



**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE
PUBLIC GOVERNANCE COMMITTEE**

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For Official Use

Working Party of Senior Budget Officials

ANNOTATED AGENDA

**2nd ANNUAL MEETING OF OECD SBO NETWORK ON
PERFORMANCE AND RESULTS**

**OECD, Paris
21-22 April 2005**

The meeting will be chaired by Mr. Mario Marcel, Director of the Budget, Ministry of Finance, Chile.

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2ND ANNUAL MEETING OF OECD SBO NETWORK ON PERFORMANCE AND RESULTS

Thursday 21 April 2005

9:35 – 10:00 **Opening by Chair and Secretariat**

10:00 – 10:30 **Session 1: The results of the OECD Survey on Performance Information**

In this session the Secretariat will present the preliminary results of the OECD questionnaire on the development and use of performance information, including performance indicators/measures and evaluation, in the budget process.

10:30-11:00 **Session 2: The role of the Ministry of Finance**

This session will examine the different roles and responsibilities of ministries of Finances in OECD countries in developing and designing performance-based budgeting and management systems. From the perspective of the ministry of Finance it will discuss implementation challenges; if and how these problems have been addressed, and what has worked and what has not with these reforms. Challenges include: how to link performance information with financial information? How to include performance information, performance measures and evaluations, in the government budget processes? What incentives are available to the ministry of Finance to motivate agencies to improve performance?

Presentations by:

Ms. Emma Stenseth, Senior Advisor, Ministry of Finance, Norway

11:00 – 11:30 *Coffee break*

11:30-13:00 **Session 2: Continue. The role of the Ministry of Finance**

Presentations by:

The representative from the Netherlands

Mr. Yamazaki Yoku, Deputy Director, Fiscal Division, Ministry of Finance, Japan

13:00 – 14:30 **Lunch**

14:30 – 16:00 **Session 3: The role of spending ministries and agencies**

This session focuses on the experiences of spending ministries and agencies in implementing these reforms. It will examine common key challenges faced when introducing these initiatives at a ministry/agency level and proposed solutions. Issues for discussion include: how to develop meaningful performance measures? How can performance information be integrated into internal management and budgetary decision-making processes? How do spending ministries use performance information to reallocate among units or agencies? How can agencies install a performance-based culture? What incentives are available to stimulate better performance? Has the renewed focus on results been accompanied by a relaxation of input controls? How have these reforms changed the nature of the accountability relationship with key institutional actors?

Presentations by:

Mr. Richard Murray, Chief Economist, Swedish Agency for Public Management, Sweden

Dr. Tuomas Poysti, Government Controller-General, Ministry of Finance, Finland

16:00 – 16:30 *Coffee break*

Thursday 21 April 2005 (Cont'd ...)

16:30 – 18:00 **Session 4: Performance contracting**

To implement a performance-based approach to budgeting and management, a number of OECD countries have adopted various types of performance contracts. This session will discuss the different country experiences with performance contracting between the ministry of Finance and ministries and between ministries and agencies. It will focus on the processes and the challenges of this approach. How well do performance contracts work in practice? How have they been adjusted over time? How are these contracts monitored? What impact have they had on performance and accountability relationships?

Presentations by:

Mr. Arnar Masson, Head of Division, Ministry of Finance, Iceland

Mr. Ian Hawkesworth, Head of Section, Ministry of Finance, Denmark

18:00 – 20:00 **Cocktail (all participants are invited)**

Friday 22 April 2005

9:30 – 11:00 **Session 5: The role of politicians**

This session examines the role played by politicians in performance-based budgeting and management initiatives. In many OECD countries these reforms aim to improve accountability to politicians in the executive and the legislature. A long-standing problem is getting politicians interested in performance information. This session will address issues such as: How can performance information be made relevant to political executive decision-makers? What factors and incentives influence whether politicians use performance information in decision-making? Is there a mismatch between the information required by politicians in the executive and those in the legislature? Is getting the public more interested in performance information a potential solution? How is performance information used in public debate on policy initiatives and evaluations of government's performance?

Presentations by:

Ms. Denise Fantone, Assistant Director, Strategic Issues, US Government Accountability Office, United States

Lee McCormack, Executive Director, Results-based Management, Treasury Board of Canada, Canada

11:00 – 11:30 **Coffee break**

11:30 – 12:30 **Session 6: The role of the National Audit Office**

This session will be devoted to discussing the different roles and responsibilities of national audit offices in OECD countries in auditing performance. The discussion will cover the various approaches they have adopted in relation to performance information and their experiences and challenges encountered in attempting to fulfil their assigned role.

Presentation by:

Mr. Simon Henderson, Manager, National Audit Office, United Kingdom

Friday 22 April (... Cont'd.)

12:30 – 14:30 **Lunch**

14:30 – 15:30 **Session 7: Discussion of future OECD work in this area**

This session will discuss the future direction of OECD work in this area and also the development of a general standard format for case studies.

15:30 **Concluding remarks by the Secretariat**

BACKGROUND NOTE

OECD Senior Budget Officials (SBO) Network on Performance and Results

The Senior Budget Officials (SBO) established performance-based budgeting and management as one of the key areas for SBO-related work over the next two to three years. Accordingly, the Directorate has established a network of experts on performance and results to encourage the exchange of ideas among member countries and to gather information for its programme of work which examines the different approaches adopted by OECD member countries to performance-based budgeting and management. It aims to produce papers and reports that will provide practical guidance to countries on the opportunities and limitations of this approach.

The first meeting was held last year, and it examined the different approaches taken by OECD member countries for the development and use of performance information, including performance indicators/measures and evaluation, in the budget process.

2nd annual meeting of SBO Network on Performance and Results

This second meeting of the network will examine the experiences and challenges of implementing performance-based budgeting and management in OECD countries from the perspective of the different key institutional actors in the reform process. A key aspect of these reforms is the linking of budgeting and management at different levels – spending ministry/agency, central management and political levels. This involves altering roles, relationships and processes in management and/or budgeting at these different levels and changing the behaviour of many key actors. These actors play different roles depending on the country and institutional arrangements and have diverse needs and expectations from a system of performance budgeting and management. These key actors include the ministry of Finance, spending ministries/agencies, politicians in the executive and the legislature, the National Audit Office, and the public.

Objectives of this meeting

- To present an overview of the different roles, responsibilities and experiences of the key actors in implementing performance-based budgeting and management;
- To examine the different challenges encountered from the perspective of these key actors and to discuss solutions and efforts to surmount these challenges;
- To discuss lesson learnt, what has worked and what has not with these reforms, and the limits of this approach.

Meeting information

Format of discussions

Each session at the meeting will consist of two country presentations (about 10-15 minutes each), followed by an open discussion among all participants.

Participants

The participants at the meeting will be high-level government experts from OECD member countries.

Meeting location

The meeting will take place at OECD Headquarters which is located at 19 rue de Franqueville in the 16th district of Paris. The closest metro station is “La Muette”.

Registration form

All participants need to complete the attached registration form and return it to the Secretariat ahead of the meeting.

Security

Please be advised that OECD Headquarters is a secure complex. Entry passes can only be issued to registered delegates and a passport or national identity card needs to be presented in order to receive an entry pass. Delegates will also be required to clear a security checkpoint for entry. Please allow 15 minutes to finish these security formalities.

Simultaneous translation

Simultaneous translation between English and French will be available at the meeting.



**2TH Annual Meeting of OECD Senior Budget Officials Network on
PERFORMANCE & RESULTS**

Paris, 21 – 22 April 2005

~~~ *REGISTRATION FORM* ~~~

NAME _____

First Name _____

JOB TITLE _____

ORGANISATION _____

MAILING ADDRESS _____

COUNTRY _____

TELEPHONE _____

FACSIMILE _____

E-MAIL ADDRESS _____

Please return the completed form to:

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