



Role and effect of external support to Public Administration

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1. EUPACK – PROJECT INTRODUCTION

Good governance and quality of public administrations is recognisably in the interests of the EU citizens and Member States, to achieve maximum value from finite public funds and create a public-private interface that raises employment and growth. Worldwide, the evidence is irrefutable: high productivity, high income per head economies have the most effective and efficient public institutions. The internal market cannot be completed, the EU acquis cannot be effectively implemented, and the goals of smart, inclusive and sustainable growth cannot be realistically achieved without good governance.

Member State administrations currently face the triple challenge of: delivering better with less - meeting societal & business needs in times of tighter budgets; adapting service provision to demographic, technological and societal changes; and improving the business climate through fewer and smarter regulations and better services in support of growth and competitiveness.

Experience in Europe in the past two decades shows different administrative reform paths and results¹ mainly due to different degree of reform capacity, sustainability of reform approach, coverage and a 'fitting context'. The incentives that triggered the "New Public management" wave of reforms in older Member States, addressed domestically recognised needs to reduce the size of government and make administration more efficient. Change has been rationalised through the accumulated management experience and exchange with peers. In new Member States, the "first wave" of reforms began with the EU-accession requirements² for establishing professional and depoliticised civil service systems. The limited internal capacity was compensated with externally managed support. Limited strategic orientation and ownership of reforms³ led to mixed results⁴.

Recently, the fiscal crisis has reinforced the relevance of public administration downsizing, outcome and result-orientation, and reduction of bureaucracy across Europe. Administrative culture however tends to produce important differences in the operationalization of these principles in management-oriented public administrations and in more legalistic ones⁵. The need for quick results is another reason why on many occasions the focus is only on budgetary consolidation, cutting staff and salaries, instead of rethinking the scope of government and investing in the capacity of civil servants, as a basis for designing and delivering better quality of policies and services.

The EU has no specific competences in the administrative sphere but still has a strong indirect impact on the administrative practice in Member States through the administrative standards set in the acquis, the transfer of best practices with EU financial instruments, the promotion of management practices of its own institutions, etc.

¹ Christopher Pollitt and Sorin Dan. 2011. COCOPS Policy Brief 1: The Impact of New Public Management (NPM) Reforms in Europe. http://www.cocops.eu/wp-content/uploads/2013/07/COCOPS_PolicyBrief_1_newlayout.pdf

² <http://www.sigmaweb.org>

³ For more information see thematic evaluations of the PHARE programme.

⁴ Meyer-Sahling, J. (2009), "Sustainability of Civil Service Reforms in Central and Eastern Europe Five Years After EU Accession", SIGMA Papers, No. 44, OECD Publishing; Also WB, Administrative capacity in the new EU member states : the limits of innovation? <http://documents.worldbank.org/curated/en/2007/06/8187914/administrative-capacity-new-eu-member-states-limits-innovation>

⁵ Gerhard Hammerschmid, Steven Van de Walle, Anca Oprisor and Vid Štimac. September 2013. COCOPS Policy Brief 4: Trends and Impact of Public Administration Reforms in Europe: Views and Experiences from Senior Public Sector Executives. see <http://www.cocops.eu/wp-content/uploads/2013/10/Policy-brief-wp3.pdf>

Smart administration, development of human capital and related ICT of administrative and public services were seen as a fundamental requirement for economic growth and jobs already with the renewed Lisbon agenda. In response to the needs, in the 2007-2013 programming period⁶ institutional capacity building became a key policy priority for the European Social Fund. The support was intended to go beyond the technical assistance for the better management of EU funds and assist the ongoing administrative reforms. Altogether, about EUR 2 billion of European Social Fund (ESF) and European Regional Development Fund (ERDF) were allocated to measures supporting the quality of public administration in 19 Member States.

In 2014-2020, the European Structural and Investment (ESI) Funds⁷ should be the catalyst for achieving the objectives of the Union Strategy for smart, sustainable and inclusive growth. Through the European Semester⁸ the European Commission undertakes every year a detailed analysis of EU Member States' programmes of economic and structural reforms and provides them with proposals for Council recommendations (Country Specific Recommendations, CSRs)⁹ for the next 12-18 months. The ESI Funds will serve as an effective means to support the implementation of the CSRs. In 2014 some 20 Member States have received country specific recommendations (CSRs) in the area of public administration. 17 of them have programmed support to address the challenges under the specific thematic objective "*enhancing institutional capacity of public authorities and stakeholders and efficient public administration*" (TO11)¹⁰ for a total of about EUR 4.2 billion.

In this context, understanding of public administration characteristics and dynamics in Member States is critical for the Commission in order to be able to provide for effective implementation of the ESIF investments, and/or other support and maximise EU value added. Furthermore, any future EU initiatives in this area - be they related to funding, policy or dialogue with Member States - need to be based on a sound understanding of context, needs, opportunities and challenges, as well as drivers and obstacles to administrative reform, in order to be able to respond with a targeted and customised approach that fits the specific needs of the respective Member State.

The amount and detail of information on functioning of national public administrations available to the Commission services tends to vary across (sub-)sectors and countries concerned. This assignment therefore needs to support the Commission in: ensuring consistent and coherent knowledge on the characteristics of public administrations across all EU Member States; deepening its understanding of public administration functioning based on common approach and methodology, and capture of reform initiatives and dynamics; understanding the role of external (EU funded) support to administrative reform process. While there is obvious and particular attention on countries that receive EU funding for public administration reform from ESF/ERDF, and on those countries with specific recommendations from the European Semester, most of the work under this contract will cover all Member States, to have a wider and more varied basis for comparison of characteristics and factors driving change of public administrations in the EU.

The current paper is prepared in the framework of the European Commission project "Support for developing better country knowledge on public administration and institutional capacity building" (hereafter EUPACK – EUropean Public Administration Country Knowledge). The

⁶ Community strategic guidelines on cohesion (2006/702/EC) For more information, see: <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32006D0702&from=EN>

⁷ From the European Social Fund (ESF) and the European Fund for Regional Development (ERDF)

⁸ For more information, see: http://ec.europa.eu/europe2020/making-it-happen/index_en.htm

⁹ CSRs adopted for the coordination of the economic policies (Article 121(2) of the Treaty) and CSRs adopted for the coordination of the employment policies of the Member States (Article 148(4) of the Treaty. For more information see http://ec.europa.eu/europe2020/index_en.htm

¹⁰ Full title of the thematic objective: 'enhancing institutional capacity of public authorities and stakeholders and efficient public administration'

project aims to ensure consistent and coherent knowledge on the characteristics of public administrations across all EU Member States; to deepen the understanding of public administration functioning based on common approach and methodology, and capture of reform initiatives and dynamics; to understand the role of external (EU funded) support to administrative reform process.

2. INTRODUCTION

This report presents the findings of work conducted under Task 3 of the assignment, the role and effect of external support to Public Administration. Through a set of study questions, the aim was to analyse to what extent and how the external support provided has influenced both the overall reform agenda, and the actual implementation of reforms, in concerned Member States, presented in the table below.

Table: Geographical scope of Task 3

ESF 2007-2013	ESIF 2014-2020
Bulgaria, the Czech Republic, Estonia, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Portugal, Romania, Slovenia, Slovakia.	Bulgaria, the Czech Republic, Croatia, Cyprus, Estonia, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovenia, Slovakia

The institutional, organisational and political context varies greatly in the countries included in the study. It is therefore difficult to draw general conclusions, which may be valid across the EU, on the study findings. This report is an attempt to synthesise findings and lessons learned stemming from country research, rather than providing answers which are valid across the board on how to best support Public Administration reform in the EU.

In line with the overall scope of the EUPACK project, justice reform is not included in the analysis of trends in public administration reform. However, since several countries have used EU support to improve and develop capacity in the justice sector, these projects have been included in the mapping.

The report attempts to provide an overall picture of the “investment profile” of EU funds, across the EU and in individual countries.

3. METHODOLOGY

The role and effect of external support in public administration was explored through research at the country level. The work was divided into a set of sub-tasks, each aiming to answer a set of questions which the study should address. In the list below the different sub-tasks are briefly presented, and the main steps of the work explained.

In task 3.1 the external support for administrative reform, from 1996 up to **the cut-off date end March 2017** was reviewed. The mapping of external support was done at the project level for the EU funds provided in the 2007 to 2013 period and the current programming period (funding decisions until cut-off date end March 2017). All research was undertaken using publicly available sources on the websites of relevant institutions.

Role and effect of external support to Public Administration

For EU funds, the focus was to map funding provided under ESIF TO11 (in 2014-2020) and ESF priority 3(d) (in category 81 in 2007-2013). Note that Technical Assistance (TA) under ESIF 2014-2020 and ESF 2007-2013 has not been included in the study. Even though TA may include elements of institutional capacity building, it was not possible to identify/disentangle relevant support in this study. Furthermore, it was decided not to include the TO11 support provided through ERDF in INTERREG programmes, as it often pertains more to TA type of support than to administrative reforms.

For other funding sources (World Bank, bilateral donors, Phare etc.) a pragmatic approach was applied since it was very difficult to find identify and map the support provided through other, older instruments. Consequently, not all countries have been able to provide a picture of the funding pre-2006.

It is important to note that reliability of the mapped projects differ between countries, largely depending on how the Managing Authorities have structured the publicly available information on EU funded projects. In some instances, we could not identify support to public administration through filtering priority axis or thematic objectives and had to go through all projects funded in ESF one by one to identify those targeting public administrations. In a similar vein, not all data required was available (project durations, budget planned/spent) in the project databases.

It is important to note that the approach taken has led to discrepancies between programme allocations, payments and the mapping data, since the mapping in individual countries likely have included more or fewer projects than was formally classified as support to administrative reforms. This is illustrated by the fact that the total amount of planned funding of mapped ESF projects exceeds the total available funding under ESF in 2007 to 2013.

Finally, the mapping was undertaken in two stages, due to the high number of projects.

- The first stage required identifying all relevant projects and registering mandatory information such as identifier, name, beneficiary, budget, timeline and policy area targeted.
- In the second stage a sample was selected of 100 projects per Member States (50 from each programming period) and a complementary mapping was done, by typologising the projects in terms of themes, type of support and focus of support.

Subsequently, **task 3.2** reviewed existing evaluation findings of the previous programming period and conducted qualitative research in all countries to look at the broader environment into which ESF 2007-2013 was implemented to examine the way in which ESF-supported activities were implemented and if the results were imbedded into the wider system. The aim was also to draw lessons from the programming and the early stages of implementation of ESIF 2014-2020. It was also explored to what extent the new regulation (including requirement for ex-ante conditionality, link to European Semester recommendations, results orientation) produced a qualitatively different approach to the earlier funding period. A link was made to earlier research in the EUPACK project, to assess at the project level whether results achieved with ESF support in specific reform cases could be considered sustainable. The research in this task was often challenged by difficulty finding relevant people to interview, with sufficient institutional memory and knowledge of projects to provide solid information.

Finally, the study analysed the existing monitoring and evaluation systems linked to public administration reform **in task 3.3**. It looked into the linkages between the monitoring in place for ESIF implementation and for National Strategic Frameworks, and monitoring of reforms in the administration or specific policies. Overview of external support to public administration reforms.

4. OVERVIEW OF EXTERNAL SUPPORT TO PUBLIC ADMINISTRATION REFORMS

The following overview is based on the mapping of external support undertaken in the project. As mentioned earlier it is important to note that not all support pre-2006 was possible to identify and the country databases contain a varying degree of information for this period. It should also be noted that the mapping of ESF and ESIF projects likely includes projects that officially was not classified as support to public administration.

4.1. Amounts and origin of funding to support public administration reform in EU Member States

Table 1 presents the information contained in the database produced in the project. The support provided in the period prior to 2007 was not mapped consistently in all countries, due to a lack of available information.

Table 1 Allocated budget for public administration reform, external funds and national funds, all donors

Country	Time periods			Grand Total
	1996-2006	2007-2013	2014- Q1 2017	
Bulgaria		243.983.820	71.847.163	315.830.983
Croatia	90.296.294	397.406.619	3.607.254.209	4.094.957.122
Czech Republic	-	202.684.332	77.603.137	280.287.469
Estonia	2.452.761	19.295.161	33.066.332	54.814.254
Greece		197.826.457	142.946.226	340.772.684
Hungary	134.530.590	195.339.401	849.666.245	1.179.536.236
Italy		243.583.252	163.429.396	407.012.648
Latvia	58.280.711	26.472.022	28.929.510	113.682.243
Lithuania		188.179.687	17.492.728	205.672.415
Malta		16.877.055	0	16.877.055
Poland	1.161.488.715	5.008.432.994	1.678.072.918	7.847.994.627
Portugal	136.482.321	108.993.503	89.983.992	335.459.816
Romania	12.971.564.128	2.515.196.722	2.196.859.252	17.683.620.101
Slovakia	4.505.471	1.359.541.765	49.826.809	1.413.874.045
Slovenia		67.680.936	88.324.915	156.005.851
Grand Total	14.559.600.991	10.791.493.727	9.095.302.832	34.446.397.550

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A large part of the funding shown here consists of World Bank loans, provided to countries to support their development (notably HR, LV, RO, PL, SK). It has thus provided support to public administration reform, but are not grants. Similar support from World Bank has likely been provided to other countries, but has available in public sources. When looking at the amounts allocated overall per different donors (bearing in mind the likely incomplete data), the following picture emerges.

Table 2 Planned amounts for public administration reform, external and national co-funding (projects until end March 2017)¹¹

Donors	Programming periods			Grand Total
	1996-2006	2007-2013	2014- Q1 2017	
DFID	4.255.057	Info not available	Info not available	4.255.057
ERDF	20.000.000	1.270.254.514	137.452.950	1.427.707.464
ESF	118.935.082	2.311.082.398	1.894.480.014	4.324.497.493
EU (Phare, CARDS)	684.762.078	56.174.810	Not relevant	740.936.888
GTZ	439.617	Info not available	Info not available	439.617
Norway Grants		2.325.748	9.006.199	11.331.947
IPA/Transition (HR)	237.184	67.113.614	3.354.213.088	3.421.563.886
Phare	21.121.132	108.781.350	Not relevant	129.902.482
World Bank	13.709.850.842	6.975.761.293	3.700.150.581	24.385.762.716
Grand Total	4.559.600.991	10.791.493.727	9.095.302.832	34.446.397.550

As can be seen the total amount of funding mapped for public administration reform in 2007-2013 is above the amount allocated to the ESF in the programming period (EUR 2 billion). This is likely due to the methodology (and challenges) of the mapping. In total the funds mapped originating for EU sources (all types of funding) amounts to app. EUR 10 billion over the period covered by the EUPACK study. Mapped support from the World Bank amounts to EUR 24 billion over the same period, however the support consists mainly of loans, and can thus not be considered on par with the EU support which are grants with requirements of national co-funding. Other mapped funding taken together amounts to EUR 16 million over the time period (DFID, Norway Grants and GIZ), however this is likely an underestimated amount due to difficulty identifying projects in earlier time periods. With a narrower definition of external support, limiting to ESF/ESIF funded projects only (which is the focus of the study and for which data is most complete) and targeting the period from 2007, the following picture emerges in funding to public administration per country.

¹¹ Please note that the amounts for ESF include public administration related operations from different thematic objectives and are not limited only to TO11

Table 3 Planned budget for public administration reform, external funds and national co-funding, EU funds (ESF/ESIF)

Countries	Programming periods		Grand Total
	2007-2013	2014- Q1 2017	
Bulgaria	243.560.666	71.847.163	315.407.828
Croatia		253.041.121	253.041.121
Czech Republic	202.684.332	77.603.137	280.287.469
Estonia	19.295.161	33.066.332	52.361.493
Greece	197.826.457	142.946.226	340.772.684
Hungary	188.492.802	840.660.046	1.029.152.849
Italy	243.583.252	94.898.396	338.481.648
Latvia	23.747.022	19.929.510	43.676.532
Lithuania	188.179.687	17.492.728	205.672.415
Malta	16.877.055		16.877.055
Poland	454.249.244	49.780.701	504.029.945
Portugal	108.993.503	39.858.698	148.852.201
Romania	266.201.875	125.000.887	391.202.762
Slovakia	89.710.406	49.826.809	139.537.215
Slovenia	67.680.936	78.528.259	146.209.195
Grand Total	2.311.082.398	1.894.480.014	4.205.562.412

Information on actual spending on projects could only be retrieved for the period 2007 to 2013, and not in all countries. The data shows that a considerable amount of the planned projects did not spend the amounts allocated, in total app. EUR 321 million. Information on budget spent in projects was not available in HU and PT. The amount non-spent is due to projects being cancelled, or implemented with a lower cost than originally foreseen and was particularly high in Bulgaria, Czech Republic, Slovakia and Romania.

Table 4 Planned funding versus spent funding in projects, 2007-2013, ESF

Countries		2007 - 2013		
	Planned projects	Spent on projects	Difference	Difference %
Bulgaria	243.560.666	169.964.148	73.596.518	30%
Czech Republic	202.684.332	143.979.706	58.704.626	29%
Estonia	19.295.161	17.788.032	1.507.130	8%
Greece	197.826.457	190.713.667	7.112.790	4%
Italy	243.583.252	218.351.341	25.231.912	10%
Latvia	23.747.022	23.647.484	99.538	0%
Lithuania	188.179.687	174.738.238	13.441.449	7%
Malta	16.877.055	16.877.055		
Poland	454.249.244	411.473.052	42.776.192	9%
Romania	266.201.875	207.265.414	58.936.461	22%
Slovakia	89.710.406	51.098.127	38.612.278	43%
Slovenia	67.680.936	66.733.908	947.028	1%
Grand Total	2.013.596.092	1.692.630.171	320.965.922	16%

4.2. National expenditure on administrative reforms

The study showed that no country has a dedicated budget for supporting administrative reforms, nor systems to follow up on national spending on reforms. As a rule, domestic investment into PAR development appears exclusively as the co-financing of ESF projects (co-financing rate amounting to 15%). Outside and apart from this co-financing there were no dedicated budgets or funds for administrative reforms. While not all reforms are supported by EU funds, it appears that not all reforms have a budget or even an estimate of the costs of the reforms. Most likely the costs are a part of the overall line budget, and no specific funds are set aside to implement reforms.

Still, the funding from the EU mobilises national funds through the co-funding requirements, with a total of EUR 1,2 billion since 2007, as can be seen in

Table 5. The high amount in Slovakia is due to that the mapping included ERDF projects, mainly related to e-governance.

Table 5 National co-funding in mapped projects, 2007 to 2013 and 2014 to Q1 2017.

Country	Programming period		Grand Total
	2007-2013	2014-Q1 2017	
Bulgaria	25.975.306	10.777.073	36.752.379
Croatia	3.926.716	37.956.168	41.882.885
Czech Republic	30.415.106	12.481.153	42.896.260
Estonia	2.355.750	5.161.025	7.516.775
Greece	6.964.224	32.239.531	39.203.755
Hungary	-	297.973.352	297.973.352
Italy	144.387.441	51.311.810	195.699.251
Latvia	1.076.558	4.339.426	5.415.984
Lithuania	14.265.940	2.467.838	16.733.778
Malta	2.531.558	0	2.531.558
Poland	70.080.387	7.375.032	77.455.419
Portugal	28.259.658	22.790.197	51.049.855
Romania	39.392.356	19.678.857	59.071.214
Slovakia	305.820.356	2.893.699	308.714.055
Slovenia	10.152.140	18.448.715	28.600.856
Grand Total	685.603.496	525.893.878	1.211.497.374

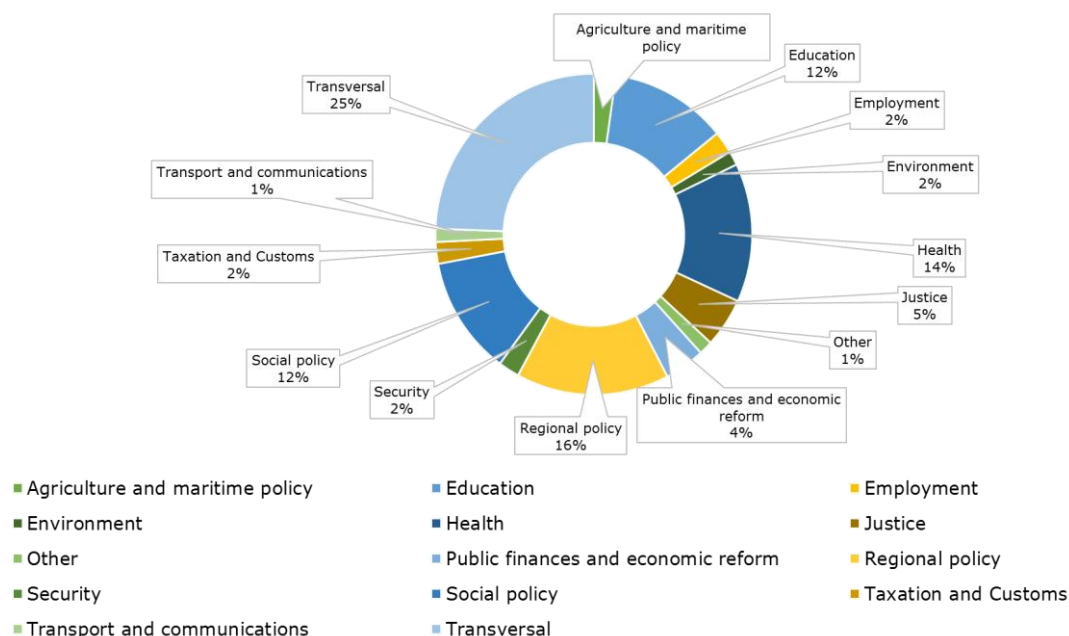
4.3. What policy areas did funding target?

The projects and programmes mapped in Member States were classified according to main policy area targeted by the support. It is important to note that "policy area" stands for sectors in which the beneficiaries are responsible (for example ministries, agencies) and the projects funded concerned capacity building, operation, coordination of the bodies in these sectors. Specific support to development of sector policies and/or operations will generally have been supported through other Thematic Objectives, as relevant.

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Over the period concerned and looking at all forms of support mapped, the highest shares of funding were targeting transversal reforms (30%), followed by transport and communications (23%), agriculture and maritime policy¹² (14%), and education (11%)¹³.

Figure 1 Funding allocated by policy area, all donors 1996 to Q1 2017

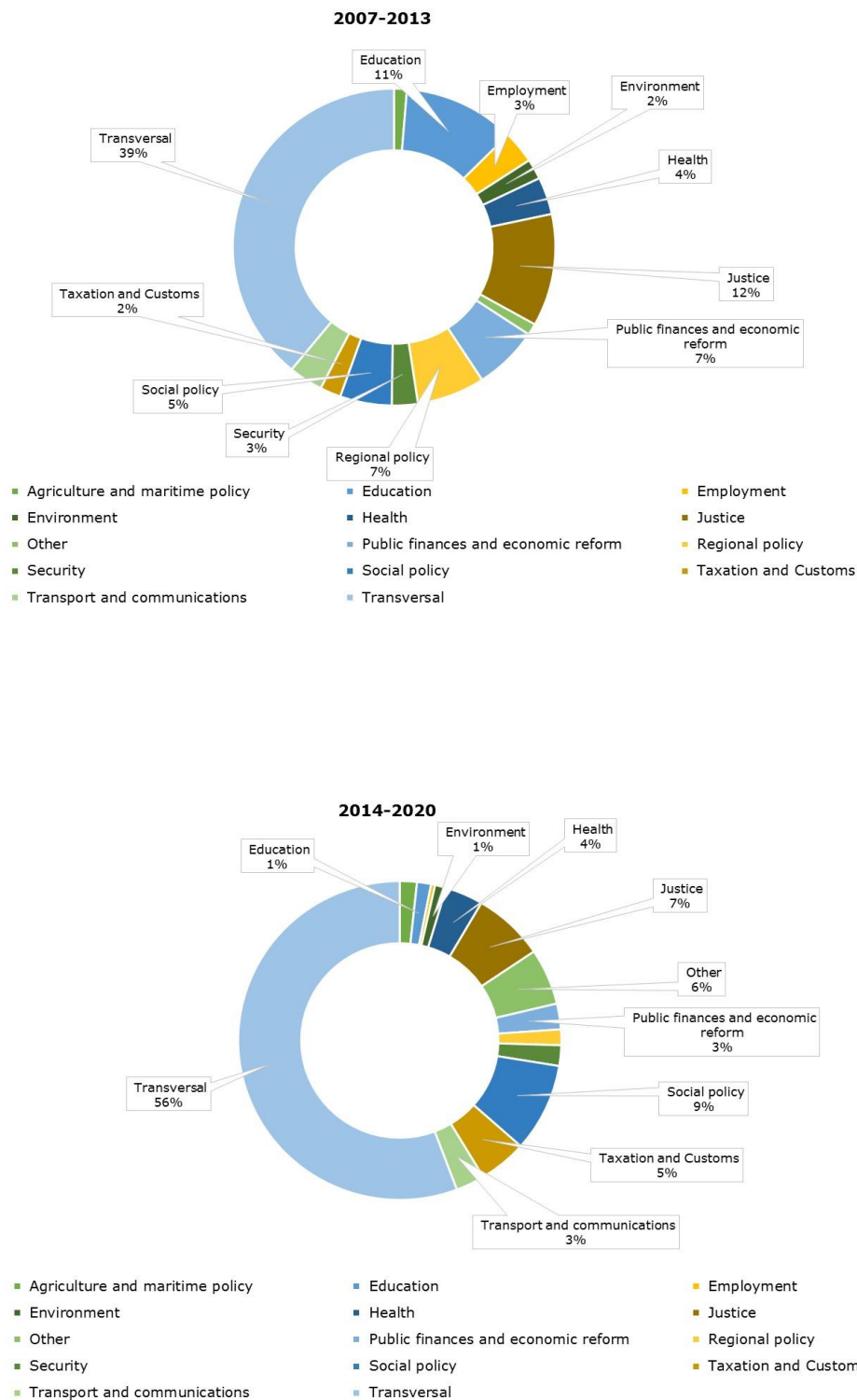


As with the other figures covering the entire period, the completeness of the mapped projects (other than ESF and ESIF) is uncertain. When looking at what was supported per programming period and only for ESF and ESIF, the picture is a bit more in line with what could be expected. It is interesting to note a significant increase in projects targeting transversal areas, in the current programming period compared to the previous (2007 to 2013).

¹² Romania received two World Bank loans in 1996 to 2006 period, Agriculture Sector Adjustment Loan - Agricultural Pollution Control GEF Project, of app. EUR 1,2 billion, which explains the high share in this area.

¹³ Projects with no clear focus area were classified as other or left blank.

Figure 2 Share of planned funding per policy area, 2007 to 2013 and 2014 to Q1 2017, ESF and ESIF

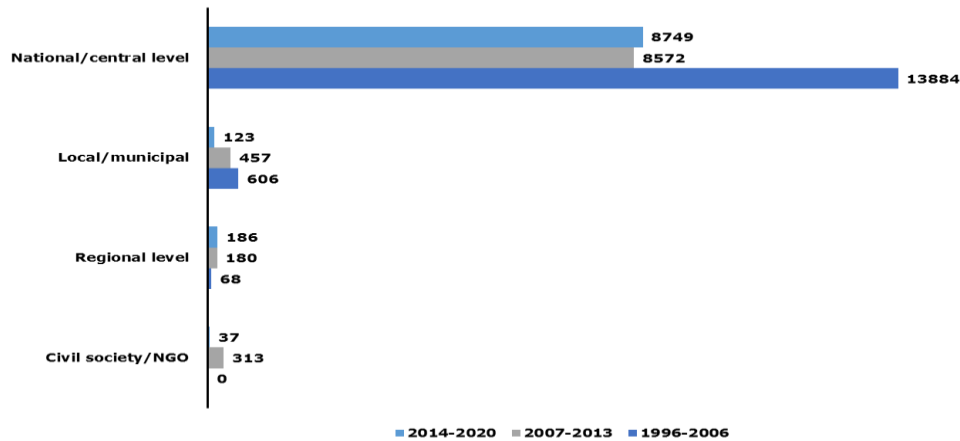


The mapped projects from ESF show an increased share of funding allocated to projects with a transversal focus already in the first half of the current programming period (projects included with a funding decision up to cut-off date end March 2017).

4.4. Who received the support?

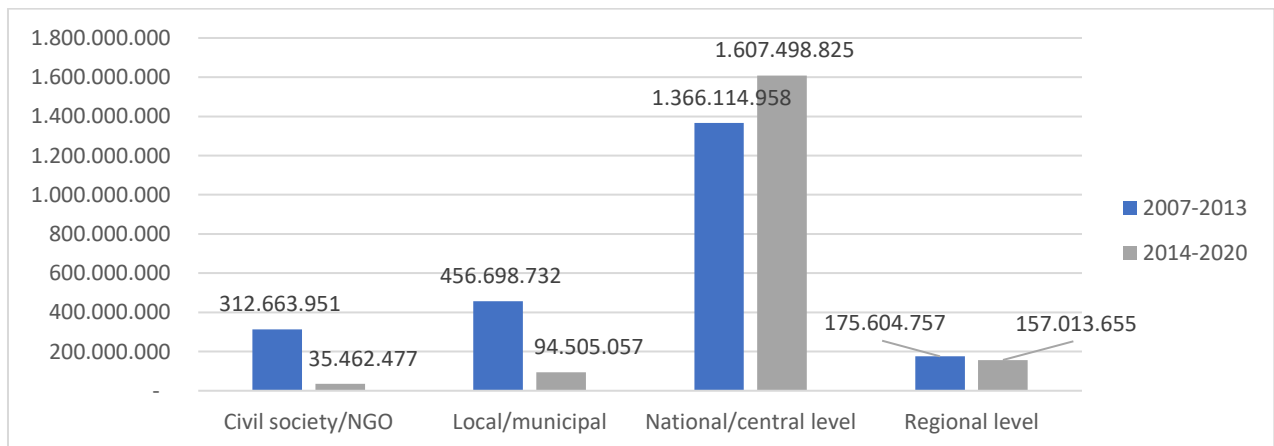
In the mapping of projects, experts were required to register the name of the beneficiary and indicate the type of beneficiary, e.g. if the project was anchored at national, regional or local level administration or if it targeted civil society. The aggregated results give a picture of who benefits from the external funding in the Member States, as shown in Figure 3 Planned amount by beneficiary, all periods and all donors, MEUR. National level beneficiaries clearly dominate, which is logical given that many of the core government functions targeted by the external support are the responsibility of the central levels.

Figure 3 Planned amount by beneficiary, all periods and all donors, MEUR



Looking at only ESF/ESIF funding, the picture is similar, with the largest share of funding being allocated national/central level. In the first half of the current programming period it appears that the support to local level and municipalities as well as civil society has decreased since 2007 to 2013. However, at the time of the mapping it was still early in implementation in several countries, and hence the situation may change still.

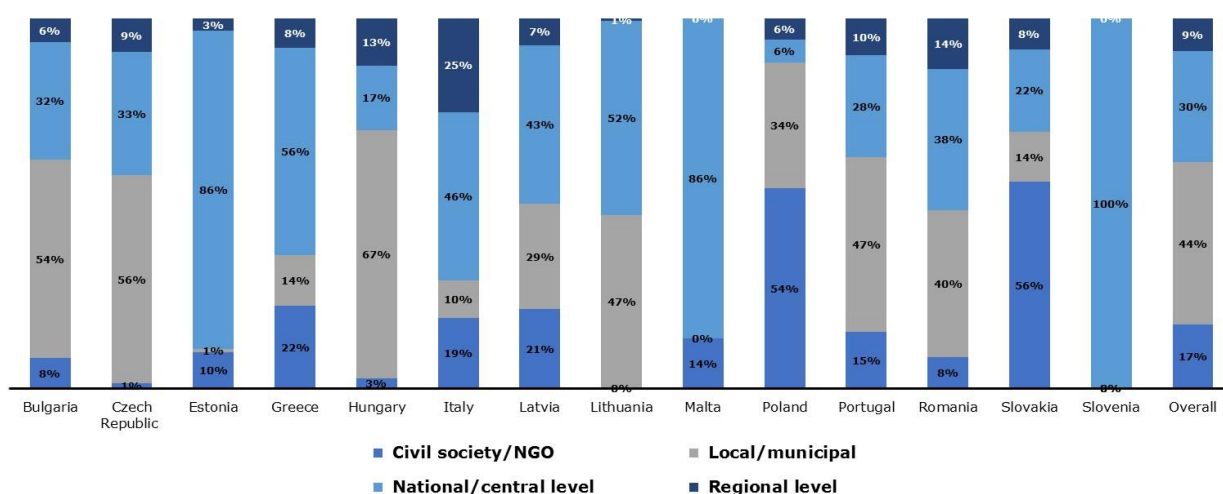
Figure 4 Planned funding by type of beneficiary, ESF funding and national co-funding, EUR



It is also relevant to note that in terms of number of projects, local and municipal level has the highest number of projects. With only minor share of the allocated budget in the mapped projects, local and municipal administrations carried out over 3000 projects in 2007 to 2013. Figure 5 show the share of projects per type of beneficiary in the period 2007 to 2013.

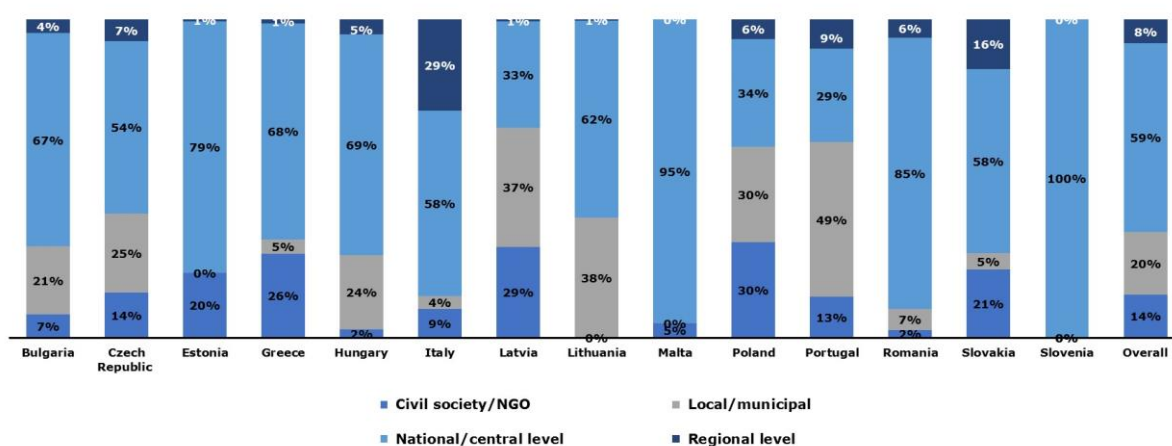
Bulgaria, Czech Republic, Hungary, Lithuania and Portugal had a high number of projects with local/municipal level beneficiaries. In the Task 1 synthesis report the local level in these countries were found to have competences primarily in delivery and service provision, and for some of them also funding and regulatory enforcement. In Lithuania and Hungary, the local level also has (some) legislative competence. However, several Member States where service delivery is a local level competence had a low share of projects by local/municipal level, notably Greece, Italy (however Italy has the largest share of regional beneficiaries which corresponds well to the distribution of competencies) and Slovakia.

Figure 5 Share of projects by type of beneficiary (number of projects) 2007 to 2013



The share in planned amount was considerably smaller in all Member States except Portugal, where the share in amount and number of projects was almost identical. It also interesting to note that the share in amount was higher in some countries, such as Latvia, indicating that certain countries implemented sizeable projects with local and municipal beneficiaries.

Figure 6 Share of planned funding by type of beneficiary, 2007 to 2013



4.5. What was supported through the EU funds?

The figures presented up to here have been based on all mapped projects which, with the caveats mentioned earlier about missing information, should provide a complete picture of ESF financial support to public administration reform and institutional capacity building.

In the following sections the information is based on a sample of projects from each Member State. The projects selected were typologised further in terms of the themes supported, what type of support was provided and what the focus of support was. The sample was drawn mainly from ESF projects, in the previous and current programming period.

A total of 1384 ESF and ESIF projects were mapped in the sample, 871 from the period 2007 to 2013 and 513 in the current period (cut-off date end March 2017). In share of amounts, this represents 56% of the value of all mapped projects in 2007 to 2013, and 79% in 2014 to 2020.

While the typologies for 2007 to 2013 may be difficult to generalise from, it is likely that the complementary mapping of 2014 to 2020 projects provides a fairly complete picture of investments up until March 2017.

Figure show the share of amounts of support by themes in 2007 to 2013. The largest shares were clearly directed towards Training (25%) and Service delivery (20%) respectively, followed by Organisation and Management of Government (14%), Digitalisation (14%) and Policy making (9%). Other themes received less support according to the mapping.

Figure 7 EU support by theme, 2007 to 2013

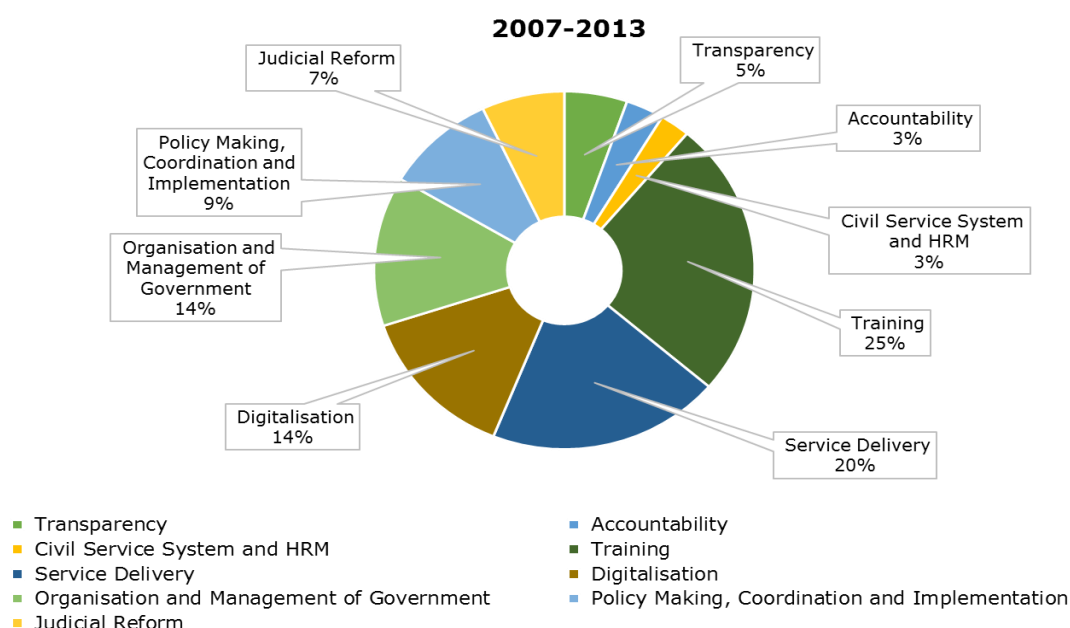
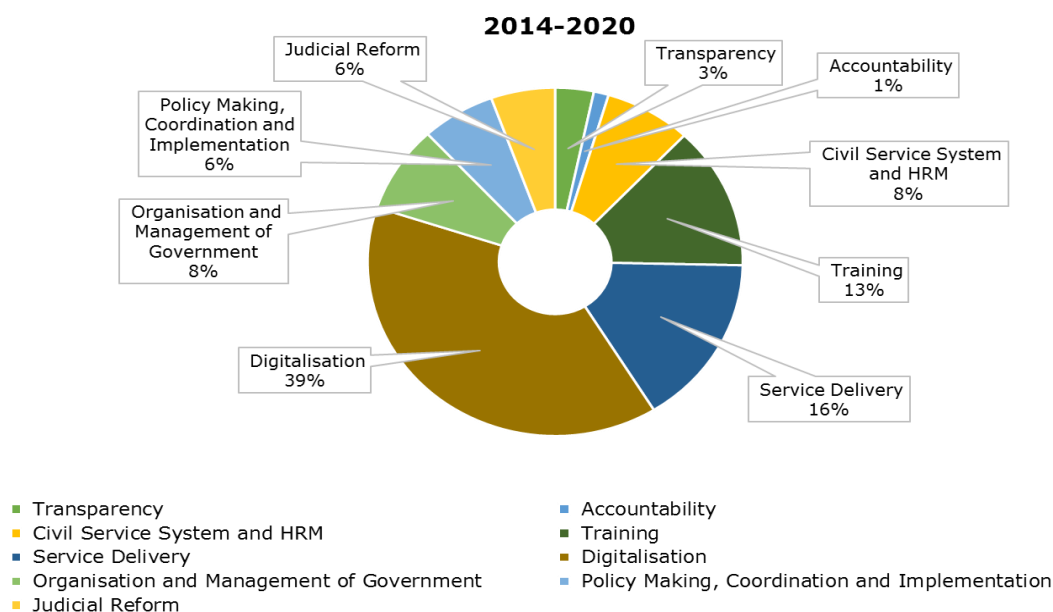


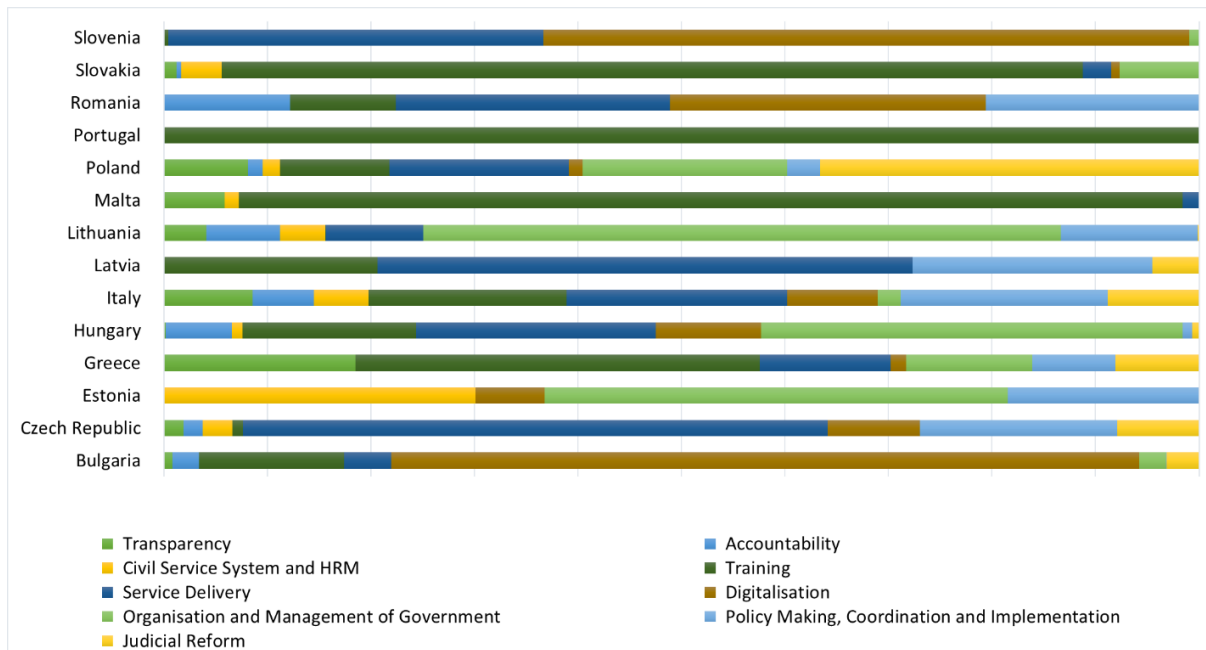
Figure 8 EU support by theme, 2014 to Q1 2017



In the first half of the current programming period, Digitalisation (39%) has been prioritised, as shown in Figure . Training and Service delivery were less prominent themes of the mapped projects, while other themes appear to be stable. It can be noted that transparency and accountability are still the “smallest” themes in terms of share of external funding.

When looking at the sampled projects per country, there are some distinct differences in how Member States have implemented the funds available. The sampled projects in Portugal, Slovakia and Malta, have almost exclusively invested in training projects within civil service, while sampled projects in Bulgaria and Slovenia invested strongly in Digitalisation. A large share of sampled projects in Lithuania and Estonia was targeting Organisation and Management of Government, while service delivery was a prevalent theme in Slovenia, Romania, Latvia and the Czech Republic.

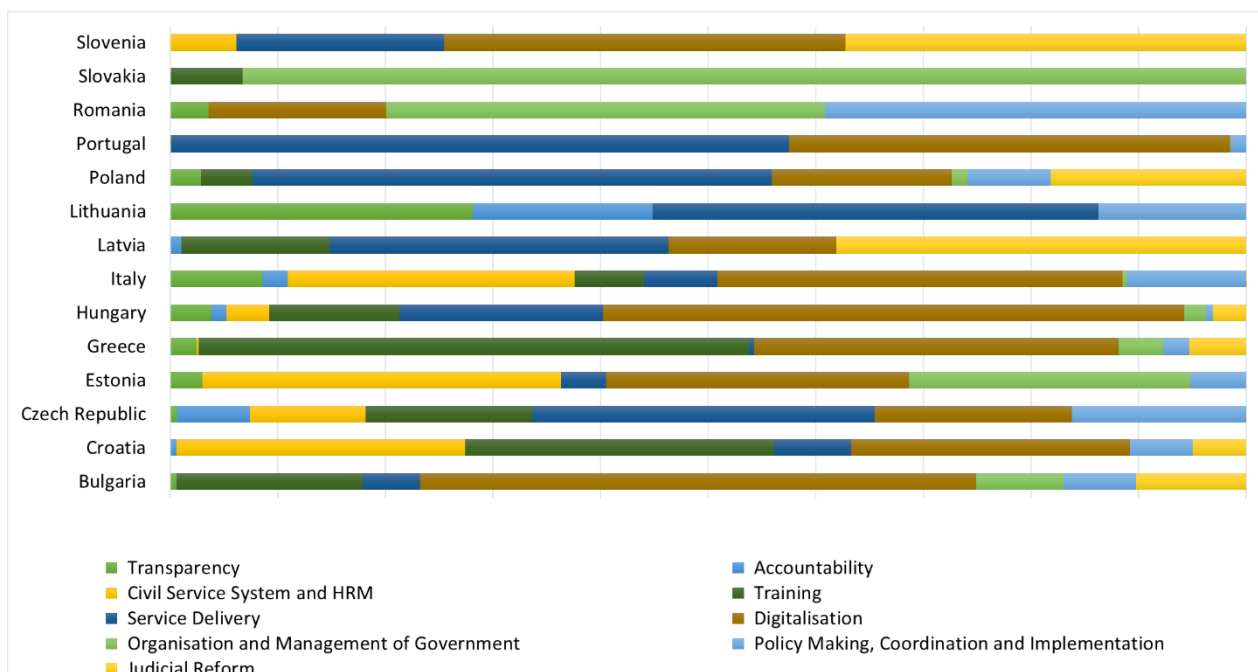
Figure 9 Themes of sampled projects per Member State 2007 to 2013



Member States which appear to have had the most “diverse” investments in 2007 to 2013 include Romania, Poland, Italy, Hungary and Greece.

Based on the sampled projects, the themes in the current programming period (cut-off date end March 2017) appear to be more homogeneous, with a higher concentration on fewer themes in many countries. Training seems to have been less prioritised, and Digitalisation is a recurrent theme in almost all Member States, along with Service delivery. Transparency and accountability is a strong focus in Lithuania whereas in other Member States less so.

Figure 10 Themes of sampled projects per Member State 2014 to 2017 (cut-off date end March 2017)

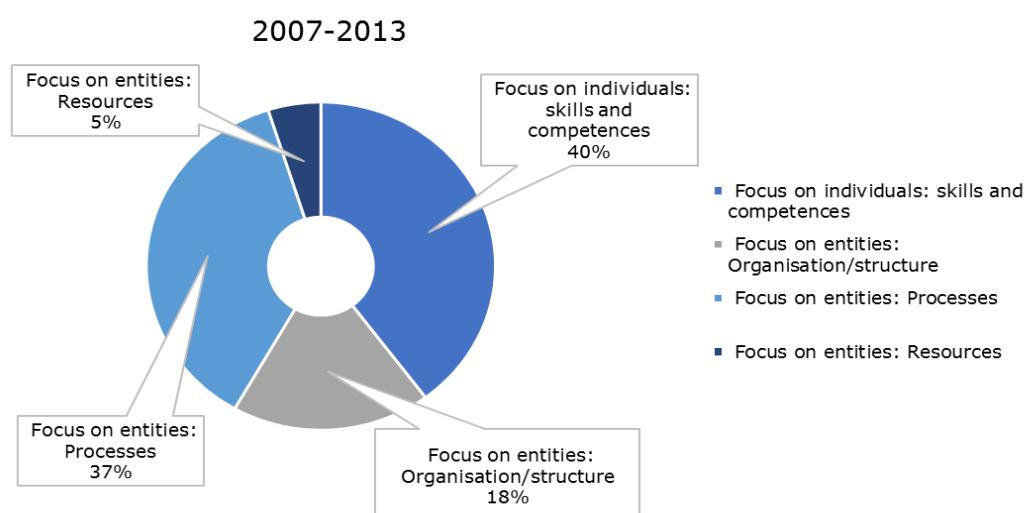


4.6. What was the focus¹⁴ of the support?

The sampled projects indicate that in both programming periods institutional capacity building was the focus, with approximately 60% of the planned amounts, followed by organisational change (30%) and finally technical assistance a minor part at around 10%.

Looking more in-depth into what was in focus, the mapping of sampled projects show that a strong focus was put on Individuals: skills and competences. As can be seen in Figure this was the primary focus for 40 % of the projects mapped in the sample, followed by a focus on Entities: processes at 37%.

Figure 11 Share of support allocated per primary component of capacity building, 2007 to 2013

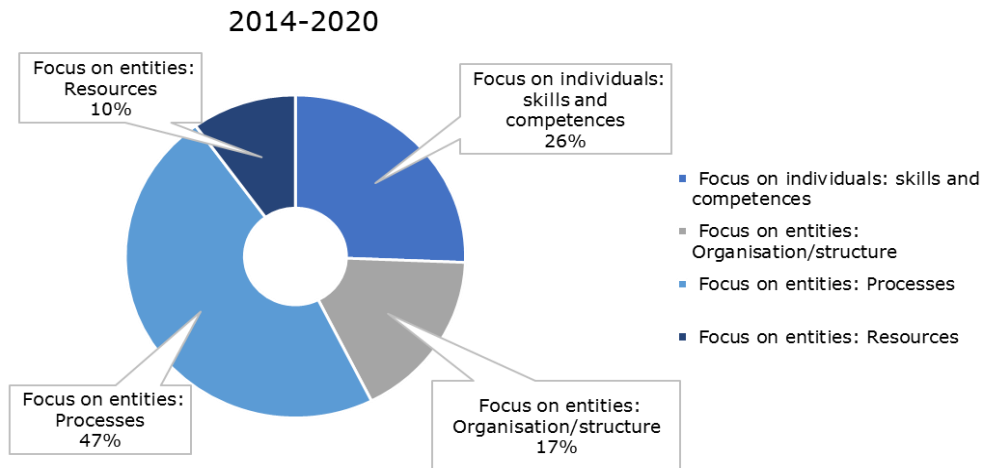


In the current period, the projects mapped as a part of the sample show a stronger focus primarily on Entities: processes (48%), with less focus on Individuals: skills and competencies (26%).

¹⁴ The focus of support was mapped at two levels.

1. Objective/rational of project: Technical Assistance – support to perform key functions (for example, ensure delivery of induction training, cover operational costs, etc.); Institutional Capacity Building – add new or develop existing functions, changing something (develop new training curricula, create analytical capacity within an existing organisation, etc.); Organisational Change – restructuring, redesign of responsibilities etc. at an institutional level (reorganize service delivery, create one stop shops, introduce quality management, etc)
2. By components of capacity building.: Categories include: Focus on individuals (skills and competencies) and Focus on entities (Processes, Organisation/structure / Resources)

Figure 5 Share of support per primary component of capacity building, 2014 to 2020



Looking at the sampled projects per Member State, several countries made a shift from a focus on individuals, towards a stronger focus on entities: processes.

Figure 6 Primary focus of support, 2007 to 2013 and 2014 to 2020 (until end March 2017)

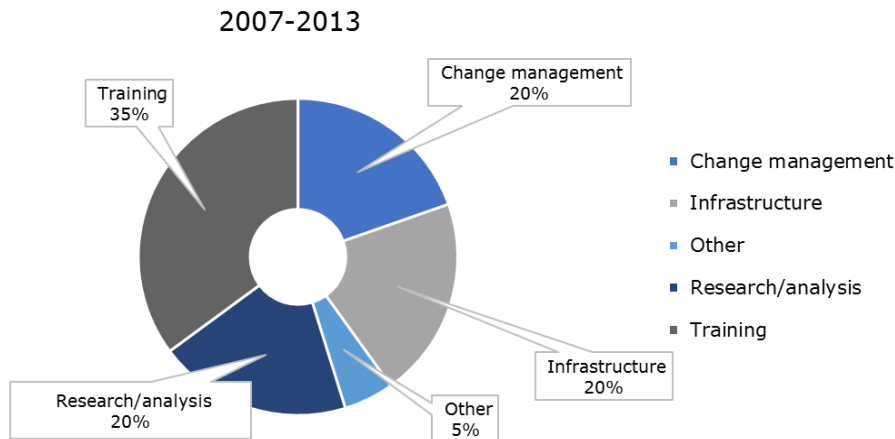


Overall, the mapping of sampled projects indicated a shift from training of individuals, towards a focus on entities and organisations, through systems and processes. It should however be kept in mind that the current programming period was still in early implementation at the time of the mapping, and the results can therefore not be generalised to the whole programming period.

4.7. What type of support¹⁵ was funded?

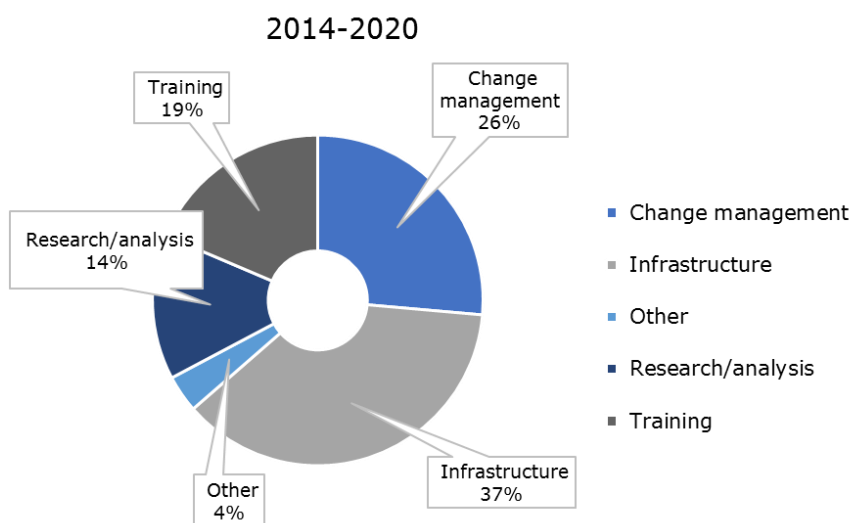
Looking further into what was funded by ESF in 2007 to 2013, the sampled projects showed that training accounted for 35%, with change management, and research and infrastructure with equal investments at 20%.

Figure 7 Share of funds allocated per primary type of support, 2007 to 2013



This picture has changed slightly in the current programming period, with a higher share being invested in infrastructure (37%) and change management (26%) and less in training (19%), up to the cut-off date end March 2017.

Figure 15 Share of funds allocated per primary type of support, 2014-Q1 2017



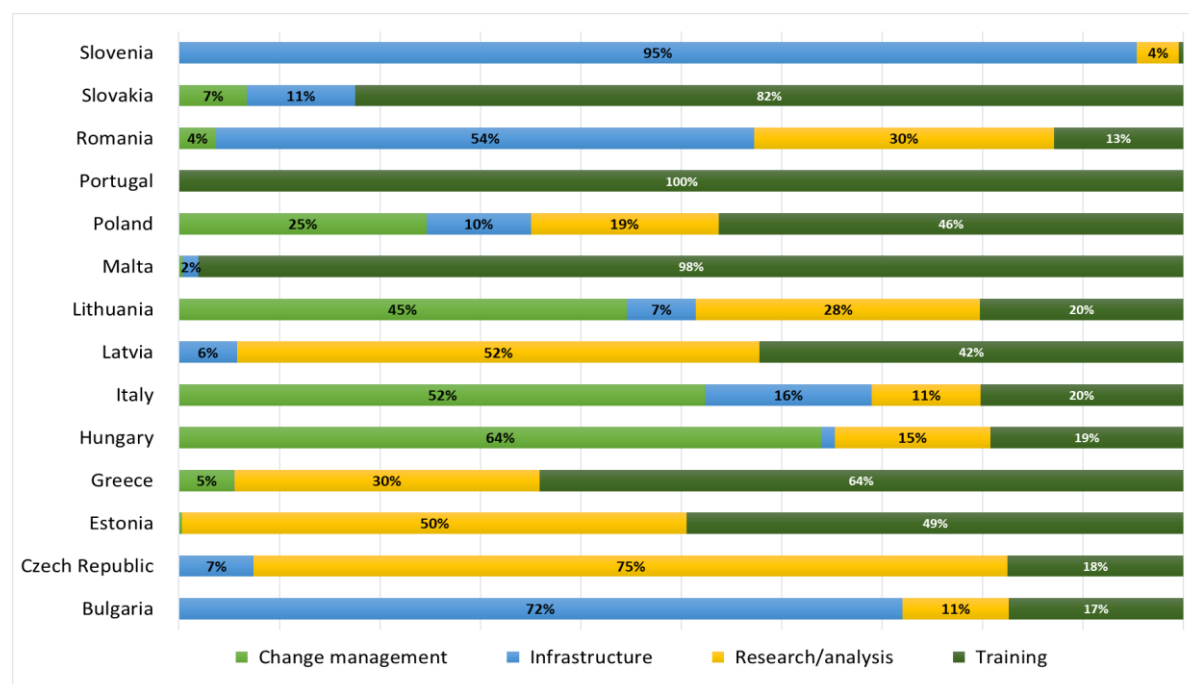
¹⁵ Projects were categorised by type of activity, e.g Training; Research/analysis; Change management; Infrastructure (IT-systems, localities etc.); Other

Role and effect of external support to Public Administration

This can be seen to be in line with the increasing prominence of Digitalisation as a theme, which consequently also includes Infrastructure. A look into the projects appears to confirm this, as many concern the development and implementation of IT systems.

Looking at the sampled projects by Member State, a rather broad array of approaches was applied in 2007 to 2013.

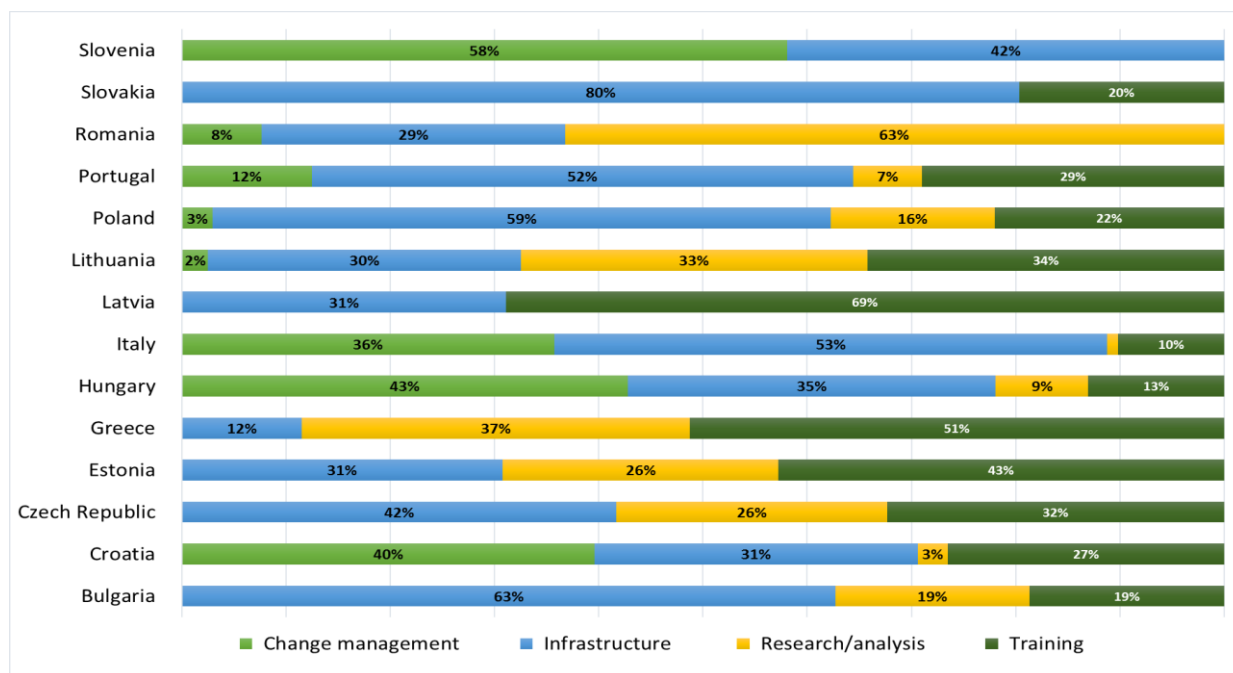
Figure 8 Primary type of support in mapped projects per Member State 2007 to 2013



Infrastructure (mainly different types of IT systems, software etc. either new or development and improvement of existing) accounted for a large share of the mapped projects in Bulgaria and Romania, while in other countries this was only a small share (or nothing). Training was prevalent in all Member States to a varying degree, as was research and analysis. Change management was a strong focus in Lithuania, Italy and Hungary.

In the 2014 to 2020 period (until cut-off date end March 2017), the biggest change in most countries is a higher share of investments in Infrastructure (IT systems and software). Several Member State also appear to combine infrastructure and training as the main type of support. The amounts allocated to research and analysis have decreased in most Member States (except Romania and Greece) so far in the programming period.

Figure 9 Primary type of support in mapped projects per Member State 2014 to Q1 2017



5. COHERENCE BETWEEN EU POLICIES AND NATIONAL POLICIES

This section aims to analyse and synthesise the country research in relation to the coherence and complementarity between EU policies and national policies, and to what extent the EU policy and funding was aligned and supported national priorities.

In 2007-2013 the Operational Programmes (OPs) were considered as strategic documents and had to demonstrate the link to the Lisbon strategy and the national policies. Due to this a national strategic framework for PAR was not required. The programmes had to contain a detailed analysis of the needs, SWOT and justification of the selected priorities.

The tables below show assessment of linkages between reform initiatives per theme, CSRs/national priorities and the extent of ESF contribution. The Member States are listed when the reform initiative was of high importance, and when ESF to a large extent¹⁶ contributed to the reform initiatives. Countries figuring in **bold** have reform initiatives which are of high importance AND with a high extent of contribution from ESF.

¹⁶ To a large extent – specifically mentioned in programming + significant financial contribution to theme (as evidenced by mapping of sectors/themes); To some extent – specifically mentioned in programming + some financial contribution (as evidenced by mapping of sectors/themes); To small extent – mentioned in programming OR some financial contribution; Not at all – no mention/financial contribution

Table 6 Links between the main reform initiatives and ESF support 2007-2013

	Member States with reform initiatives in area	Member State where mentioned high importance country-specific recommendations or key government priorities	Member States with high extent of contribution of ESF support for the implementation of the reform initiatives
<i>Transparency & Accountability</i>			
	LT, HU, BG , EE, LV, MT, PL, PT, SK, IT	BG , EE, LV, MT, PL, PT, SK, IT	BG
<i>Civil Service & HRM</i>			
	LT, HU, CZ, BG , EE, LV , MT, PL, PT, RO, SK, IT	LT, HU, CZ, BG , LV, MT, PT, RO, IT	LT, HU, CZ, BG , EE, LV, PL, PT, RO, SK, IT
<i>Service Delivery & Digitalisation</i>			
	LT, HU, CZ, BG , EE, LV, MT, PL, PT, RO, SI, SK, IT	LT, HU, CZ, BG , LV, MT, PL, PT, RO, SI, SK, IT	LT, HU, CZ, BG, PL, PT, SI, IT
<i>Organisation & Management of Government</i>			
	LT , HU, CZ, BG, EE , LV, MT, PL, PT, RO, SK, IT	LT, BG, EE , MT, PL, PT, RO, SK, IT	LT, HU, BG, EE, PL, RO, IT
<i>Policy Making, Coordination & Implementation</i>			
	LT, HU, CZ, BG , EE, LV , MT, PL, PT, SK, IT	LT, HU, CZ, BG, LV , MT, PL, PT, SK, IT	CZ, BG, EE, LV, PL

In 2014-2020 the operational programmes were required to be focused on results. A strong link with the Country Specific Recommendations (CSR) from the European Semester had to be demonstrated and each operational programme explains how it responds to CSRs and justifies the selected objectives and expected results. The ex-ante conditionality for TO 11 (ExAC) was intended to provide the link with national strategic framework which was required to benefit from ESI funding.

The tables below show assessment of linkages between reform initiatives per theme, CSRs/national priorities and the extent of ESF contribution. The Member States are listed when the reform initiative was of high importance, and when ESF to a large extent¹⁷ contributed to the reform initiatives. Countries figuring in **bold** have reform initiatives which are of high importance AND with a high extent of contribution from ESF.

¹⁷ To a large extent – specifically mentioned in programming + significant financial contribution to theme (as evidenced by mapping of sectors/themes); To some extent – specifically mentioned in programming + some financial contribution (as evidenced by mapping of sectors/themes); To small extent – mentioned in programming OR some financial contribution; Not at all – no mention/financial contribution

Table 7 Links between the main reform initiatives and ESF support 2014-Q1 2017

	Member States with reform initiatives in area	Member State where high importance country-specific recommendations or key government priorities	Member States with high extent of contribution of ESF support for the implementation of the reform initiatives
<i>Transparency & Accountability</i>			
	LT, HU, IT, BG, EE, MT, PT, RO, SI, SK	HU, IT, BG, EE, MT, PT, RO, SI, SK	HU, IT, BG, RO
<i>Civil Service & HRM</i>			
	LT, HU, CZ, IT, BG, EE, LV, MT, PL, PT, RO, SI, SK	LT, HU, CZ, IT, BG, LV, MT, PL, PT, RO, SK	LT, HU, BG, EE, LV, PT, RO
<i>Service Delivery & Digitalisation</i>			
	LT, HU, CZ, IT, BG, EE, , MT, PL, PT, RO, SI, SK	LT, HU, CZ, IT, BG, EE, MT, PL, PT, SI, SK	LT, HU, CZ, IT, BG, EE, PT, SK
<i>Organisation & Management of Government</i>			
	LT, HU, CZ, IT, BG, EE, MT, PL, PT, RO, SI	LT, HU, IT, BG, EE, MT, PL, PT, RO	LT, BG, EE, RO
<i>Policy Making, Coordination & Implementation</i>			
	LT, CZ, IT, BG, MT, PL, PT, RO, SI, SK	LT, CZ, IT, BG, MT, PL, RO, SK	LT, CZ, IT, BG, RO

The analysis of the two programming periods does not provide clear evidence of stronger coherence in the current period in terms of the programming. However, as was mentioned earlier, it does appear that based on mapped projects, a higher concentration is taking place with stronger focus on (fewer) key priority areas. The period on 2007 to 2013 to some extent come across as fragmented, or at least highly inclusive, when looking at the projects implemented, while support in the current period appears more targeted in the first part of the programming period. This is potentially due to the stronger emphasis on enabling environment (strategic framework for PAR) and connection to the CSRs, but can also be a consequence of large ongoing projects being “carried over” and continued or that large scale investments are prioritised and thus implemented quicker.

The country research provided a consistent picture of strong coherence between EU policies and national policies. There are few, if any instances, where EU policies and national policies divert or contradict each other in an obvious manner, differences that may exist are more nuanced and translates into weak reform efforts, stalled or failed reforms, rather than no reforms. Overall, it can be stated that there is a clear coherence between EU support and policy, national priorities and the EU funding. Although the overall process differs between countries, there are few examples of incoherent or conflicting priorities. The defining factor for reforms is the level of political support and the capacity to plan and implement long-term reform initiatives, which are maintained and sustained also when the political focus diminishes or disappears.

6. RESULTS AND LESSONS LEARNED

The following sections sum up on key points from the national research conducted, related to results and lessons learned from the implementation of the EU support to public administration. It also provides a few reflections on a more overall level on the results so far in supporting administrative reforms in Member States.

6.1. Results achieved in key reform areas

A key message for all Member States that received support to public administration reform is that the funding was essential to the implementation of the reforms. While some substitution/replacement effects can be seen, it does not appear to be the norm or general practice.

In terms of results (as in actual improvements/changes) generated by the EU support, the research conducted does not allow for clear-cut conclusions at the EU level (this was not the objective of this study). Funding was key both to “kick-start” and “trigger” reform initiatives, and for more long-term implementation and sustaining reform work, with no specific pattern in terms of dimensions, levels or type of support provided. Expensive reforms related to digitalisation and e-government were to a large extent dependent on the ESF support. While there are some examples of less successful digitalisation projects (for example e-procurement appears to have been difficult to implement¹⁸), many are deemed a necessary development and have been integrated into the service delivery.

Reforms related to accountability, transparency and policy making appear more sensitive and less EU support has been directed towards these areas. While there are some examples of successful reforms within these themes, many have also stalled or are assessed as moderately successful. It may also be that the projects targeting these themes are less resource or cost intensive, compared to for example digitalisation. It should also be kept in mind that digitalisation often contributes to better transparency and accountability, and thus the division into themes may include overlaps or synergies.

The EU funds have also been extensively used for training of civil servants. While the outputs are sometimes impressive, in terms of the number of participants, it is uncertain to what extent the trainings have translated into a stronger and effective public administration. Very few studies have managed to consider effects of the training, for example in Lithuania civil servants have been trained with EU support, of which 57% said they could use their newly acquired competencies at work. This illustrates the difficulty in using training as means of improving efficiency and effectiveness, if the environment, processes and organisational culture is not conducive to change, newly acquired skills may be difficult to implement.

A key lesson, as illustrated by the reform cases, is that the results achieved are highly dependent on contextual factors, political drive and not least strategic planning and long-term vision in the Member State. Where these crucial enabling factors are lacking, reforms tend to stall or shift in priorities, thereby never fully capitalising on the investments made with the EU funds. While these enabling factors are endogenous, the support provided to reforms could possibly benefit from a stronger steering and pre-selection or assessment to avoid money being misspent.

¹⁸ Examples are e-procurement in Czech Republic and support for e-governance in Bulgaria

Another strong finding is that support to public administrations in Member States has predominately been absorbed at national levels, with only a small share going to regional and local levels. While the mandate for reforms and many core functions is located at the national level, the service delivery is often decentralised both to regional and local levels. It can thus be discussed whether the current balance of funding towards different levels are a fair reflection of where actual performance of services to citizens and businesses takes place.

On the same vein, the share of support provided to civil society organisations is also quite small. Even though civil society is not seen as major reform driver, it still has a role to play in terms of accountability, transparency and participation. Financially, civil society organisations are generally rather vulnerable and in sensitive areas they may not attract support from national administrations.

7. MONITORING AND EVALUATION OF PUBLIC ADMINISTRATION REFORMS

The analyses shows that little concerted effort has taken place at the Member State level to monitor reform initiatives. This is valid both for national reforms implemented without EU contribution and reforms implemented with the support of EU funds. While certain reform initiatives/projects may be monitored on a regular basis (mainly implementation monitoring), coherent monitoring across different sectors or policy initiatives appears not to take place.

The monitoring of EU support is mandatory for common indicators stipulated in the legal framework for the funds, mainly in terms of output indicators¹⁹. This is complied with through the monitoring systems of the Managing Authorities. However the indicators are not adapted to PAR support, and say little about progress or changes achieved in projects aimed at improving public administration. The Ex ante conditionalities for TO11 required a monitoring framework to be in place for the national strategic framework for PAR, but in most countries, this seem to exist mainly on paper and not in reality (e.g. no system in place to collect information on indicators, reporting on indicators, no organisation clearly mandate to perform monitoring).

In no country was it possible to find a link between the different levels of monitoring (national, EU support and PAR framework). There is also little evidence of systematic long-term evaluations of reforms taking place, which attempt to assess the impact and effects of reforms, intended and unintended, to draw lessons learned. It appears that successive knowledge generation is not prioritised, and when evaluations take place it is more driven by accountability demands.

While the results orientation of ESF has led to improved monitoring of results in terms of employment and social cohesion, the current system has not been well adapted to TO11 support. For monitoring systems to work well and produce useful information, it needs to be relevant to the objectives of the intervention (e.g. measuring what we want to achieve) and properly integrated in the management cycle. This requires an adapted approach, which is in contrast with harmonised EU level systems and common indicators. This study cannot provide a solution or detailed recommendations to this end, but suggest that emphasis be put on supporting Member States develop, set-up and use proper and useful monitoring systems adapted to their own needs, with only very limited mandatory reporting requirements connected to the funding.

¹⁹ For example, number of persons participating in training. The results indicators are related to people in employment, which are generally not relevant for the TO11 projects.

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