, Latin America and the Caribbean. Participants approved policy recommendations that reflect the shared experience of member countries of both the OECD and the Organization of American States. The agreed policy recommendations list key principles and crucial factors in the three following areas of good governance:

- Ensuring impartiality in the decision-making process by a credible conflict-of-interest policy.
- Increasing transparency in the preparation and execution of the budget.
- Promoting freedom of information, consultation and participation of citizens in the formulation and implementation of public policies.

In addition, country papers provide practical solutions adapted to their particular administrative environments for policy-makers and a demanding civil society. For more information, contact janos.bertok@oecd.org.

Recent OECD Territorial Reviews

Available from the OECD Online Bookshop

Territorial Review of Canada

Canada is composed of three macroregions: a southern ribbon with all the important metropolitan areas, a zone of rural and non-metropolitan adjacent regions and a sub-continent of remote northern territories. Disparities between these macroregions persist and may even be growing. Opportunities for growth are lost because of these imbalances and also because specific regional advantages are not fully tapped. In many regions, weak local governance is hindering the emergence of local grass-roots projects, diffusion of R&D results to SMEs is slow and dialogue between higher education institutions and firms is poor. This report underlines the need for federal agencies and sectoral departments to assess continuously the consistency of their policies with regard to the three macroregions to enhance territorial cohesion and better tailor programmes to local conditions.

Territorial Review of Siena, Italy

Siena, a predominantly rural province in central Italy, has enjoyed steady economic growth throughout the post-war period. This success has its roots in a diverse economy based on manufacturing, services, high-value-added agriculture and a dynamic tourism sector. Nonetheless, it is these last two sectors that give Siena its main competitive advantage: an outstanding concentration of high-quality environmental and cultural resources which are unique to the region. The promotion of different sustainable development initiatives has been motivated by the need to ensure the valorisation and conservation of this major asset. This is most apparent in the effort to ensure that the region's development is not spoilt by the impact of mass tourism and lack of co-ordination. The agrarian landscape also faces an uncertain future as the bulk of the cultivated land area remains dependent on EU subsidies, notwithstanding the market success of many agricultural producers. To respond to the challenges of sustainable development, Siena needs to fully integrate its development objectives with the most effective means to bring them about, in a co-ordinated and long-term planning exercise.

Territorial Review of Mexico

Despite its impressive export-growth performance and sizeable inflows of FDI during the 1990s, Mexico has been unable to alleviate the social and regional disparities that exist within the country. A divide persists between several parts of the Centre-North and the South-Southeast, where the majority of the population continues to live in poverty. This *Territorial Review of Mexico* evaluates the emerging territorial development strategies as well as the relevant changes in governance, such as new horizontal and vertical co-ordination mechanisms, that are being introduced in conjunction with improved federal arrangements. In particular, the review focuses on three policy objectives that are considered as having the greatest priority in confronting and redressing Mexico's stark regional disparities: alleviating poverty, fostering competitiveness and enhancing connectivity.

Urban Renaissance: Canberra: A Sustainable Future

Canberra is at a turning point in its history. It established a reputation in the twentieth century as a model for city planning, but some of the assumptions which guided its development in the past need to be re-examined in the light of current trends and the goals of sustainable development. In particular, Canberra has become a city with an entrepreneurial spirit and strong private sector development linked to government and higher education. This gives local actors the opportunity to make careful strategic choices about how best to maintain the high standard of living and quality of landscape and environment which were hallmarks of Canberra's growth in the past. Canberra is a young and innovative city capable of rising to these challenges and fully aware that this means change. This requires a new approach to policy-making and planning in order to realise a sustainable and competitive city.

European Ombudsman: Annual Report 2001

April 2002 (ISBN 92-95010-19-1, 286 pages)

The European Ombudsman has published his 2001 Annual Report in brochure form. The report gives an overview of the work of the Ombudsman in 2001 and highlights the results achieved for EU citizens. Publication of the report coincides with the 10,000th complaint to the Ombudsman since the post was established in 1995. Available in 11 languages from:

The European Ombudsman

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Building Better Quality Administration for the Public: Case Studies from Central and Eastern Europe

Network of Institutes and Schools of Public Administration in Central and Eastern Europe (NISPAcee)
2002 (ISBN 80-89013-07-4, 236 pages)

How can the quality of service provided by public administrations in Central and Eastern Europe (CEE) be improved under conditions of limited financial and human resources and growing citizen expectations? What are main factors for success of reform efforts, and what are the most promising approaches in the region? This volume of collected papers follows a comparative approach in highlighting experience from a wide range of EU Member States, candidate countries and neighbouring non-members. Both the theory and practice of quality in public administration are addressed, in four main sections: basic concepts, methods and approaches, country case studies, policy guidelines. Available from:

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E-Government and reform of public administration

The OECD Public Governance and Territorial Development Directorate held its third E-Government Seminar on 23-24 September 2002. This was the last in a series of three seminars held under the OECD E-Government Project. It brought together government officials with responsibility for the development, implementation and co-ordination of their e-government initiatives, as well as e-government experts from universities, the private sector and non-governmental organisations. This meeting focused on capturing the full benefits of e-government to modernise and reform the public administration – an issue of priority concern to OECD member countries.

Guilherme Dias, Minister of Planning and Budget, Brazil, opened the seminar with a presentation on the impact of E-Government on Public Administration in Brazil. The Minister emphasised the government's belief that e-government is a critical player in state reform, and that it will continue to be a major instrument for improving governance.

The three themes of the seminar were: how administrations are able to adapt to undertake organisational change; how they collaborate to provide seamless government services; and how they build the necessary skills and capacity to implement e-government.

Key findings

Some of the major findings that emerged in the presentations and discussions are described below.

The **transformational power of ICTs** in government was acknowledged. E-government has the potential not only to support the modernisation objectives of government, but it can also fuel the public sector innovation required by the evolving information society. In the short term, e-government is also providing the momentum for administrative reform by attracting the attention of a wide range of stakeholders, including political officials.

The **co-ordination and facilitation** role of central government was debated. Some countries have moved towards a stronger central role in order to establish standards and reduce redundancy. However, subsidiarity remains an important principle in terms of maintaining innovation, responsiveness, client knowledge and accountability in service delivery.

Seamless government has become a goal for many OECD countries.

Seamless government was defined as the least number of transaction points, with the end users not needing to know about the internal structures and functions of the government agencies with which they are dealing. Others felt, however, that 'invisible' government is not always what citizens want, as this can reduce accountability. Participants felt it was important to distinguish whether the final goal was *seamless services* or *seamless government*.

Integration of public functions to improve service delivery is not limited to the front and back offices in central government organisations, but also implies improving co-ordination and co-operation with service partners across **levels of government**.

Participants evoked the **cultural, legal and institutional settings** within which changes are taking place. Responsibility tends to be allocated in traditional, vertical functions and structures that limit government's ability to integrate horizontally and provide joined-up services. If there is no performance evaluation in the vertical institutions, how can there be performance evaluation in horizontal settings? Participants also discussed whether countries will be able to overcome legal and institutional barriers to provide the right incentives for people to work not only across levels of government and with other organisations, but also across the public and non-profit sectors.

The meeting attempted to address the **definition of e-government**: where does it begin and where does it end? The question concerns not only regional

and political frontiers, but also when to add the "e-" prefix to government. The boundaries of the public sector are also becoming more blurry. Many public services are produced or co-produced outside of government – by the private and/or non-profit sectors. What are the implications of increasing links across sectors?

Participants recognised the importance not only of technical skills but also of recruiting, developing and retaining people with **information management and business skills**.

The seminar explored different strategies to fill the capacity gaps in government organisations, including training and development, as well as less structured initiatives such as fostering communities of practice.

Follow-up

The OECD will be bringing together the findings of this and the previous two seminars to draft a report on e-government in OECD countries to be published in March 2003. For more information, please contact edwin.lau@oecd.org. ■

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