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COMMISSION STAFF WORKING DOCUMENT

**SUPPORTING PUBLIC ADMINISTRATIONS IN EU MEMBER STATES TO
DELIVER REFORMS AND PREPARE FOR THE FUTURE**

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SUPPORTING PUBLIC ADMINISTRATIONS IN EU MEMBER STATES TO DELIVER REFORMS AND PREPARE FOR THE FUTURE

1. Introduction

The EU's institutions and Member States identify, design and implement policies to improve the lives of the 445 million people living in the European Union. This work ranges from overcoming the momentous COVID-19 health crisis to addressing the more long-term challenges of making Europe climate-neutral¹, sustainable² and ready for the next digital decade³. More needs to be done for greater social justice and fairness⁴ and to prepare the EU economies for the future while respecting the specific local needs, reducing geographical disparities (including the growing rural divide) and the problem of ageing and declining populations in different parts of Europe⁵. An unprecedented EU budget of EUR1.8 trillion⁶ has been adopted to achieve the EU's objectives: this includes the 2021-2027 long-term EU budget and the NextGenerationEU recovery package, with tools such as the Recovery and Resilience Facility⁷, the Just Transition Fund, the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU)⁸.

Among the many components of this urgent and important policy agenda, the quality and capability of public administrations of the Member States deserve special attention. Public administrations at national, regional and local level are the ones that deliver crisis response, provide services, implement reforms, manage investments and, more generally, manage public spending to create expected social value. They translate EU law and programmes into concrete actions with long-term effects on economic, social and territorial cohesion, as well as on technological progress⁹. They are responsible for the effective and efficient uptake of the EU Funds. They play a fundamental role in preserving the EU's shared values¹⁰. Quality public institutions are crucial for the EU to

¹ European Commission. European Green Deal and Climate Law, https://ec.europa.eu/clima/policies/eu-climate-action_en

² European Commission. Commission Staff Working Document. Delivering on the UN's Sustainable Development Goals – A comprehensive approach. SWD(2020) 400 final. 2020. Retrieved from: <https://europa.eu/!dp39gq>

³ European Commission. The European Digital Strategy. <https://ec.europa.eu/digital-single-market/en/content/european-digital-strategy>

⁴ Political Guidelines for The Next European Commission 2019-2024, https://ec.europa.eu/info/sites/info/files/political-guidelines-next-commission_en_0.pdf

⁵ President von der Leyen's mission letter to Elisa Ferreira. Retrieved from: <https://europa.eu/!dK84Hp>

⁶ European Commission. The EU Budget. https://ec.europa.eu/info/strategy/eu-budget_en

⁷ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility

⁸ https://ec.europa.eu/regional_policy/en/newsroom/coronavirus-response/react-eu

⁹ Hallerod B, Rothstein B, Nandy S, Daoud A. 'Bad governance and poor children: a comparative analysis of government efficiency and severe child deprivation in 68 low- and middle-income countries', *World Development*, 2013 Aug; 48:19-31.

¹⁰ Enshrined in Article 2 of the Treaty on European Union, Retrieved from: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A12012M%2FTXT>

address the climate crisis and the economic and societal transitions outlined in the UN's Sustainable Development Goals (SDGs). The quality of institutions and the coherent implementation of policies are part of the SDGs themselves (namely SDGs 16 and 17)¹¹. Public administrations are the foundation on which the EU builds its success¹². This foundation needs to be solid if the EU is to be strong.

The quality of public administration in the Member States, however, varies significantly. The Commission's Annual Sustainable Growth Strategy for 2021¹³ highlights the need to further improve the effectiveness of public administrations. As an example, the economic costs associated with failure of national public administrations to implement the environmental acquis alone were estimated at around EUR 50 billion, including costs for infringement cases¹⁴. While some Member States lead world indices for government effectiveness, others need to catch up considerably. The 2008 economic crisis widened this performance gap among Member States. Some of the main weaknesses are linked to the implementation of the necessary reforms and the management of related investments. In some areas, digital services are being rolled out unevenly. Equal access to public services (for example, for elderly people or people who live in remote areas) is still to be ensured. Citizen trust and engagement are sometimes low. Even the best performing public administrations need to continue to adapt to the increasingly complex challenges of a rapidly changing world.

This staff working document is based on the premise that the current moment presents not only profound challenges but also unique opportunities for the administrations. They need to rethink, redesign and redeploy themselves to operate effectively and to prepare for the needs of the next generation in an increasingly complex, interrelated and uncertain environment. Section 2 of the document draws attention to the role of Member States' public administrations as the engine that drives the EU. Section 3 highlights the challenges that lie ahead for public administrations and suggests possible improvements. Sections 4 and 5 present the Commission's initiatives to help EU and neighbourhood countries build better public administrations.

¹¹ The two specific goals are linked to the quality of institutions: SDG 16 is for effective, accountable, and inclusive public institutions, rule of law and peace, and SDG 17 is for partnership, policy coherence and financial, technical and digital means of implementation.

¹² Therefore the efficient implementation of EU legislation is a 'matter of common interest'. TFEU, Article 197, at <https://europa.eu/!vx87bq>.

¹³ European Commission. Communication from the Commission – Annual Sustainable Growth Strategy 2021. 7/9/2020 COM (2020) 575. 2020. Retrieved from: <https://europa.eu/!BF78QB>

¹⁴ European Commission. Communication "Delivering the benefits of EU environmental policies through a regular Environmental Implementation Review". <https://europa.eu/!JV38BG>

2. Public administrations as a foundation for EU success

National, regional and local public administrations in the Member States are the direct interface between the EU and the citizens. They are the main drivers of social trust in national and EU policies. Reducing the time spent to get a certificate, or upgrading the tools to obtain a document can significantly improve people's lives and the success of existing and potential new businesses in the European Single Market.

Public administration comprises all organisations of the executive power at central, regional and local level involved in the design, regulation or enforcement of public policies. It is governed by special rules for recruitment, functioning and accountability.

The Commission looks at the following key aspects of public administration:

- Policy planning, policy coordination and policy development
- Civil service and human resource management
- Accountability
- Service delivery
- Public financial management.

2.1. Good public administration enables economic prosperity

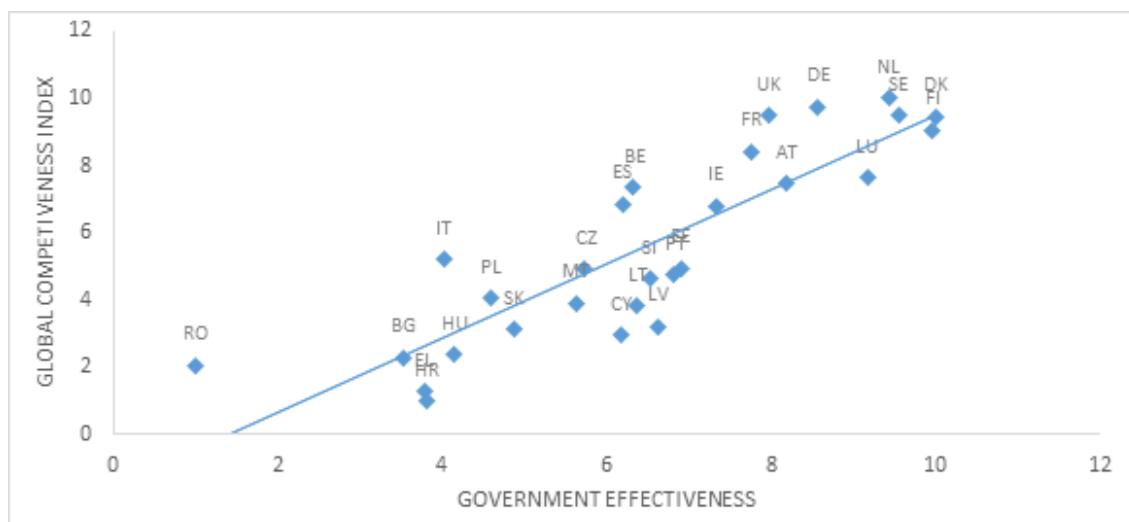
The quality of public administrations is a defining factor for the **competitiveness** of Member States, and therefore, of the EU as a whole (Chart 1). Differences in the quality of institutions across countries helps explain differences in income per capita. Countries with stronger institutions are able to specialise in high value added sectors that are more reliant on innovation¹⁵, to raise more fiscal revenues, and to design and implement more effective reforms and investment projects¹⁶. They are in a better position to provide social safety nets¹⁷ and implement comprehensive, context-specific strategies for regional development.

¹⁵ F. Silve and A. Plekhanov (2018) "Institutions, innovation and growth: Evidence from industry data", *Economics of Transition*, Vol. 26, pp. 335-362.

¹⁶ EBRD. Transition report 2019-2020. Better governance, better economies.

¹⁷ IMF (2019) Fiscal Monitor, April, Washington, DC.

Chart 1. Relationship between good governance and competitiveness, based on World Bank 2019 data



Public administrations at central, regional and local level implement directly about 35% of the EU budget. They manage the public sector, which forms the biggest EU ‘industry’, spending 47%¹⁸ of EU GDP and employing about 25%¹⁹ of the EU workforce. Public investments account for around 3% of EU GDP²⁰. In some Member States, more than 50% of these investments are funded under EU cohesion policy²¹. A large part of these public resources is spent through public procurement (14% of EU GDP²²).

As the use of public procurement favour smaller entities to enter and operate into the market, well-functioning public administrations can therefore help the 25 million active businesses in the EU, with 99.8% of them classified as SMEs²³, to thrive and provide

¹⁸ During the crisis, the share of general government expenditure increased to 49.7% and since then has returned to pre-crisis levels. Eurostat. See: <https://europa.eu/!jV97WD>

¹⁹ Data from the 2015 European Working Condition Survey. In 2010, the public sector represented 30% of the European workforce. The results from the 2020 survey will be published in 2021. EUROFOUND, European Working Condition Survey.

²⁰ Eurostat. General Government Gross Fixed Capital Formation.

²¹ European Commission. European Structural and Investment Funds. Percentage of cohesion policy funding in public investments per Member State 2015-2017. Retrieved from: <https://europa.eu/!dW94Nr>

²² Globally, public contracting represents the world’s largest market amounting to \$13 trillion of spending every year. See: <https://www.open-contracting.org/what-is-open-contracting/#:~:text=Open%20contracting%20is%20about%20publishing,fix%20problems%20and%20deliver%20results>

²³ Eurostat. Structural Business Statistics. Own Calculations based on Eurostat. Online codes BD_9BD_SZ_CL_R2 and SBS_SC_SCA_R2. Note: In fact, 94.3% of active businesses are micro enterprises (Businesses with 10 or fewer employees)

stable employment for individuals. Public administrations play a key role²⁴ for the proper functioning of **the Single Market** and amplify the effect of **its four freedoms** (free movement of people, businesses, capital and services) by increasing business and consumers' confidence, encouraging innovation and attracting (foreign) investments. Improved **tax collection and revenue management** can contribute to a higher social acceptance of taxation, reduced compliance costs for individuals and business (reduced red tape) and improved public administrations' financial capacity to implement reforms and ensure the delivery of services.

Future growth will be built on the **green transition**. Public administrations can help to achieve the EU goal of becoming the first climate-neutral bloc in the world and be climate-resilient²⁵ by 2050. They can do so by facilitating the significant EU and national public investments, by supporting economies and societies to adapt to climate change, by addressing climate and environmental risks and by reducing their own environmental impact. Public administrations have a key role for the achievement of the **2030 sustainable agenda**, which is at the heart of EU policies.

Securing the successful **digital transformation** of European economies and public administrations is vital for the future of the EU's social and economic model and, more generally, for its competitiveness. During the COVID-19 pandemic, digital interaction has been the public administration's main (and often the only) communication channel with citizens, enabling it to ensure business continuity. The experiences with COVID-19 have made it possible to identify the existing challenges and pathways for developing a value-based²⁶ digital transformation in Europe now and for the future²⁷.

The Tallinn Declaration and the European Interoperability Framework have paved the way to digital transformation and the implementation of a number of key principles, including the once-only principle²⁸ which allows individuals and businesses to provide information to administrations only once, thus reducing transaction times, costs and errors. The cross-border exchange of documents (birth certificates, diplomas, business certificates, etc.) through the Digital Single Gateway will lower substantially the administrative burden for citizens and will have a significant impact on minimising the carbon footprint²⁹. Similarly, the proposal for an EU Single Window Environment for Customs aims to make it easier for different authorities involved in goods clearance to exchange electronic information submitted by traders. Digitalising tax collection

²⁴ The Commission Communication "Identifying and addressing barriers to the Single Market" COM(2020) 93 final shows the many barriers that still exist – and in too many cases they derive from incorrect or incomplete application at national level already agreed EU legislation

²⁵ https://ec.europa.eu/clima/sites/clima/files/adaptation/what/docs/eu_strategy_2021.pdf

²⁶ Berlin Declaration on Digital Society and Value-Based Digital Government https://ec.europa.eu/isa2/news/eu-member-states-sign-berlin-declaration-digital-society_en

²⁷ European Commission. Joint Research Centre EU Science Hub. (2020) Artificial Intelligence and Digital Transformation: early lessons from the COVID-19 crisis. Retrieved from: <https://europa.eu/!PH67yy>

²⁸ European Commission. Directorate General Communications Networks, Content & Technology. (2017) EU-wide digital Once-Only Principle for citizens and businesses - Policy options and their impacts. Retrieved from: <https://europa.eu/!kX87pr>

²⁹ The Digital Single Gateway will allow public administrations to provide online birth certificates, diplomas, business certificates and other types of permits from 2023.

improves the performance of national tax administrations and reduces in particular the VAT collection gap. The Member States and the Commission have already carried out a considerable amount of work on the electronic systems necessary to make the Customs Union a modern, interconnected and paperless environment. The remaining electronic systems should be deployed across the EU before end 2025. Digital tools such as electronic identification and the electronic signature (and other trust services included under the eIDAS Regulation and the upcoming Commission proposal³⁰) enable individuals and businesses to safely access digital public services across Europe and reduce greenhouse emissions by reducing movements. Web accessibility³¹ increases digital inclusion for persons with disabilities and the elderly and harmonises the internal market for web accessibility products and services, based on common accessibility requirements. Public administrations across Europe are increasingly using new and disruptive technologies, such as artificial intelligence and blockchain. Used in the right way, these new technologies can substantially improve the public sector's efficiency and effectiveness while making public services easier to access and use³².

2.2 Good public administration enables social progress and fairness

Public administrations shape the European social market economy and are enablers of the European Pillar of Social Rights. Their role is to ensure access to quality public services (such as early childhood education and care, social services, health and long-term care, but also water, energy, digital services). Whether income support schemes, such as unemployment benefits and minimum income benefits, reach the people in need depends on the effective administrative organisation and low administrative burden. Issues such as limited interoperability to ensure borderless public services and data flows, complicated administrative processes, lack of common standards and complex interactions between public administrations undermine effective social security coordination across the EU to the detriment of the free movement of people.

Public administrations implement active labour market policies that offer people more job opportunities and reduce the mismatch between jobs and skills. They promote lifelong learning and contribute to better career choices, including through the European skills data space³³, by providing information about labour market trends, workforce skill sets, available education and training offers. Public administrations facilitate EU labour mobility by ensuring equal treatment of citizens under national law, tackling social dumping and undeclared work by sharing social security data. Enforcement bodies such

³⁰ European Council conclusions, 1-2 October 2020. The European Council called the Commission to develop an EU-wide framework for secure public electronic identification (e-ID), including interoperable digital signature, to provide people with control over their online identity and data as well as to ensure access to public private and cross-border digital services. A European Digital Identification proposal is due to be presented by mid-2021.

³¹ Directive (EU) 2016/2102 of the European Parliament and of the Council of 26 October 2016 on the accessibility of the websites and mobile applications of public sector bodies. Retrieved from: <https://ec.europa.eu/digital-single-market/en/web-accessibility>. The Commission supports Member States in the implementation of the Directive and has just launched a review of the Directive's application, due by mid-June 2022. The results will include an analysis of the first monitoring reports Member States have to submit to the Commission in December 2021.

³² Misuraca, Van Noordt (2020) <https://ec.europa.eu/jrc/en/publication/eur-scientific-and-technical-research-reports/ai-watch-artificial-intelligence-public-services>

³³ See European Data Strategy, COM (2020) 66 final.

as labour and social inspectorates play a key role in ensuring respect of labour law and preventing social fraud. They have a key role in addressing the persisting disparities in skills and labour market demands across regions. Conversely, studies³⁴ show that low quality public administration translates into negative perceptions about life and career prospects. It encourages brain drain while making investments in human capital less effective³⁵. The quality of public administrations will be even more important for the proper functioning of the labour market in the future, given the increase in new forms of work and technological opportunities and challenges.

Public administrations can create avenues to bridge the social gap. Through programmes aimed at increasing social inclusion³⁶, digital literacy and the capacity to tackle inequalities, they can decisively help to achieve social cohesion³⁷. In the context of the digital transformation of public services, public administrations are responsible for ensuring all citizens quality, proximity and equal and easy access to public services. The COVID-19 pandemic has shown how differences in access to information technology and its use can disrupt access to services and deepen inequalities and social divisions. Tackling the digital divide is even more important, given the historic shift in using digital technologies in work, education, communication and public services, as well as the existing discrepancies in access to broadband internet and digital skills.

The impact of the COVID-19 crisis calls for the design of even stronger poverty-proof policies and the promotion of social entrepreneurship. Reaching out to more vulnerable groups of the population often remains a challenge for public services, as addressing their needs requires personal targeted social services delivered by specialised actors. These services act as safety nets and enablers for the most disadvantaged. Collaboration between the public and civil society to create (co-creating) public services improves effectiveness of the interventions for the vulnerable and disadvantaged groups and often generates better outcomes³⁸. The design and delivery of services to that address complex, long-term situations often drives social innovation³⁹.

³⁴ European Research Centre for Anti-corruption and State-building. Public Integrity and Trust in Europe. (2016). Retrieved from: <http://www.againstcorruption.eu/publications/public-integrity-and-trust-in-europe/>

³⁵ International Monetary Fund. Staff Discussion Note. (2016) Emigration and Its Economic Impact on Eastern Europe. SDN/16/07/ Retrieved from: <https://www.imf.org/external/pubs/ft/sdn/2016/sdn1607.pdf>

³⁶ E.g. assistance with family breakdown, debt, unemployment, drug addiction, homelessness, social exclusion linked to long-term health problems or disability, overall protection and welfare for people in vulnerable situations.

³⁷ Eurofound, European Quality of Life Survey, 2016 https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1733en.pdf

³⁸ Such as low income households with children, people with low skills, ethnic minorities, people with a migrant background, people with a disability, elderly people, etc., often facing multiple barriers to social and possibly labour market integration.

³⁹ European Commission (2017). Vision and trends of social innovation for Europe.

3. Making public administrations fit for the present and future challenges

In the past 30 years, public administrations in Europe have undergone continuous modernisation reforms⁴⁰. These have brought improvements in their efficiency and internal organisation, in strategic planning and in the ability to manage by objectives, regulate better and be more open. The quality of results, the focus on citizens, their engagement and trust⁴¹, however, have not advanced as needed in all cases. Furthermore, the profound and unprecedented ongoing transformations - especially the changes in technology, demographics and climate - affect not only society, but the public administrations themselves. They render public management more complex, especially in combination with fiscal constraints. For public administrations, these transformations present both challenges and opportunities and require continuous adaptation⁴².

3.1 Fast technological change

- ***Requires adapting public administrations' working methods.*** Digital technologies affect the way in which every government function is carried out⁴³, from decision-making to delivering services, collecting and managing tax, communicating, managing projects, etc.⁴⁴. Digitalisation goes beyond digitisation and replicating bureaucracy electronically⁴⁵. Digital needs to be at the heart of administrative management as it presents new opportunities for the public administrations to rethink, simplify and streamline not only their working processes⁴⁶, but their purpose⁴⁷. Digital-ready⁴⁸ policy and decision-making requires concrete and

⁴⁰ European Commission (2018). Role and effect of external support to Public Administration. Retrieved from: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8141&furtherPubs=yes>

⁴¹ G Hammerschmid, S van de Walle, R Andres, P Bezès (2016). Public Administration Reforms in Europe: The View from the Top. Edward Elgar.

⁴² Pollitt, Christopher (2016) 'Public management and administration'. Edward Elgar Publishing Limited. UK.

⁴³ See for example: European Commission Directorate-General for Informatics C(2018)7118 final Communication to the Commission "European Commission Digital Strategy. A digitally transformed, user-focused and data-driven Commission", European Commission, Directorate-General for Communications Networks Content and Technology. (2013). A vision for public services. OECD (2019), The Path to Becoming a Data-Driven Public Sector, OECD Digital Government Studies, OECD Publishing, Paris, European Commission Directorate-General for Communications Networks Content and Technology. (2020). Shaping the Digital Transformation in Europe. For more information on how EU Member States stand on digitalisation of public administrations, see: European Commission. The Digital Economy and Society Index (DESI) retrieved from: <https://ec.europa.eu/digital-single-market/en/digital-economy-and-society-index-desi>

⁴⁴ European Commission. Joint Research Centre (2021). Digitranscope: The governance of digitally-transformed society. Retrieved from: <https://europa.eu/!gj38dn>

⁴⁵ Digital Solutions Modernisation plan, launched by Directorate-General for Informatics in 2020, leads this process inside the European Commission.

⁴⁶ In the Berlin Declaration on Digital Society and Value-Based Digital Government, Member States called upon the European Commission to 'Ensure through the Better Regulation framework that policies and legislative acts proposed by the European Commission are digital-ready and interoperable by default.'

⁴⁷ Bourgeon, Jocelyn. (2017) The New Synthesis of Public Administration Fieldbook

coordinated measures to ensure technical, legal and organisational interoperability⁴⁹ across public administrations and countries in Europe. Digitalisation needs to be combined with regulatory simplification and simplification of interaction within and between administrations. The (re-) use of data and the deployment of data-driven novel technologies (artificial intelligence, blockchain, robotic process and automation learning, combined with improved interoperability between different systems for more efficient data sharing across boundaries, actors, and sectors, etc.) or crowdsourced data from citizens (e.g. Citizen Science projects⁵⁰, apps like MendMyStreet) give new opportunities for data-driven analysis⁵¹, for testing models, for prediction, for determining sustainable, digital-ready policy options. Data gathering and extraction should be incorporated into the design of the information systems. Cooperation between administrations, including at different government levels, has to be ensured so that there is sound management of data registers and adequate personal data policies are applied.

- ***Enables the service delivery to be adapted to the needs, rights and preferences of individuals and businesses*** (human-centricity). The “Government as a Platform” approach provides a holistic and easy access to public services. Models like proactive public services (by reusing data, public administrations can provide public services to individuals/businesses without requiring any administrative steps from the individual/business), one-stop-shops (provision of a range of different services in one place), life events (bundling a number of services related to the life of people into one) and e-services (the whole process from the request to the delivery takes place online and the e-services can be delivered via a digital one-stop-shop or ‘single window’) benefit both users and administrations, as they reduce costs and ensure higher trust in the services, thus leading to higher compliance. At the same time, digital service delivery needs to be combined with fair and universal delivery of services that takes into account specific needs (e.g. of people with disabilities or with low digital skills).

The Commission supported a digital transformation project for a department that provided shared payroll services and other services to the public sector. Thanks to the transformation project, the department’s client base successfully increased from 2 million employees in 100 public organisations to 3.3 million employees in 10,000 organisations.

3.2 Demographic changes and skills shortage

Require new approaches to ensure a professional and stable workforce. Due to aging, some Member States will see about a third of their civil service retire in the next 10-15 years. This creates serious risks for the continuity of the service and the performance of the public administration. Political influence may also disrupt a fair selection process. The cuts in the last economic crisis, the extensive use of external expertise and

⁴⁸ For more see: <https://joinup.ec.europa.eu/collection/better-legislation-smoother-implementation/digital-ready-policy-making>

⁴⁹ https://ec.europa.eu/isa2/eif_en

⁵⁰ https://ec.europa.eu/environment/legal/reporting/pdf/best_practices_citizen_science_environmental_monitoring.pdf

⁵¹ For example, Taking the Customs Union to the Next Level: a Plan for Action - COM(2020) 581 final – Action 1

outsourcing of functions, as well as the trend for more generalist types of jobs have often ‘hollowed’⁵² public administrations and deprived them of important knowledge and experience to evaluate policy challenges, develop policy options, manage investments, etc., and have made them more dependent on the private sector. Competition for talent with the latter will intensify, given the diminishing labour force due to aging and the relative lower attractiveness of public administration as a workplace. Changing types of jobs, due to digital transformation, require the existing skills set to be constantly updated. The changing needs of the new generations in the workforce call for major reflections on how to attract and retain talent working for the public sector. Strategic workforce planning and transparent, merit-based recruitment of talent will define the ability of administrations to modernise. Strategies to attract and promote diverse talents to management positions need to be developed and reflected in inclusive selection processes.

The skills and competences of civil servants need to be systematically boosted through specialised training⁵³. There are strong skills needs when it comes to integrating digital technologies in the work processes, including digital accessibility skills, data literacy, or process reengineering, as well as skills for designing green policies, detecting early warnings, introducing innovative policymaking and service design. These include the ability to analyse and plan strategically based on scientific and other specific knowledge and evidence, to work across organisational boundaries and react quickly. In the more open and collaborative environment, all the actors involved need to have sufficient skills: civil servants, politicians, scientists, businesses and citizens. Knowledge exchange, sharing of practice and adapting successful cases from one country, region, and municipality to others - across the entire EU - can increase significantly public administrations’ capabilities.

The Commission provided technical support to introduce strategic human resources management in a Member State’s civil service. Thanks to the a new HR operating model on capacity reallocation and human resources management, public administration is able to focus on strategic workforce planning and talent management.

3.3. The increasing complexity of policy issues

Requires innovative policymaking. For Member States to have balanced development and be ready to face future challenges, there needs to be a whole-of-society approach that builds on rethinking the economic model⁵⁴ and intergenerational fairness and

⁵² For more on the concept see for example Terry, Larry D. “The Thinning of Administrative Institutions in the Hollow State.” *Administration & society* 37.4 (2005): 426–444. Some trends in Europe are presented in EUROFOUND, *ERM Annual Report 2014: Restructuring in the public sector*. Retrieved from <https://europa.eu/!jX93ur>

⁵³ European Commission. Joint Research Centre EU Science Hub. *The Digital Competence Framework 2.0*. Retrieved from: <https://ec.europa.eu/jrc/en/digcomp/digital-competence-framework>. See also Giest, S. (2017). Big data for policymaking: fad or fast track? *Policy Sciences*, 50(3), 367-382.

⁵⁴ European Environment Agency (2021). *Growth without economic growth*. Retrieved from: <https://www.eea.europa.eu/themes/sustainability-transitions/drivers-of-change/growth-without-economic-growth>

solidarity⁵⁵. Sustainable public policy calls for a systemic, long-term approach where administrations pool their resources and expertise to develop common solutions. Such an approach can bring policy coherence for the implementation of the SDGs to reduce economic, social and environmental costs caused by conflicting policies or delayed action, and to avoid being locked into unsustainable practices, while also increasing the credibility of public administration in the eyes of citizens. To ensure sustainable policies, the policymaking needs a legislative process that is better planned, with consolidated strategic planning implemented through better coordination. The formulation of policy is more effective when based on an open process to frame the problems, define the needs, and co-create solutions through social dialogue and public participation, including the engagement of the younger generations for whom the green transition is becoming increasingly important⁵⁶. The flourishing of deliberative democracy initiatives leads to greater inclusiveness of people and ideas, stronger legitimacy, enhanced public trust⁵⁷.

To address the climate-change related challenges or other complex policy issues like COVID-19, new skills and capacities for holistic, evidence-informed and innovative policies and government processes are needed. Strategic foresight helps in designing resilience-enhancing policies by anticipating adverse impacts, outlining structural changes and taking into account relevant megatrends and emerging issues. A systematic consideration of scientific knowledge⁵⁸ enables governments and public administrations, for example, to define and analyse policy challenges from multiple perspectives (e.g. understanding pandemics from public health, social justice, mental health, education, gender, environmental, and other perspectives), and develop a set of policy options based on multi-disciplinary scientific input (e.g. the integration of epidemiological modelling data into macro-economic forecasting). To ensure that scientific knowledge informs public policies and services, robust structures, procedures, and competencies need to be further developed and connected at all levels of public administrations and policymaking (e.g. through networks of science advisors in ministries, government's calls for scientific evidence) and to provide training opportunities in data literacy to policymakers.

Requires innovation to be an integral part of public administrations' operations. Innovative public administrations⁵⁹ can create novel solutions to persistent challenges

⁵⁵ European Commission. A Sustainable Europe by 2030. (2019) Retrieved from: https://ec.europa.eu/commission/publications/reflection-paper-towards-sustainable-europe-2030_en

⁵⁶ European Commission (2019). Understanding our Political Nature: How to put knowledge and reason at the heart of political decision-making. Retrieved from: <https://europa.eu/!fd89JB>; Sucha, V. and Sienkiewicz, M (2020): Science for Policy Handbook. Elsevier. <https://www.sciencedirect.com/book/9780128225967/science-for-policy-handbook>

⁵⁷ See for example OECD (2020), Innovative Citizen Participation and New Democratic Institutions: Catching the Deliberative Wave, OECD Publishing, Paris, Retrieved from <https://doi.org/10.1787/339306da-en>. Or Sgueo, G. (2020). Practices of Democracy. A selection of civic engagement initiatives. EPRS. PE 651.970 Retrieved from [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/651970/EPRS_STU\(2020\)651970_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/651970/EPRS_STU(2020)651970_EN.pdf)

⁵⁸ European Commission (2019). Understanding our Political Nature: How to put knowledge and reason at the heart of political decision-making. Retrieved from: <https://europa.eu/!fd89JB>

⁵⁹ For more, see OECD, A framework for public sector innovation. Retrieved from: <https://www.oecd.org/gov/innovative-government/a-framework-for-public-sector-innovation.htm>

and set new directions to (re)build sustainable and thriving economies. Government innovation strategies should be developed with an inclusive approach to ensure collective ownership and engagement. Citizen involvement (co-creation) can be ensured through several practices that allow for experimentation, prototyping, piloting, testing, and capturing and sharing lessons learnt. Public administrations' internal efforts to innovate go beyond the mere adoption of new technologies and involve deep, systematic organisational transformation in every aspect of work. To promote innovation, they need an open and collaborative organisational culture that works across silos, accepts failure and risk-taking and embeds a mind-set of constant adaptability and staff skills, moving from a culture of certainty to one in which people embrace change.

Requires stronger cooperation between public administrations to solve 'super-wicked problems'⁶⁰. Many problems that public administrations face today, such as climate change, crisis management, addressing the effects of globalisation, cannot be solved by a single administration alone, given the multidimensional structure of the issues. Cooperation among administrations within one country, among Member States but also at international level helps in making the most of the knowledge generated. The common EU legal framework and harmonised implementation, also through the exchange of practices and administrative cooperation, offer Member States' public administrations a valuable opportunity to boost their performance and deliver better outcomes for individuals and businesses. Collaboration between EU institutions, central governments, regions and municipalities helps minimise fragmentation of policies and tackle the competition for financial resources between different governing levels, allowing for reusability of components and addressing problems from a European perspective. In addition, such cooperation reinforces trust in public institutions by delivering efficient services and good policy results. This is particularly visible with the organisation of digital services delivery. Transfer of experience and knowledge could be boosted further with exchange programmes for civil servants, following the example of the Erasmus programme.

Calls for targeted solutions for local authorities. The principle that decisions should be taken as locally as possible is a Treaty principle and its application deserves special attention. Local and regional authorities implement 70% of all EU legislation, 70% of climate mitigation measures, 90% of climate adaptation policies, and 65% of the SDGs⁶¹. They represent one third of public spending and two thirds of public investment and play a crucial role in crisis response or tackling societal challenges. At the same time, they face specific challenges. Most of the modernisation reforms however focus on the central level. While there is a strong trend of decentralising responsibilities to regional and local levels, there is often an imbalance between obligations and resources. Reforms in this regard mostly focus on optimising the overall administrative costs, failing to achieve an equilibrium between standards for policy implementation and service delivery and self-governance on these matters. The capacity

⁶⁰ Peters, B.G. (2017). What is so wicked about wicked problems? A conceptual analysis and a research program. *Policy and Society*, 36(3), pp.385-396.

⁶¹ European Committee of the Regions, Resolution "the Green Deal in partnership with local and regional authorities". Retrieved from: <https://cor.europa.eu/en/Documents/COR-2019-04351-00-00-RES-TRA-EN.pdf>

and capabilities of the regional and local administrations to establish high quality and modern management, based on adequate skills, remains very uneven. Digitalisation often creates tension between defining joint IT solutions for all territorial levels that ensure equal standards for citizens across each country and the autonomy of each region or municipality. In addition, underfunding, especially at local level, leads to a lack of necessary skills and competences for the administrations to perform. Improving multilevel governance, fiscal decentralisation, advancing inter-municipal cooperation and enhancing local and regional finance management are recurrent topics linked to rethinking how the transforming administrative systems can deliver better to society. Other critical aspects that need to be strengthened are planning and investment management, access to and use of scientific knowledge for policy by local authorities, procurement, supervision and audit functions.

Requires greater trust in government and public policies as the level of technological and societal disruption grows. Trust⁶² is at the heart of institutional legitimacy and it is vital for social cohesion. Low trust results in lower compliance with regulations and policies. It undermines reforms and is critical in times of crisis, when the effectiveness of the response depends on public-private cooperation and partnership. High quality services and viable policy outcomes, strong professional integrity, transparency, openness and accountability remain the foundations for building trust in public administrations⁶³. These can be assured by laying down stringent and clear ethics rules as well as reinforced anti-corruption and anti-fraud policies and risk assessments and making broad use of prevention and detection (automated) tools. Public administrations also generate sustained trust through public engagement and social dialogue. Trust is pivotal for the recovery from the COVID-19 crisis and for the transition to the digital age and to a climate-neutral economy.

The Commission provided technical support for the design and set-up of an innovation laboratory in a Member State's administration. The laboratory helped with the design and set-up of a system for identifying and disseminating innovation and assists departments in identifying innovative solutions. This improved the quality of public services and policymaking.

3.4. Green transition and climate adaptation

Requires public administrations to lead the transition to climate neutrality, and mitigate climate and environmental risks through, notably, the regulatory, budgetary, procurement or energy efficiency dimensions. By its very nature as a threat to public good, climate change calls for a collective, coordinated response. Public administrations at the European, central, regional and local levels are key enablers of the transition to a low-carbon economy and, in the longer term, carbon neutrality. They can lead the change through a range of approaches such as sustainable public procurement and

⁶² Public integrity and trust in Europe. European Research Centre for Anti-Corruption and State-Building (ERCAS), Hertie School of Governance. 2016. Retrieved <https://www.againstcorruption.eu/publications/public-integrity-and-trust-in-europe/>

⁶³ OECD (2017a), Trust and Public Policy: How Better Governance Can Help Rebuild Public Trust, OECD Public Governance Reviews, OECD Publishing, Paris, Retrieved from; <https://doi.org/10.1787/9789264268920-en>.

budgeting (i.e. the inclusion of sustainability criteria in procurement and budgeting or ex-ante and ex-post evaluations of environmental - including climate - impacts of budgetary decisions), greening the tax system by shifting the emphasis from labour and income to environmental and climate considerations, the elimination of subsidies to fossil fuels, the adoption of carbon pricing, and using green criteria for digitalisation and digital tools to formulate coherent and sustainable policy options. Moreover, the green transition and climate adaptation require responses specific to regional and local conditions and needs. Robust monitoring⁶⁴, reporting and verification of greenhouse gas emissions, related measures and other climate information is at the core of climate policy and a prerequisite that only public authorities can deliver.

The Commission has been providing support for the monitoring, reporting and assessment of greenhouse gas emissions and efforts to address climate change. The capacity-building provided to Member States helped to identify and share good practices of national policies in relation to climate adaptation and measures that reduce greenhouse gas emissions. The Commission launched the EU Covenant of Mayors, which brings together local governments committed to implement the EU climate and energy objectives, and supports them in the development and implementation of local adaptation strategies.

3.5 Increasing needs to be covered with public finances

Call for improved public financial management. Tackling the increasing number of societal challenges, such as technological adaptation or an ageing population, puts additional pressure on public finances. Sustainability and inter-generational fairness of public finances can be achieved through a better understanding of future challenges and opportunities, including the mitigation of potential risks⁶⁵. Especially during the COVID-19 crisis and the follow-up recovery it is crucial to ensure that the unprecedented public sector spending considers the short and long-term impacts of such expenditures on governments, businesses and individuals. The ever-increasing complexity of public finances and the high focus on investment call for (i) a careful reconciliation of central planning with decentralised spending, (ii) a strategic use of public procurement, and (iii) high quality and comparable information about government assets, liabilities, revenues and expenses, including natural resources and long-term investment⁶⁶. Modern accrual-based financial accounting and reporting facilitates decision-making and makes the use of public money more transparent.

Public administrations need to have adequate financial means to perform well. They should at the same time work on improving their organisation by streamlining the

⁶⁴ The Commission Recommendation on mobilising information and communications technologies to ease the transition to an energy-efficient, low-carbon economy calls upon public administrations to pioneer systemic change across society in this regard. See European Commission, Commission Recommendation of 9 October 2009 on mobilising Information and Communications Technologies to facilitate the transition to an energy-efficient, low-carbon economy, (2013/105/EC)

⁶⁵ European Commission Staff Working Document. (2019). Reporting on the Progress as Regards the European Public Sector Accounting Standards (EPSAS). SWD(2019) 204 final. Retrieved from: https://ec.europa.eu/eurostat/documents/9101903/9823491/EPSAS_Progress_Report_2019.pdf

⁶⁶ For more information on ongoing developments please see: Eurostat. (2020) Updated accounting maturities of EU governments and EPSAS implementation cost. EPSAS WG 20/07rev. Retrieved from: <https://europa.eu/!yp73UD>

existing structures (more consistent and flatter structures, lean management, better allocation of functions between and across levels of government, public entrepreneurship, etc.), using the full potential of digital solutions not only to deliver services but also to fulfil other functions, including policy design and implementation, control and monitoring.

The Commission has provided technical support for the modernisation of the state budget preparation process. Through greater efficiency and transparency of budget planning and spending, the quality of budget preparation and justification by state budget users in seven ministries has improved.

4. The Commission supports Member States in facing the challenges of public administration

To help Member States address the challenges that public administration and Member State governments face, the Commission has developed a wide range of instruments over the years: from strategic and operational analysis to the design and the financing of reforms and investments; from the provision of evidence to advice and guidance from relevant stakeholders, including other Member States.

4.1. Helping to identify issues

The impact of similar changes differs from one administration to another and from one country to another. Finding the most suitable solution implies a thorough analysis of the problems and the specific circumstances. Several EU policy tools and instruments help Member States assess their administrations, also in comparison with other Member States.

The **European Semester** helps detect⁶⁷ the challenges for each country's administrative system. Over the past 10 years, there have been 170 country-specific recommendations encouraging measures in more than 20 countries, notably for (i) a comprehensive administrative modernisation, (ii) better collaboration between levels of government, (iii) better policymaking and improving professionalism of the civil service or (iv) more efficiently applying EU public procurement rules to ensure that the recovery support made available to Member States from the EU budget has maximum impact. Moreover, the investment guidance in the 2019 country reports (Annex D) identified challenges that Member States need to address for the effective delivery of cohesion policy over 2021-2027.

Commission-produced **scoreboards** aim to provide an overview of the performance of Member States' public administrations and help understand the root problems⁶⁸. The

⁶⁷ European Commission (2017). European Semester thematic factsheet on the quality of public administration, <https://europa.eu/!uq74nu>

⁶⁸ The Commission is also advancing its understanding of the root causes and how administrative systems can learn from each other through EUPACK (European public administration country knowledge) project. See: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8123&furtherPubs=yes>

Single Market Scoreboard, for example, looks at the implementation of EU rules in the Single Market and allows comparisons between Member States' performances. It captures aspects of formal and informal cooperation between the Commission and the Member States, administrative cooperation, assistance services to the population and businesses, and highlights specific policy areas such as public procurement. The digital economy and society indicators (DESI) and eGovernment benchmark reports measure digital performance, and in particular the provision of e-services, the possibility to complete e-services online, their user-centricity, the transparency of public administrations, as well as cross-border mobility. The latest addition to these evidence tools is the **indicator-based assessment framework** for public administration⁶⁹. The Commission is developing this framework⁷⁰ with the intention of capturing a public administration's strengths and weaknesses in policymaking, human resources management, service delivery, accountability and public financial management.

The **Single Market Scoreboard** supports the effective governance of the Single Market. The 2020 edition reports that the number of infringements and the delays in complying with Court rulings have increased, while the delays in transposing directives and the rate of incorrectly transposed directives is high. Complex, non-harmonised and unstable legislation discourages investors, making these Member States less competitive. Member States where compliance with existing rules is high are more attractive for investors, as companies look for an environment which is foreseeable and where Union rules are applied.

4.2. Supporting the design and implementation of reforms

If Member States are to have stronger economies and societies and fully benefit from the EU Single Market and the opportunities offered by global markets, they need to create a better environment for businesses, consolidate their healthcare, social and educational systems and become more resilient overall. Reforms are a precondition for sustainable and inclusive growth, since investment alone is not enough to adapt to a rapidly changing world. Reforms, funded by national and/or EU resources, may prove difficult to deploy fully. This can be due, for example, to low administrative capacity or obstacles created by the short-term economic, social or political cost of the changes brought on by reforms. The Technical Support Instrument (TSI)⁷¹ aims to provide tailor-made expertise (technical support) on the ground to help Member States design, develop and implement growth-enhancing reforms in a wide range of policy areas. It covers the whole reform cycle, from identifying reform needs to implementing, monitoring and evaluating the outcomes of such reforms. Through the TSI, the Commission provides expertise on how to carry out reforms, which can take the form of strategic or technical advice, studies to assess the need for a reform or possible

⁶⁹ In December 2018 the Economic Policy Committee mandated the LIME working group to assess a possible benchmarking exercise for public administration. The Commission has presented several proposals so far. The Economic Policy Committee will review the results from the proposed methodology in 2021.

⁷⁰ The framework is inspired by the Principles of Public Administration developed by SIGMA, a joint initiative between the EU and the OECD. The Principles define what well-functioning public governance entails, based on European and international practice. For details see: <http://sigmaweb.org/publications/Methodological-Framework-for-the-Principles-of-Public-Administration-May-2019.pdf>

⁷¹ Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument, OJ L 57, Pages 1-16.

solutions, and training and in-country missions by experts. Under the predecessor of the TSI (the Structural Reform Support programme), the Commission has managed over 1,000 projects in support of all Member States with a budget of EUR 222.8. The TSI amount has been increased fourfold compared to its predecessor to EUR 864.4 million⁷². Support ranges from digitalising the internal operations of public administration and the delivery of public administration services to providing methodologies to better gear public spending towards green or gender issues. A broader spectrum of technical support activities, including multi-country ones, is being developed to meet the changing needs of Member States and their public administrations, which include addressing global challenges such as the digital and green transition.

The **Technical Support Instrument** is supporting Member States to improve the quality of their **SOLVIT** services to citizen. Dispute settlement networks such as SOLVIT help companies and individuals in times of Single Market disruptions. Based on the qualitative assessment published in the online Single Market Scoreboard, a significant number of SOLVIT centres are insufficiently staffed to deal with the ongoing caseload (2019) and deliver the network's more strategic objectives, in line with the 2017 SOLVIT action plan. Whilst national governments should allocate sufficient resources to their SOLVIT centres, the Commission is helping them in strengthening the services provided.

4.3. Providing capacity-building tools

To carry out their functions properly while keeping up with the ongoing changes, public administrations need to strengthen their competences and acquire new ones. For this reason, the Commission has increasingly developed tools to help Member States build their administrative capacity. Through the TSI, the Commission can support Member States in improving the internal organisation of public administrations, ensuring coordination between authorities and developing new skills, such as the ability to implement costing or green-related methodologies.

To help Member States manage and use cohesion policy funds, the Commission has provided (i) a practical toolkit for developing roadmaps for administrative capacity-building⁷³, (ii) a competency framework⁷⁴ accompanied by a self-assessment tool to diagnose the capacity of both staff and administrations, (iii) training sessions for experts⁷⁵, and (iv) other innovative solutions that enable administrations to share experiences and good practices, such as **TAIEX-REGIO Peer2Peer**⁷⁶ and **REGIO Communities of Practitioners**⁷⁷, the **Integrity Pacts**⁷⁸, the **Transnational ESF+**

⁷² European Commission. Technical Support Instrument (TSI). Retrieved from: <https://ec.europa.eu/lgg37mT>

⁷³ European Commission. Roadmap for Administrative Capacity Building - Practical Toolkit. Retrieved from: <https://europa.eu/!yb73Hm>

⁷⁴ https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/competency/

⁷⁵ https://ec.europa.eu/regional_policy/en/information/legislation/guidance/training/#5

⁷⁶ https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/taix-regio-peer-2-peer/

⁷⁷ https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/regio-communities-practitioners/

⁷⁸ https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/integrity-pacts/

Platform⁷⁹, online videos on how to prevent and identify fraud and corruption, and transnational cooperation networks⁸⁰.

The **EU Academy** is a new and growing EU owned online hub providing online training resources on EU matters. In this framework, the Interoperability Academy⁸¹ is an important collection of trainings targeting Member States public administrations such as the European Interoperability Framework and base registries.

The Commission has established the **Network of the first instance public procurement review** bodies for the exchange of the best practices and expertise with the application of the public procurement rules. The Network also contributes to the development of public procurement review indicators, a set of data that helps Member States to measure the effectiveness of their national review systems. Based on the outcomes of the Network's work and identified best practices, the Commission prepares recommendations for the Member States on how to run an efficient remedies system regarding a timely public procurement and hence swift investments of public money.

4.4. Providing (peer-based) guidance

The **Quality of Public Administration Toolbox**⁸² is a summary of Commission knowledge on improving public administration. It captures various dimensions of public administration modernisation and provides practitioners an overview of existing EU policies, some national examples and international standards. The aim is to encourage and inspire countries to address their governance challenges and deliver better results through strategic investments.

The **Environmental Implementation Review**⁸³ is a two-yearly cycle of analysis, dialogue and collaboration, with the publication of country reports and the organisation of discussions between the Commission, Member States and stakeholders. It aims to address the causes of implementation gaps and find solutions before problems become urgent. It supports the implementation of environmental policy and legislation in Member States.

Targeted studies are conducted to map, for instance, the use of technical assistance for administrative capacity-building⁸⁴, the anti-fraud/corruption measures put in place by Member States⁸⁵, the governance issues related to social enterprises⁸⁶ and socially responsible public procurement⁸⁷ and other issues.

⁷⁹ <https://ec.europa.eu/esf/transnationality/>

⁸⁰ <https://ec.europa.eu/esf/transnationality/forums/esf-transnationality>

⁸¹ <https://joinup.ec.europa.eu/collection/digital-skills-public-sector/solution/interoperability-academy>

⁸² <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8055&type=2&furtherPubs=no>

⁸³ https://ec.europa.eu/commission/presscorner/detail/en/IP_19_1934

⁸⁴ https://ec.europa.eu/regional_policy/en/information/publications/studies/2020/the-use-of-technical-assistance-for-administrative-capacity-building-in-the-2014-2020-period

⁸⁵ https://ec.europa.eu/regional_policy/en/information/publications/studies/2019/preventing-fraud-and-corruption-in-the-european-structural-and-investment-funds-taking-stock-of-practices-in-the-eu-member-states

⁸⁶ <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8274>

⁸⁷ <https://op.europa.eu/en/publication-detail/-/publication/e8cf51d0-f632-11ea-991b-01aa75ed71a1>

Furthermore, the Commission has developed a number of **competency frameworks** for specific domains of public administration to guide Member States in developing the capacities they need to implement certain policies. The examples include a competency framework for customs officers (CustCompEU)⁸⁸ and tax officers (TaxComEU), providing a standardised approach to performance development in customs and taxation across the EU, and a competency framework for managing the European Regional Development Fund and the Cohesion Fund⁸⁹. The European Competency Framework for public procurement professionals (ProcurCompEU) aims to develop the procurement profession as a strategic function and to make it fit for future challenges⁹⁰. The Commission has also prepared guidance on socially responsible public procurement⁹¹.

Following the 2013 Climate Adaptation Strategy, the Commission provided **guidance⁹² to the Member States for the national adaptation strategies⁹³**, reporting on national adaptation actions⁹⁴, as well as an adaptation preparedness scoreboard for each Member State on their adaptation preparedness⁹⁵. Based on the 2021 Adaptation Strategy⁹⁶, the Commission will enhance the guidelines on national adaptation strategies in cooperation with Member States. Furthermore, the Commission has adopted an implementing act⁹⁷ setting out the format, detailed content and modalities of the biennial adaptation policy reporting required under the Energy Union Governance Regulation⁹⁸ and the future EU Climate Law⁹⁹.

4.5. Facilitating the exchange of knowledge and experience

Knowledge of the implementation of the EU policies and related practices of other Member States is instrumental in promoting the modernisation of public administration and the services it provides. Access to such information may, however, be difficult, especially for public administrations or countries with fewer financial resources. The Commission therefore provides knowledge services like the **Knowledge4Policy** platform that brings together policymakers and scientists across the EU for evidence-informed policymaking. The Commission knowledge centres¹⁰⁰ support policymaking

⁸⁸ DG TAXUD Competency frameworks for customs and tax professionals: https://ec.europa.eu/taxation_customs/eu-training/taxcompeu-eu-competency-framework-taxation_en, https://ec.europa.eu/taxation_customs/eu-training/eu-customs-competency-framework_en

⁸⁹ <https://europa.eu/!Jv47gb>

⁹⁰ This is a voluntary tool developed and provided by the European Commission (DG Internal Market, Industry, Entrepreneurship and SMEs) to help contracting authorities, public procurement authorities and training organisations identify and address competences that require strengthening. https://ec.europa.eu/info/policies/public-procurement/support-tools-public-buyers_en

⁹¹ <https://op.europa.eu/en/publication-detail/-/publication/e8cf51d0-f632-11ea-991b-01aa75ed71a1>

⁹² <https://www.eea.europa.eu/data-and-maps/figures/status-of-national-adaptation-policy-1>

⁹³ <https://www.eea.europa.eu/data-and-maps/figures/status-of-national-adaptation-policy-1>

⁹⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R1208&from=EN>

⁹⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018SC0460&from=EN>

⁹⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:82:FIN>

⁹⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R1208>

⁹⁸ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AAOJ.L_.2018.328.01.0001.01.ENG

⁹⁹ Depending on the outcome of interinstitutional negotiations on the EU Climate Law.

¹⁰⁰ https://knowledge4policy.ec.europa.eu/home_en and https://knowledge4policy.ec.europa.eu/ai-watch_en

by providing behavioural¹⁰¹ and future-oriented insights¹⁰², or by monitoring the uptake and impact of artificial intelligence in the public sector¹⁰³.

Many mechanisms for the exchange of experience and mutual learning offer tailored sectoral support to public administrations in the Member States, covering areas such as the business environment, regulatory burden, public procurement, the fight against corruption¹⁰⁴, digital government (**eGovernment Action Plan Steering Board**), interoperability (CIO network, Expert Group on Interoperability of European Public Services) and technical regulations on products and information society services (notified by the Member States via the Technical Regulations Information System database)¹⁰⁵. **Joinup.eu** is Europe's collaborative platform on public sector interoperability. The **Innovative Public Services action**¹⁰⁶ provides concrete examples of digitally driven innovation with view to their reuse in an EU wide context.

The Commission has also been encouraging public administration's excellence through the **European Public Sector Awards**¹⁰⁷. The **European Capital of Innovation Awards**¹⁰⁸ reward city-level innovation efforts working with the local innovation ecosystem to co-create sustainable solutions for urban environments and their inhabitants. The European Innovation Council is setting up an 'Innovative Procurement Prize' and a pilot on 'Co-creation between innovative SMEs and public and private buyers of innovations'.

Member States and EFTA countries share knowledge and best practices on digital government in the **eGovernment Action Plan Steering Board**. In addition to their role in overseeing the eGovernment action plan, the Steering Board members cooperate on a number of topics that are of particular interest to them, such as artificial intelligence, data analytics and personal data management. The duration of the eGovernment Action Plan Steering Board has been extended until the end of 2021.

4.6 Providing financial resources

EU funding has been a major tool to address administrative challenges.

In 2021-2026, the **Recovery and Resilience Facility** will provide Member States with financial support to mitigate the economic and social impact of the COVID-19 pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.

¹⁰¹ https://ec.europa.eu/knowledge4policy/behavioural-insights_en

¹⁰² https://ec.europa.eu/knowledge4policy/foresight_en

¹⁰³ https://ec.europa.eu/knowledge4policy/ai-watch/topic/ai-public-sector_en

¹⁰⁴ Observatory for Public Sector Innovation (OPSI). See: <https://oecd-opsi.org/about-observatory-of-public-sector-innovation/>

¹⁰⁵ <https://ec.europa.eu/growth/tools-databases/tris/fr/>

¹⁰⁶ Launched under the former ISA² programme and continued under the Digital Europe Programme. https://ec.europa.eu/isa2/actions/bringing-new-technologies-public-sector_en

¹⁰⁷ Organised by the European Institute for Public Administration; <https://www.eipa.eu/>

¹⁰⁸ Under the Horizon 2020 and its successor programme Horizon Europe.

Member States will design their Recovery and Resilience Plans, which aim to address challenges identified in the country specific recommendations of the European Semester process. Investments and reforms may therefore cover the public administrations as well as other interventions in a wide range of areas. A flagship initiative to ‘modernise’ provides examples of ways public administration could be improved¹⁰⁹. Investments could be targeted towards (i) making these services more tailored based on systematic feedback from the public, (ii) developing better interaction with citizens, (iii) improving the competences of civil servants, (iv) reducing the time of delivery through digitalisation (e.g. using European Digital Identity (eID)), and (v) increasing the interconnection and interoperability between national and European administrations (for example, better data exchange, interpretability between registries and cross-border services).

The **cohesion policy instruments** and sectoral programmes have been helping to build administrations’ specific capacity and improve their management of the funds, as well as better involve stakeholders. In 2007-2013¹¹⁰, the **European Social Fund** provided approximately EUR 2 billion in support to improve the institutional capacity of public authorities in 14 Member States. Smart administration, the development of human capital and the digitalisation of the administration and public services were seen as a fundamental requirement for growth and jobs. In 2014-2020, 14 EU instruments provided some EUR 9 billion in total support for public administration¹¹¹. The implementation of cross-cutting administrative reforms was co-funded by the European Social Fund¹¹². The European Regional Development Fund, FISCALIS 2020, Customs 2020, the LIFE programme and other sector instruments¹¹³ supported targeted capacity building, legislative compliance and enforcement as well as knowledge development. These EU financial resources were a key driver to support administrative reforms in the Member States. Over 2021-2027, cohesion policy funding will continue to provide support for capacity building in policy areas directly linked to the interventions on the ground.

The **Digital Europe programme** supports the digital transformation of public administrations and the delivery of interoperable public services. The **Single Market programme** will support actions that improve the functioning of the Single Market through, among other things, better implementation and enforcement of its rules, by facilitating the delivery of services through the Single Digital Gateway and by helping public buyers to get better value for citizens’ money. The Customs Control Equipment Instrument will allow customs controls to be performed more efficiently and effectively.

The **European Digital Governments ecosystem** (EDGES) under the Digital Europe programme

¹⁰⁹ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en

¹¹⁰ The Council of the European Union. Council Decision on Community strategic guidelines on cohesion (2006/702/EC) For more information, see: <https://europa.eu/!cd74Pk>

¹¹¹ European Parliament. Directorate General for Internal Policies. (2016). Public Sector Reform: How the EU budget is used to encourage it. Retrieved from: <https://europa.eu/!jK33jF>

¹¹² European Commission. Directorate General for Employment, Social Affairs and Inclusion. (2018). Role and effect of external support to Public Administration.

¹¹³ https://ec.europa.eu/regional_policy/sources/docgener/guides/synergy/synergies_beneficiaries.pdf

proposes a bundle of tools and services combining new and continued Commission offers to Member States that include:

- The Common Services Platform (the one-stop-shop for mature solutions servicing digital government)
- implementation of the once-only principle (to be included in the Common Services Platform when mature)
- The Interoperability Knowledge and Support Centre (providing support to Member States in developing interoperability solutions and building skills)
- The GovTech Incubator (piloting new public services using emerging technologies with Member States and involvement of the private sector).

4.7. Promoting research on and innovation in public administration

Horizon 2020 has provided approximately EUR 188.5 million in funding for over 55 research and innovation projects on e-government and digital transformation¹¹⁴, involving over 500 different entities (including universities, research institutes, public administrations, etc.) from across more than 35 different countries (mostly Member States). Its successor, **Horizon Europe**, will continue to support innovation through dedicated actions, especially as regards the green and digital transitions, and the Horizon Europe missions. The **Observatory of Public Sector Innovation** (funded by Horizon 2020, managed by the OECD) investigates how governments innovate internally and facilitates their collaboration and mutual learning on topics of common interest¹¹⁵.

Examples of Horizon 2020 research on public administration

The COCOPS¹¹⁶ project has looked at the effects of and trends in public sector reforms in European public sectors. The ANTICORRP¹¹⁷ project identified general global trends concerning corruption in a select number of ‘over-performing’ and ‘under-performing’ countries

The CITADEL, Co-VAL, and WeGovNow projects¹¹⁸ explored different aspects of communication and collaboration with citizens and civil society in European public administrations at local, regional and national level.

The TOOP, SCOOP4C and DE4A projects¹¹⁹ piloted the once-only principle. The MIICT, REBUILD, NADINE, MICADO, EASYRIGHTS and WELCOME projects¹²⁰ prepared ICT solutions and toolkits, which will allow public administrations to offer services that help to

¹¹⁴ European Commission. ICT-enabled public sector innovation in H2020 SC6 - List of funded projects. Retrieved from: <https://ec.europa.eu/digital-single-market/en/sc6-projects>

¹¹⁵ See: <https://cordis.europa.eu/project/id/870913> and <https://oecd-opsi.org/>

¹¹⁶ For more information on Coordinating for Cohesion in the Public Sector of the Future programme of the European Commission, see: <https://cordis.europa.eu/project/id/266887/reporting>

¹¹⁷ For more information about the ANTICORRP project co-funded by the Seventh Framework Programme for Research and Development of the European Union, see: <http://anticorrrp.eu/>

¹¹⁸ For more information on Horizon 2020-funded projects, see: CITADEL <http://www.citadel-h2020.eu/>; Co-VAL: <https://www.co-val.eu/>; WeGovNow <https://www.wegovnow.eu/>

¹¹⁹ For more information on Horizon 2020-funded projects, see: TOOP <http://www.toop.eu/>, SCOOP4C <https://scoop4c.eu/>; DE4A <https://www.de4a.eu/>

¹²⁰ For more information on Horizon 2020-funded projects, see: MIICT <https://www.miict.eu/>; REBUILD: <https://www.rebuildeuropa.eu/>; NADINE: <https://nadine-project.eu/>; MICADO: <https://www.micadoproject.eu/>; EASYRIGHTS <https://www.easyrights.eu/>; WELCOME: <https://welcome-h2020.eu/>;

better integrate migrants in European societies. They have produced a joint migration policy white paper¹²¹ with policy recommendations for public administrations.

¹²¹ <https://ec.europa.eu/digital-single-market/en/news/migration-whitepaper-new-approach-digital-services-migrants>

5. External and internal policy coherence on public administration

To make its actions more coherent, the Commission is working to align its approach in its dialogue with the Member States and candidate countries, and to promote internally its own good governance and ensure that it is consistent with good EU practices.

5.1. Providing support for public administration reforms for accession to the EU

Preparing the candidate countries and **potential candidates to meet the requirements of EU membership** necessitates a strong focus on fundamental reforms¹²². Along with the rule of law, the economy and the functioning of democratic institutions, public administration reform is one of these ‘fundamentals’. The Commission recognises the importance of a well-functioning administration for successful EU membership and proposed an even stronger focus on these reforms following the Council’s endorsement of the Commission’s proposals for enhancing the accession process¹²³. The Commission aims to ensure a high degree of coherence in its policy approach, including after accession, by continuing to highlight the importance of quality public administration, and by providing an equivalent assessment framework for measuring the quality of public administration¹²⁴. This is to avoid a situation where ‘hard-earned’ positive reforms, for example for a professional and merit-based civil service, are reversed after a country becomes a member of the EU.

5.2. Promoting good governance within the institution

The Commission follows the **principles of good governance**¹²⁵ and aims to modernise its practices accordingly. The seventh general objective of the current Commission is to ensure that it is a modern, high-performing and sustainable organisation. The 2020-2024 strategic plan for human resources¹²⁶ is built upon five holistic pillars: (i) fostering a modern and high performing organisation; (ii) fostering a secure, ethical and engaging workplace; (iii) attracting diverse and high-quality talents to build the workforce of the future; (iv) better knowing, developing and deploying staff; and (v) developing and supporting inspiring, inclusive, people-centric and gender-balanced management. Embedding diversity is a key principle throughout the whole human resource management cycle, with a special emphasis on gender balance at management level.

¹²² For more information on EU enlargement policy, see: https://ec.europa.eu/info/policies/eu-enlargement_en

¹²³ European Commission. 2020 Communication on EU enlargement policy. COM(2020) 660 final. Retrieved from: <https://europa.eu/Hc67Mp>

¹²⁴ In the enlargement and neighbourhood context the European Commission is using indicators developed by SIGMA. For more information read the introduction to the Methodological Framework for the Principles of Public Administration. Source: <http://sigmaweb.org/publications/Methodological-Framework-for-the-Principles-of-Public-Administration-May-2019.pdf>

¹²⁵ European Commission, (2001). European Governance: A White Paper. COM (2001) 428. Retrieved from: https://ec.europa.eu/commission/presscorner/detail/en/DOC_01_10

¹²⁶ European Commission. Directorate General for Human Resources. Strategic Plan 2020-2024. Retrieved from: https://ec.europa.eu/info/system/files/hr_sp_2020_2024_en.pdf

Focus on managerial excellence includes developing managers' potential to become more effective through mobility, feedback from peers and employees, and a professional development programme. The Commission maintains a forward-looking stance, evolving towards a digitally-transformed¹²⁷, human-focused and data-driven administration¹²⁸. It aims to maximise its organisational performance by aligning workforce and structures with political priorities, as well as with the promotion of foresight, agility, innovation, silo breaking through a community based approach and co-creation by all Commission departments.

The Commission also remains committed to remaining a public institution fit for purpose for the challenges facing it in the future. Its **better regulation agenda**¹²⁹ aims at improving the collaboration between countries in developing EU policies and rules. To implement the objectives of the Green Deal, the Commission intends to become climate neutral by 2030, especially by reducing office space, relocating to energy-efficient and low-carbon buildings, and reducing business trips and physical attendance at meetings and events.

Helping Commission departments work better together and improving the quality of their work through in-house services and initiatives

The **One-Stop Shop for Knowledge Sharing and Collaboration**, the Commission's award-winning in-house consultancy service, provides guidance and advice on methods and tools for collaborative working and knowledge sharing, bridging silos and working better together to optimise performance and drive efficiency.

The **EU Policy Lab** fosters creativity and engagement, and brings innovation into European policymaking¹³⁰. Other in-house services that support the policymaking process are a range of competence centres on modelling, foresight, composite indicators and scoreboards, etc.

The **EU Policymaking Hub** is a professional development programme for policymakers in the Commission. Using a framework for skills and knowledge of modern EU policymaking, it promotes learning by offering a number of learning paths for skills of evidence-informed policymaking, anticipation and strategic foresight, citizens' consultation and engagement and others. It also offers a platform for collaboration and

¹²⁷ European Commission. Communication to the Commission on European Commission Digital Strategy - A digitally transformed, user-focused and data driven Commission. C (2018) 7118 final. Retrieved from https://ec.europa.eu/info/sites/info/files/strategy/decision-making_process/documents/ec_digitalstrategy_en.pdf

¹²⁸ European Commission. (2016) Communication to the Commission on Data, Information and Knowledge Management at the European Commission. C (2016) 6626 final. Retrieved from: <https://europa.eu/!rT73Pd>

¹²⁹ Better Regulation is a shared responsibility among EU institutions and Member States. Member States could share harvested digitalised data on EU policies with the Commission through safe and secure data spaces. This would improve evaluation results and the quality of future legislation, while at the same time, reduce administrative and financial costs.

¹³⁰ European Commission. EU Policy Lab. For more information and a list of ongoing and completed projects, see: <https://blogs.ec.europa.eu/eupolicylab/portfolio/>

knowledge in policymaking. The Future of Government 2030+ report¹³¹ explores the emerging societal challenges, analysing trends in a rapidly changing digital world and launching an EU-wide debate on the possible future government models.

The **Enlightenment 2.0 research programme**¹³² seeks to understand the different drivers that influence political decision-making in the 21st century in order to ensure an optimal uptake of evidence in the political decision-making process.

The **iLab** is an innovation laboratory aimed at promoting the use of emerging technologies and the exchange and cooperation among departments, with vendors, academia, external parties and the civil society. It will represent a centre of excellence on ICT emerging technologies.

¹³¹ Vesnic-Alujevic, L., Stoermer, E., Rudkin, J., Scapolo, F., Kimbell, L. The Future of Government 2030+: A Citizen-Centric Perspective on New Government Models. EUR 29664 EN. Publications Office of the European Union, Luxembourg, 2019. <https://op.europa.eu/en/publication-detail/-/publication/9e71bf1b-3bd8-11e9-8d04-01aa75ed71a1/language-en>

¹³² For more information, see: <https://ec.europa.eu/jrc/en/enlightenment-research-programme>

6. Conclusion

Over the past 20 years, the Commission has been adapting its approach to support public administrations across the EU, from a focus on sectoral capacity to the overall effectiveness of administrative systems. The EU financial support has been gradually consolidated with a stronger link to the country-specific recommendations and elements of payments for results. Lessons from the previous crises have led to EU funding being complemented with technical support to enhance the development of public administrations and encourage sustainable reforms. Consistently with the Commission priorities, the reflection on public administration has been integrated in key policy areas such as the rule of law, addressing institutional accountability and the quality of the legislative process. Public administration was also added as a fundamental element for the future enlargement process, together with rule of law and economic governance.

Nevertheless, the Commission services are operating to further reinforce their support to Member States' efforts to **modernise public administration systems**¹³³. They will continue promoting the European principles and practices of public administration and partner with Member States' public administrations, to build the needed capabilities, and strengthen:

- The leadership, innovation and continuous development of public administration;
- An effective strategic planning and evidence-informed, inclusive and transparent policymaking;
- Professional, effective and trustworthy public servants
- An accountable, open and transparent public administration
- An accessible and human-centred service delivery
- A sustainable, predictable, efficient and transparent management of public finances.

This sustained cooperation will **help build strong collaboration between the central, regional and local levels**, consolidate the policymaking process through a wider use of evidence and citizen participation¹³⁴, promote innovation, improve access and quality of services, have a professional¹³⁵ and inclusive and accountable civil service, lead in green and digital transformation and ensure sound and sustainable public financial management. **The technical and financial support** will be better tailored to specific needs of public administrations and focus more on closer cross-border, cross-sector and

¹³³ An inter-service group with the participation of about twenty Commission services strives to promote synergies between relevant initiatives and supports thematic learning and exchange of experience.

¹³⁴ In line with the new provisions of the European democracy action plan (COM(2020)790 final)

¹³⁵ In the customs field, ideas proposed in this respect include a “mobility” programme enabling customs officers to work anywhere in the EU with mutual recognition of qualifications and the development of EU-wide common training and human capacity building for customs officials, in cooperation where warranted with other agencies such as CEPOL. See Taking the Customs Union to the Next Level: a Plan for Action - COM(2020) 581 final – Action 16

transnational collaboration. To better align the support to the needs of public administrations, the Commission services will continue to develop their **assessment tools** (Single Market Scoreboard, DESI and eGovernment benchmark, public administration assessment framework, National Interoperability Framework Observatory). The Commission services will continue **providing comprehensive guidance**¹³⁶ on various issues linked to the application of EU law, for example on implementing the Single Market Transparency Directive and the Market Surveillance Regulation. Through its revamped strategies for human resources management, by strengthening the policymaking competences with professionalization programmes and process and through digital transformation and greening, the Commission has demonstrated its commitment to continue its work in supporting public administrations across Europe.

The current administrative systems have been designed in times of relative stability and need to undergo deep organisational, technological and cultural transformation to be flexible and innovative enough to address the increasing complexity and uncertainty. The COVID-19 pandemic has demonstrated that public administrations at all levels across the EU need to provide further efforts to respond to the current crisis and its widespread effects, as well as to anticipate the future challenges and prepare, to the extent possible, our economies and societies. **Crisis management** relates to core issues in public administration, including the ability to do realistic planning across sectors (in the COVID-19 context this spans from confinement to teleworking, from helping the affected economic sectors to dealing with rising levels of unemployment and developing vaccination strategies, etc.), adjust decision-making and effectively mobilise resources. It requires good channels for communicating vital information to the public, as well as ensuring that information is dependable, accurate, and trustworthy. No matter what type of crisis occurs, people will look to public administration for information and reassurance.

The EU's ambition to harness **digitalisation** and drive a paradigm change requires further joint efforts of the public administrations to ensure by 2030 that democratic life and public services online will be fully accessible for everyone, benefitting from a world-class digital environment, providing for easy-to-use, efficient and personalised services and tools with high security and privacy standards.

Stepping up the EU's efforts for **green transition and sustainable development** necessitates active collaboration between public administrations to redesign our economies, invest in environmentally-friendly technologies, boost public and private innovation, roll out clean transport, and decarbonise economies and societies.

¹³⁶ Other examples include guidance documentation prepared with the help of Member State ombudsmen, environmental inspectors and environmental agencies on the handling of citizen environmental complaints and securing compliance with environmental laws in rural areas.