APPENDIX TO DIRECTIONS FOR THE FUTURE PUMA WORK PROGRAMME 2005/06 AND THE NEW MANDATE

Descriptions of possible activity areas

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This appendix provides further details on the proposed activity areas set out in document GOV/PUMA(2003)21.

For further information, please contact Andrea Uhrhammer, Tel. +33-1-45.24.78.32, email andrea.uhrhammer@oecd.org.
## Themes and Possible Activity Areas

### A. Optimise and develop key capacities

1. **Budgeting, Management and Accountability (1)**

   OECD countries face the need for continued tight fiscal constraint, both to meet current demands and because of adverse fiscal trends in future. The programme of SBO work will therefore address the integrity and effectiveness of fiscal rules, and more attention to public sector adaptivity and performance as a factor in national success.

   Of particular interest is the improvement of the design of fiscal rules, the sealing of "escape routes" from them, and strengthening the tools for the analysis and improvement of the performance of government departments.

2. **Regulatory governance: Capacities for High-Quality Regulation (3)**

   Building on the dynamic approach which is the main theme of the 2004 flagship report, this topic focuses on how to overcome the obstacles in government (resistance in the bureaucracy, legal restrictions, etc.) to building capacity. This is an ongoing topic, rooted in 20 country reviews, and continuing as new reviews are initiated (Chapter 2 studies). Issues include training at central and sub-national level especially to use tools such as RIA, building constituencies, communicating results, managing failures and conflicts, and improving consultation procedures, and improving evaluation.

3. **Efficient Service Provision (1)**

   In a globalised environment the quality and efficiency of service delivery in key sectors have become important determinants of international competitiveness. A key product would be the establishment of international benchmarks for key public services.

4. **Civil Service: Professionalism and Capacity (2)**

   Traditional public service structures are not coping well with either deep trends in the labour market, or the increasing diversification of modes of public service delivery. There are also new and challenging problems facing governments which require a capacity for reflection, analysis and co-ordinated action, which are beyond existing capacities. Recent reforms have been aimed at removing out-dated bureaucratic obstacles to effectiveness. The priority now is the development of a more positive approach to public service professionalism, tailored to the new circumstances and demands, and contributing to restoring trust in public actors.

   A possible product is a framework for the review of national public management arrangements from the point of view of public sector governance, resource allocation, accountability and control, and public service capacity. This could be used either for peer-review or self-review.

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5. Integrity in Government (1)

An increasingly close relationship with businesses creates new forms of conflicts of interest in the public sector. A progress report, requested by the OECD Council for 2006, will analyse how the Guidelines for Managing Conflict of Interest are applied in very rapidly changing public sector environments. It will also review developments in emerging areas such as public-private partnership, sponsorship, employment after public office, lobbying and institutional conflict of interest, [methods: review experiences of how countries resolve institutional conflict-of-interest situations resulting from the dual role of public organisations (e.g. as a regulator and a service provider or owner); review how central organisations ensure transparency and accountability in lobbying, the institutionalised influencing of public decision-making; (a key product would be a set of guidelines for ensuring equal leverage, based on good practices)].

6. ICT for Networked Government (1)

A key lesson of The E-Government Imperative was that organisations that act alone are more likely to fail in an IT-enabled world. Networking has become key to national competitiveness, and it demands that countries promote a whole-of-government perspective, but how can countries help their public administrations work effectively in a networked world? The proposed work will address the following challenges:

- Promoting internal integration: from collaboration to networking.
- Improving collaboration across levels of government: Fostering networks and partnerships.
- Identifying areas for international co-operation.

7. Decision-making at the Centre of Government (2)

The modern government faces circumstances of complexity, uncertainty, and a diminished capacity for direct action. This requires Cabinets/Councils of ministers to take an increasingly more active whole-of-government strategic role in their central decision-making as opposed to the current bias towards sectoral problem-solving. The work will analyse the requirements of this governance perspective, and assess its implications for the structure, capacities and function of the bodies which, at the interface between the administrative and the political levels, directly support and relate the central decision-making process to other public sector bodies.

B. Strengthen the basis for evidence-based policy-making.

8. Key Indicators of Government Performance (2)

Globalisation, the increasing sophistication of information tools, and the need for governments to raise their credibility vis-à-vis other actors in the economy, have created both the demand and the potential supply of a much wider range of comparative indicators of the performance of governments. The OECD is well placed to conceptualise, standardise, and provide means of quality control of such indicators, to ensure they are robust and credible in a wide range of national circumstances, and that the uses to which they are put are appropriate.
9. **Public Policy Impact: Measurement and Analysis (2)**

In recent years OECD governments have been investing in a wide range of approaches for ensuring that public policy formulation, decision-making and execution is better informed by information on the impact of current policies on the target group, and on society at large. Important approaches have been in strengthening policy and programme evaluation, and in formalising outcome targets and measures into governments’ decision-making processes. Also relevant however are the capacity and culture of policy advisers, the role of independent monitors (including parliaments and auditors), the role of non-governmental institutions, and the provision of credible impact information to inform public debate. The output is diagnostic and analytical tools which will help government choose the mix of approaches which will have the most impact on the quality of decision-making in their national circumstances.

C. **Explore the public-private interface: Institution-building and service provision**

10. **Governance of State-Owned Enterprises (2)**

11. **Regulatory Authorities (3)**

The delivery of public services (whether by the public or the private sector) is shaped by regulatory authorities. Regulatory authorities must address such issues as the social benefits of public service and who pays for them, anticipating needs and avoiding bottlenecks, and reducing the costs of delivery. A new dimension is the extent to which risk and security issues are to be taken into consideration. Reducing administrative and regulatory barriers within government is an issue of growing importance; how can regulatory tools and policies be applied to the work of government itself? This topic also includes competences and capacity of regulatory authorities, and their ability to co-operate across jurisdictional lines (domestic and international).

12. **Public procurement: Increasing transparency and controlling discretionary power (2)**

The growing demand for transparency and accountability challenges the design of traditional public purchasing procedures. This activity will focus on strengthening the governance arrangements in public procurement procedures, particularly:

- Ensuring transparency and accountability in the post-signature contract management where public officials exercise wide discretionary power in a new public management environment;
- Involving civil society and businesses in the definition of needs, terms of reference and monitoring of procedures;
- Maximising the potential of e-procurement processes to meet the expectations in a digital economy.
13. Partnership with Business and the Non-profit Sector (1)

The involvement of the private sector in public matters is growing. It is increasingly recognised to be a necessary condition for the successful achievement of many projects that the government cannot or may not want to handle alone. It also responds to a greater demand for active participation from the voluntary sector in various areas of public policy (e.g. health, education, environment, local development). This involvement can take many forms ranging from organised partnerships in joint projects in which costs, benefits and responsibilities are shared to a more spontaneous participation in order, for example, to face unexpected crisis situations. In all cases, partnerships require a level of mutual trust based on transparency, accountability on both sides and on clear definition of respective responsibilities.

The aim of the work is to identify the key elements and challenges to be overcome in order to maximise the benefits of these partnerships. The first step of the work, will be to establish a map of the governance arrangements in place in OECD countries to manage public-private partnerships.

14. E-government: Meeting the needs of the business community (1)

This activity will explore how the public and private sectors have teamed up to provide better public services and to facilitate access to these services. It will examine innovative partnering arrangements, and the use of private partners to access skills and products, reduce risks, draw in private capital and integrate the provision of government services with private sector channels. In doing this, it will touch with the related questions of protecting privacy and security.

D. Building a more adaptive government

15. The role of central government in a context of devolution, decentralisation and supra-national policy-setting (1)

Division and co-ordination of regulatory powers between levels of government

16. Communication and interaction with Parliament (1)

Interaction with Parliament in the regulation-making process

The quality of legislation depends greatly upon the circulation of relevant information between the executive and the legislature, complementary actions in the process of preparation of draft laws, and the extent to which Parliament has a clear overview of government action.

This activity aims to determine what are, from the government perspective, the processes of interaction with the parliament that need to be strengthened or adapted in order to improve the capacity of parliaments to fulfil its legislative role.
17. The political-administrative interface (1)

All governments need to ensure that the public service is responsive to the policies of the government of the day, but at the same time is organised to preserve the institutional memory and values necessary to maintain trust over time in the governmental system. Such arrangements tend to focus on the procedures for selecting, managing and removing senior public servants. Across the OECD there are a wide variety of approaches to organising the interface between political and administrative actors, reflecting different constitutional arrangements and administrative cultures. It is evident that the nature of these arrangements is changing in many countries because of new political pressures and modernising influences. The product would be a description of the current situation in member countries, and the identification of issues in terms of the governance of the public service in different kinds of national system.

18. Building Trust with Civil Society (1)

Government policy-making today takes place under conditions of increasing media scrutiny and public involvement. Few governments have adapted their policy-making processes, institutions and tools to effectively manage interactions with civil society on issues of common concern. At the same time, civil society organisations (CSOs) now recognise the need to meet the same standards of accountability and transparency they demand of government. Developing effective governance frameworks for government interactions with civil society will require constructive input from both sides.

Outputs will include the development of a common governance framework setting out the key principles for effective government relations with civil society, a set of policy tools and database of good practices.


The quality of information that the central government has at its disposal is key to cope with unexpected events such as security threats, natural disasters and large scale network failures (e.g. electricity). With this information the central government makes decisions, gives directions, coordinates actions and gives explanations to the public at large.

The aim of the activity is to identify what are the key capacities needed at the central government to effectively respond to these challenges.

Key capacities should include consideration of how to cope with pressures to re-regulate, the use of prior or ex ante consultation, consideration of alternatives to regulation, and the use of information from experiences (task forces, evaluations, etc.).

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