Global Forum on Governance:

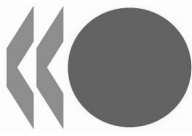**Modernising Government:
strategies & tools for change**

**Rio de Janeiro, Brazil
22-23 October 2007**

Draft Agenda

Hosted by the Government of Brazil

Ministry of Planning, Budget and Management

In cooperation with DFID

Global Forum Agenda

Monday 22 October, 2007

9h45 – 10h00   **Participant registration**

10h00 – 11h15   **Opening session: Opening remarks and general plenary session**

Theme:
- What do we know thus far about efficient reform and how can we measure progress made?

Addresses by:
- Mr. Paulo Bernardo Silva. Minister of Planning, Budget & Management, Brazil
- Mr. Aart Jan De Geus. Deputy Secretary General, OECD
- Mr. Luciano Coutinho. President, *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES), Brazil

11h15 – 11h45   **Coffee break**

11h45 – 13h15   **Meeting of Working Groups 1 & 2**

Working Group 1:   *Regulatory Reform*
    Session A: Regulatory reform and administrative simplification

Working Group 2:   *Public Service Delivery & Performance: reforming management and budget systems*

13h15 – 15h00   **Lunch**

15h15 – 17h30   **Meeting of Working Groups 1 & 2 continued**

Working Group 1:   *Regulatory Reform*
    Session B: Regulatory frameworks and the public-private interface

Working Group 2:   *Public Service Delivery & Performance: reforming management and budget systems*

17h30   **End of Day 1**

Tuesday 23 October, 2007

9h30 – 11h00   **Meeting of Working Groups 3 & 4**

Working Group 3: _Multi-Level Governance: challenges and opportunities for effective policy-making in the context of decentralisation._
        Session A: Opportunities and challenges emerging from the trend toward decentralisation

Working Group 4: _Improving Citizen-Government Interface: how to use ICTs to provide better services and engage citizens in the policy-making process._

11h00 – 11h15   **Coffee Break**

11h15 – 13h00   **Meeting of Working Groups 3 & 4 continued**

Working Group 3: _Multi-Level Governance_
        Session B: Mechanisms for enhancing the effectiveness of multi-level governance.

Working Group 4: _Improving Citizen-Government Interface: how to use ICTs to provide better services and engage citizens in the policy-making process._

13h15 – 15h00   **Lunch**

15h00 – 15h30   **Presentation of results by all Working Groups**

15h30 – 16h00   **Keynote Presentation & Panel Discussion**
        Theme:
- The Political Economy of Change. How to initiate effective public sector modernisation.

        Topics:
- How to better account for the political economy of change when designing and initiating reform programs.
- How to manage the systemic dimension of public sector modernisation without simultaneously engaging in too many parallel reform initiatives.
- How to ensure the sustainability of reforms.
- How countries with "low traction" can maximise their levers of change.
- How the _Building Blocks and Guiding Elements for Public Governance and Management in Global Relations_ facilitate the implementation of change.

16h30 – 17h00   Closing remarks by Brazil and the OECD
        Theme:
- Conclusions of working group sessions.
- Prospects for future policy dialogue on the global and/or regional level.

Individual Working Group Programmes

Monday, 22 October, 2007

Working Group 1:   Regulatory Reform

11h45 – 13h15   Session A: Regulatory reform and administrative simplification

Theme: The objective of this session is to discuss the main challenges faced when improving the economic and social outcomes of regulations, and when improving the policies and processes by which regulations are drafted and reviewed. The session will discuss possible approaches undertaken in OED and non-OECD countries. The risks of managing transitions and the challenges of changing the administrative and regulatory culture, moving towards more transparency and coherence will also be discussed.

Topics for discussion:
- How to implement regulatory reform policies and to build capacity.
- How do programs for administrative simplification contribute to a user friendly regulatory system for citizens and businesses?
- How to improve the administrative culture and improve transparency and policy coherence?

Discussion/Debate: Panellists and Working Group participants

15h15 – 17h30   Session B: Regulatory frameworks and the public and private interface.

Theme: This session discusses the political challenges involved when regulating specific markets. In particular, the session will address the core issues of modern regulatory governance in relation to regulatory authorities for specific sectors, as well as institutional design issues. The session will explore how to balance independence from political intervention and regulatees with the need to ensure accountability and performance assessment.

Topics for discussion:
- Why should a government and a minister decide to forego policy powers?
- What has been the experience of moving to or from independent regulators?
- How can independence be balanced with accountability and performance assessment?
- How can the risk of capture be minimized? Which aspects of regulatory independence are most critical in facilitating investment in a regulated sector?

Discussion/Debate: Panellists and Working Group participants

Working Group 2: Public Service Delivery and Performance

11h45 – 13h15   **Session A:**   **Reforming budget and management system: the role of finance and other ministries**

Moderator:

Panellists/Keynote Presentations:

Topics for discussion:
- What incentives can be provided to motivate agencies and ministries to use performance information in decision making and for performance improvement?
- Should the introduction of performance, management, and budgeting measurement systems be accompanied by increased managerial and financial flexibility to ministries?
- How do budgeting reforms link to other managerial reforms and financial management developments?
- What should be the respective roles of the Ministry of Finance and other Ministries in developing and using performance information systems?

Discussion/Debate: Panellists and Working Group participants

15h15 – 17h30   **Session B:**   **Providing incentives and motivations for change: engaging politicians and civil servants in reform.**

Topics for discussion:
- How can performance information be made more relevant to political decision makers?
- How can the presentation of performance information be improved?
- Is getting the public more interested in performance information a potential solution?
- How can central government motivate agencies and/or local authorities responsible for delivery of front line services to achieve their performance goals and targets?

Discussion/Debate: Panellists and Working Group participants

Individual Working Group Programmes

<u>Tuesday, 23 October, 2007</u>

Working Group 3: ***Multi-Level Governance: challenges and opportunities for effective policy-making in the context of decentralisation***

9h30 – 11h00   **Session A:**   **Opportunities and challenges emerging from the trend toward decentralisation**

Topics for Discussion and Presenting Panellists:
- Opportunities for development through regional policy
- Strengthening regions for democracy and improved public spending
- Decentralisation and territorial cohesion
- Decentralisation and development
- Sub-central service delivery and economies of scale
- The influence of supra-national organisations

Discussion/Debate: Panellists and Working Group participants

11h00-11h15   **Coffee Break**

11h15 – 13h00   **Session B:**   **Mechanisms for enhancing the effectiveness of multi-level governance reform.**

Topics for Discussion and Presenting Panellists:
- Evaluation and incentives for sub-national capacity building for regional policy
- Municipal "bench-learning" with performance indicators, the KOSTRA system
- The evolution of performance management systems, the case of (L)PSAs
- Innovative monitoring for targeted rural interventions, the case of Micro-regions and Banderas Blancas
- Taking stock of "costs" and "benefits" of indicator systems
- Linking regions and central government through contractual arrangements

Discussion/Debate: Panellists and Working Group participants

Working Group 4: Improving Citizen-Government Interface

9h30 – 11h00   How to use ICTs to provide better services and engage citizens in the policy-making process.

Topics for Discussion:
- How can governments ensure broad and equal access by all citizens to new Information and Communication Technologies (ICTs)?
- Beyond ensuring access, what can government do to drive citizens to government online sites and use them effectively?
- How can an efficient strategy be developed that reaches both citizens who are willing but unable to participate via e-government, and citizens who are able but not willing to participate?
- How can ICTs be used to provide citizens with access to information and services round the clock and in a personalised manner?
- How are countries using ICTs to allow citizens to provide feedback to government about service delivered, and to engage citizens in online discussions about policies?
- How can governments and agencies assure the integration of citizens' voice and their policy suggestions into the policy-making cycle?

Discussion/Debate: Panellists and Working Group participants

11h00-11h15   Coffee Break

11h15 – 13h00   Working Group 4 continues

Forum Theme

Global Forum on Governance: Modernising Government: strategies & tools for change

New forms of public sector management, new approaches to service delivery and new technologies have changed the way the public sector operates, but have also created a need for new ways of making both agencies and governments accountable for what they do. With an increasingly devolved public sector, ensuring conformity with government policy objectives, control of expenditure and monitoring of performance have become increasingly important and challenging, while preserving trust of citizens in government.

The aim of this Global Forum on Governance is to allow participating countries to exchange their reform experiences in the field of public sector modernization and efficiency. To this end, priority reform areas have been selected for their importance to achieve the overall system change and will be discussed in four working groups. The lessons from the four working groups will feed into a discussion on the political economy of implementing reform. How can governments tackle the systemic and political dimensions of reforms in the public sector? And how can OECD countries, developing and emerging market countries benefit from the lessons from countries with different institutional, economic and cultural settings? A better understanding of these aspects is a central element of successful design and implementation of public sector reform.

Selected Areas for Discussion

Working Group 1: Regulatory reform, administrative simplification and the public and private interface
Regulatory reform is a dynamic process affecting policies, institutions, and tools, a whole of government approach, and multi-level co-operation. The session will first discuss a quality regulation approach, both for new regulations and for old regulations, involving tools for administrative simplifications. The goal is to address the burden of heavy regulations. "Command and control" intervention may be inefficient and administrative burdens may be costly and stifle entrepreneurship calling for a more flexible and decentralised approach. Administrative simplification can also help to increase trust in government, through greater simplicity, transparency and consultation with citizens and businesses. The public sector needs a change of culture to be more service-oriented.

Regulatory reform can help lift investment in public services and widen consumer choice. In a second sub-session, the Working Group will discuss the issue of regulatory authorities in specific sectors, involving a key discussion at political level of the challenges of delegating powers to regulatory authorities. The session will discuss the need to develop a more coherent and stable institutional framework to ensure the public private interface, and also increase investors' and public confidence. The goal is to ensure predictability and certainty for economic actors and citizens, while guaranteeing transparency and coherence of public policy objectives attainment in a long-term framework.

Working Group 2: Public Service Delivery and Performance: Reforming human resource and budget management systems.
Countries are under increased pressure to improve public sector performance and to be more accountable for results. Over the past two decade, the many governments have sought to shift the emphasis of budgeting and management away from inputs towards a focus on measurable results. While the content, pace, and method of implementation of these reforms varies across countries and over time, they share a central aim to improve decision making by providing better quality and more concrete information on the performance of agencies and programmes. Despite this widespread shift, countries continue to face a number of challenges with respect to the development and use of performance information in management and budget processes, including: how to improve the use of performance information in budgetary and management decision making; how and if performance information should be related to resources; how to improve the measurement of activities; how to

improve the quality of information; how to get politicians to use the information in decision making ; how to create a results-oriented culture.

__Working Group 3:__ Multi-level Governance: Challenges and opportunities for effective policy-making in the context of decentralisation.
Increasingly, public responsibilities are devolved to lower levels of government – in unitary as well as in federal countries – often with a view to improving the efficiency of public service provision and to favouring economic development. Local and regional governments also want a greater say in the setting and implementation of national policy measures. Such trends have helped make the management and governance of public policies more complex and demanding, involving multiple (public and private) actors and requiring a rethinking of how central and sub-national governments should collaborate. Promoting regional development requires mechanisms for associating decision making and implementation of different levels of government. Mechanisms based on performance of sub national levels will be discussed in this working group.

__Working Group 4:__ Improving Citizen-Government Interface: How to use ICTs to provide better services and engage citizens in the policy-making process.
The great degree of interactivity offered by new Information and Communication Technologies (ICTs) has the potential to expand the scope, depth and quality of government interactions with citizens and other key stakeholders. ICT can ease the life of citizens by allowing personalised access to information or services online 24/7 through dedicated portals. ICT can also offer a number of tools to governments to include citizens' views and suggestions on policy issues including, for example, government online discussion forums. At the same time, such new online tools pose significant challenges to governments in terms of their technical, political and institutional implications. One of these challenges is ensuring wide access to these new tools for all citizens. Another challenge is to ensure that the results of online consultation processes feed into the decision-making process. Starting from concrete international practices and examples from invited countries, this Working Group will explore the challenges and opportunities of ICT use in providing better services to citizens and engage them in policy-making.