

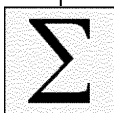


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Co-ordination at the Centre  
of Government: The  
Functions and Organisation  
of the Government Office  
Comparative; Analysis of  
OECD Countries, CEECs  
and Western Balkan  
Countries

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**CO-ORDINATION AT THE CENTRE OF GOVERNMENT: THE FUNCTIONS AND  
ORGANISATION OF THE GOVERNMENT OFFICE**

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**Co-ordination at the Centre of Government:  
The Functions and Organisation of the Government Office  
Comparative Analysis of OECD Countries, CEECs and Western Balkan Countries**

by Michal Ben-Gera

March 2004

## THE SIGMA PROGRAMME

The Sigma Programme — Support for Improvement in Governance and Management — is a joint initiative of the Organisation for Economic Co-operation and Development (OECD) and the European Union, principally financed by the EU.

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- Assisting decision-makers and administrations in building institutions and setting up legal frameworks and procedures to meet European standards and good practice;
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## FOREWORD

Most Western Balkan countries have only recently started to adapt their institutions and legal frameworks to the needs and requirements of a Western market economy. Yet the complex requirements of the Stabilisation and Association process and — even more so — of EU accession and membership call for well developed policy co-ordination, monitoring and evaluation capacities. In basically all countries of the Western Balkans and in several new Member States as well, the capacity of governments and administrations to set policy priorities, develop policy options, carry out policy analysis, monitor policy implementation and evaluate policies remains weak.

In Western Balkan countries, the ministries and the government secretariat (government office) do not seem to fully understand the role they should be playing in the process of policy development, co-ordination, monitoring and evaluation. The prevailing conception of their task remains purely administrative, i.e. as executing the orders of the government or the minister. The exception to this rule is often the ministry or directorate in charge of European integration (EI), but this ministry cannot replace a functioning government office, and if it tried to do so, might even create an imbalance among ministries. In any case, as professional policy capacity is lacking at the centre and in line ministries, whether or not such capacity exists in an EI ministry does not ensure that the priorities chosen are the most appropriate and the solutions pursued are those best suited to the country. Without these two prerequisites, implementation may turn out to be too costly and ineffective.

In OECD member countries and in all developed Western democracies, the government office in particular is a crucial player in policy co-ordination and policy evaluation. It is in fact the guarantor of a cohesive government policy in line with set government priorities.

This publication was first developed as a background paper for a Sigma workshop for Western Balkan countries on the role of government offices. At the request of workshop participants, the information base for the paper has been broadened and updated. The content is based on previous work carried out by OECD's Public Governance and Territorial Development Directorate (GOV) and Sigma. It is envisaged to develop a joint GOV/Sigma database on centre of government (CoG) structures and tasks so as to provide comparative data to the OECD and Sigma networks.

The target audience for this publication is primarily government offices/secretariats in Western Balkan countries, but the publication could prove useful to other transition countries currently in the process of improving their policy co-ordination capacities.

All Sigma publications are available on the Sigma web site ([www.sigmaweb.org](http://www.sigmaweb.org)).

## EXECUTIVE SUMMARY

A well-functioning government office acts as a co-ordinator of the decision-making system and as such is crucial for the government's capacity to define and pursue its collective objectives.

The "Government Office" is a generic term that refers to the institution(s) at the centre of government responsible for supporting the Prime Minister and serving the Council of Ministers as a collective decision-making body. This paper describes and analyses the functions and organisation of government offices in a comparative context, covering OECD member countries, central and eastern European countries (CEECs), and countries of the Western Balkans (ex-Yugoslavia and Albania). The analysis is based on information gathered by Sigma and GOV (PUMA)<sup>1</sup> since the mid 1990's, supplemented by results of a written questionnaire administered by Sigma and GOV in 2003.

### Functions:

The complexity of modern government — both in terms of subject matter and in terms of organisation — necessitates a focal point for co-ordination. This is the main responsibility of the Government Office. The Government Office is primarily a co-ordinating body, whose main job is to make the diverse activities of individual ministries and agencies work effectively and coherently. Within this framework, the paper analyses and compares the functions of the Government Office in the various countries along eight dimensions of co-ordination:

- Co-ordination of the preparation of the sessions of the Council of Ministers, including the preparation of the agenda and the distribution of material to participants;
- Co-ordination of activities to ensure legal conformity, including conformity of legal drafts with the Constitution and with the existing body of law;
- Co-ordination of the preparation and approval of the government's strategic priorities and work programme, and of ensuring their link to the budget;
- Co-ordination of the policy content of proposals for decision by the Council of Ministers, including defining the process of policy preparation by ministries, inter-ministerial co-ordination, and the fit of proposals with each other and with the government's priorities;
- Co-ordination of the government's communications activities to ensure the coherence of the government message, and effective timing and content of ministerial messages;
- Co-ordination of the monitoring of government performance to ensure that the government collectively performs effectively and keeps its promises to the public;
- Co-ordination of relations between the government and other parts of the state (President, Parliament); and
- Co-ordination of specific horizontal strategic priorities, such as public administration reform, European integration, or inter-governmental relations in federations.

The analysis shows that the majority of Government Offices perform most of these tasks. In the past decade, the Government Offices in CEECs have become more and more similar in functional terms to the Government Offices in OECD countries. In general, Government Offices in Western Balkan countries lag behind in the performance of some functions, especially those related to planning and policy co-ordination.

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<sup>1</sup> OECD's Public Management Service (PUMA) became the Public Governance and Territorial Development Directorate (GOV) in September 2002.

**Structure:**

Government Offices vary significantly in their structure, but this variability hides fundamental similarities. Although there is no generic Government Office, it is not very difficult to construct a general model of a Government Office, in which almost every country could find a significant similarity to its own. The majority of Government Offices are headed by a Minister or Secretary-General (who is appointed either by the government or by the Prime Minister). In the majority of cases, the Secretary-General (even if he/she is a civil servant) is subject to replacement when the Prime Minister changes. Most Government Offices handle both the direct political and logistical support to the Prime Minister and support to the Council of Ministers as a collective body. In some cases, these are two separate organisations, while in others there is only one, but with an internal distinction between civil servants and political appointees.

The organisation of Government Offices normally includes a combination of units (departments, sectors, offices, etc.), each responsible for performing one or more of the co-ordination functions. In general, the main units are:

- Prime Minister's Office (PMO): This is the political office that provides logistical and political support specifically to the Prime Minister;
- Cabinets of deputy prime ministers (where they exist) and cabinets of other ministers without portfolio;
- Press and communications unit: In many cases, this is part of the PMO, due to the primarily political nature of communications;
- Unit for technical/logistical preparation of sessions of the Council of Ministers and meetings of ministerial committees (where they exist);
- Unit or units to provide policy co-ordination and advice to the Council of Ministers, the Prime Minister, and chairs of committees: In many cases, there are three to five such units, defined along sectoral lines (e.g. economic policy, social policy, defence, foreign policy);
- Planning unit: In some cases, there is no separate planning unit, and planning is one of the tasks of the policy co-ordination unit(s);
- Legal or legislative unit;
- Unit to monitor the implementation of government decisions: Where monitoring is primarily technical, this function might be performed by the unit that prepares the Council of Ministers' sessions;
- Unit for managing the relations of the government with Parliament and/or the President's Office;
- Specialised units to manage substantive horizontal issues attached to the Government Office, such as European affairs or intergovernmental relations (in federations); and
- Unit for the internal administration of the Government Office (personnel, budget, IT, etc.).

**Reform of Government Offices:**

The paper concludes that it is possible and often desirable to reform the Government Office in transition countries. The main lessons about such reforms are:

- There is a need for a top-level commitment to the reform, ideally from the Prime Minister, but at the very least from the Secretary-General.
- It is best to start from the existing organisation and build up rather than starting from a clean page, or from someone else's model. It is worth investing time and effort in an initial assessment to map out the current situation, and then build reform ideas from this assessment.



- Outside assistance is often useful, but unless there are close working relations with the management and staff of the Government Office, the value of outside assistance diminishes sharply after the initial assessment.
- It takes time to implement change, because the process of implementation is often difficult, involving decisions by the Prime Minister and the government, planning, legislative/regulatory change, resources, and training. It can take a year or more for this process to begin to bear fruit, and as much as two to three years to complete implementation.
- The reform of the Government Office needs to proceed in parallel with increasing policy capacity in ministries. Much of what the Government Office does depends on the material originating from ministries. If ministries do not have the capacity to develop high quality proposals, consult, and assess impacts, the Government Office cannot ensure informed decision-making.
- Successful reform requires change in the culture of the organisation. The Government Office needs civil servants who can go beyond the application of rules and provide substantiated judgments concerning the consequences of the options brought to the Council of Ministers for decision.

The message of the paper is that it is possible and highly desirable to reform the Government Office in transition countries by building their policy and planning capacities, so as to enable governments to successfully manage the multiple tasks involved in transition.

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## NOTE ON THE TERMINOLOGY AND ABBREVIATIONS USED IN THIS PAPER

**Government/Council of Ministers (CoM):** These terms are used interchangeably in this paper. They refer to the members of the government collectively. In some countries, the term Council of Ministers is used to refer to the meetings — usually weekly meetings — of the government. For clarity, when referring to the meetings, it is stated specifically, e.g., the government session, CoM session.

**Government Office (GO):** This generic term is used throughout the paper to refer to the administrative organ that serves the head of the government (usually the Prime Minister) and the Government/Council of Ministers. The actual term used varies from country to country, for example, General Secretariat, Government Office, Government Secretariat, Chancellery, Cabinet Office, etc. Please note that this term is used here even in cases where the entire organ serving the government is referred to as the Prime Minister's Office (e.g. Poland, Australia, Denmark, SaM/ Kosovo, and Netherlands)

**Prime Minister's Office or Cabinet (PMO):** This generic term is used throughout the paper to refer to the office that serves **specifically** the head of the government, normally the Prime Minister. This office is essentially political, and is almost always part of the GO, at least for administrative purposes. In some countries (e.g. Bulgaria and Ireland) it is relatively small and deals primarily with logistical support, while in others (e.g. France and Canada) it is quite large, and contains significant capacity for policy and political advice.

N.B. Given the great variability in organisational structures and terminology, it is almost impossible to be entirely certain about the GO/PMO distinction without detailed study of the individual country. In particular, the tables in this paper are based on questionnaires completed by the countries themselves, and this distinction may not have been maintained consistently as intended here. In this paper, every effort is made to use the terms consistently, as explained directly above. If the body serves only the CoM or both the CoM and the Prime Minister, it is referred to as the GO. If it serves specifically the PM, and especially if it is primarily political, it is referred to as the PMO. To make matters particularly vexing, some countries refer to their GO as the PMO. When justified by their functions, these bodies are referred to in this paper as the GO.

**Policy:** This is a complex term, which does not even exist in all languages. A policy is an approach to solving a problem or improving a situation. It is often embedded in a law or a regulation, or even in a number of laws and regulations, but it may not be. For example, a government may announce that its main foreign policy objective is to join NATO, or that it is developing a policy to assist SMEs through a mix of tax and investment measures.

**Legislation, Legal Acts:** These are the most common tools for giving force to a policy. A legal act embodies a policy or policies, and generally matters related to the implementation and enforcement of the policy as well.

**Prime Minister:** Terminology used in different countries includes President of the Government, Chairman of the CoM, Chancellor, and Taoiseach. The generic name Prime Minister is used in this paper to refer to the person who chairs the CoM.

**State Secretary:** This term is used generically in this paper to denote the administrative head of a ministry. There is great variability in the roles, responsibilities, place in the hierarchy and mode of appointment of state secretaries. The name itself is confusing, especially since in some countries a state secretary is a title used for junior ministers.

**Secretary-General:** This term is used generically in this paper to denote the head of the Government Office. Again, there are many differences in the functions, responsibilities, status, and mode of appointment of Secretaries General, but this appears to be the most common and least confusing designation.

**Ministerial Committees:** This term denotes official committees of ministers, usually set up to deal with particular sectors, e.g. economic affairs, social affairs, or with specific topics, e.g. European integration, minorities, equity. In general, they are permanent, at least during the term of office of a particular Prime Minister, and are often chaired by senior ministers or deputy prime ministers. These committees are often used as forums for discussing items in detail and for resolving disagreements before the items reach the full CoM.

## NOTE ON SOURCES OF INFORMATION FOR THIS PAPER

The examples used in this paper are taken primarily from “Profiles of Centres of Government” (PUMA, OECD, 1996), and from reviews of decision-making systems in CEECs and the Western Balkans carried out by Sigma between 1997 and 2003. The PUMA Profiles were prepared by participating governments, and there is significant variability in the amount of detail they provide and the terminology they use. (For countries of Central and Eastern Europe, the main sources for the analysis are Sigma reports and assessments variously prepared by Jacques Fournier, Michal Ben-Gera, Simon James, and Tony Verheijen.)

This information was subsequently re-checked with the use of a questionnaire that was sent to OECD member countries, CEECs, and Western Balkan countries. The questionnaire was completed by almost all governments, providing a wealth of information on the structure, functions, and staffing of GOs and PMOs. All of the data in the tables is derived directly from the responses to the questionnaire. In any case, this paper is not intended to provide a full coverage of the information found in the questionnaire, or to treat the situation in any one country in depth. Rather, the examples are included as an illustration of general observations.

Analytical material prepared by PUMA/GOV was also consulted, especially a short paper on policy coherence. Unpublished notes prepared by Anne Evans and Simon James also provided useful comments on an earlier draft of this paper. Benjamin Kumpf provided assistance in checking the questionnaires and their consistency with previous data.

## 1. Introduction

The purpose of this paper is to assist governments in CEECs and Western Balkan countries in reforming and developing their Government Offices and Prime Minister’s Offices and thus in strengthening their decision-making systems. The underlying assumption is that governments can learn from each other about different approaches to organising and staffing the GO and the PMO. The variety of approaches suggests that no one model fits all systems, and this implies that the main advantage of a comparative approach is that it is a source of ideas that can be considered by those contemplating reform. At the same time, it is recognized that every reform effort is unique, and should be based on in-depth analysis of conditions in the specific country so as to adapt local GOs and PMOs to the needs and objectives of a given constitutional, political, and administrative system.

In the examples included in this paper, countries are in one of three groups: OECD countries, central and eastern European countries (CEECs), or Western Balkan countries. Since these classifications are not mutually exclusive, the decision on where a country is reported is a matter of judgment. For example, Poland, Hungary, the Czech Republic, and Slovakia are both CEECs and OECD member countries. Since the purpose of the paper is to contribute to the reform of the GO in new democracies, and since these countries were not covered in the PUMA Profiles in 1996, we have chosen to treat them as CEECs in this paper. The definition of Western Balkan countries in this paper covers the countries of ex-Yugoslavia (except Slovenia, which is in the CEEC group) as well as Albania. These groups include some entities whose status has not yet been finally determined, so the group includes governments that exist today without prejudice to future changes in status.

In summary, the countries/republics/entities included in the comparative tables for the three groups are as follows:

**OECD:** Australia, Austria, France, Germany, Iceland, Ireland, Netherlands, Norway, Spain, and Sweden. Of the OECD member countries, we have chosen to include in the tables these 10 countries, representing a variety of regions, sizes, and approaches to the GO and the PMO. The text sometimes includes examples from other countries. We have not included any presidential countries, as the discussion of the GO and the PMO is not fully applicable in their case. In semi-presidential systems such as in France, the focus is on the Prime Minister and the government (and not on the President's administration).

**CEECs:** Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia. (Romania did not complete the questionnaire and so it has not been included in the tables).

**Western Balkans:** Albania, Bosnia and Herzegovina (State level and the Federation BiH), Croatia, the former Yugoslav Republic of Macedonia, Serbia and Montenegro (State Union level and Republic of Montenegro), and Kosovo; [SaM/ Serbia, and Bosnia and Herzegovina/Republika Srpska did not provide information and so have not been included in the tables.]

## 2. The Purpose and Objectives of the Government Office

Modern government and administration are complex; they represent in fact a set of multi-dimensional complexities. There is an almost infinite variety of subject matter concerning government, from human rights to economic development, from environment to transport, education, agriculture, police, and pensions. Government and administration deal with the immediate and the long-term, values of individuals and aspirations of collectivities, local and global issues, citizens, groups, regions, ethnic minorities, nations, and the international community. There are interrelated levels of government — municipal, local, regional, national, and supranational. In countries of Central and Eastern Europe, the Western Balkans, and the former Soviet Union, governments must deal with all of these aspects within the context of transition (national and economic), and do this quickly in order to respond to the aspiration of their populations, who are anxious to “catch up” with the West, while maintaining and building their own unique cultures and institutions.

Government and administration are also organisationally complex, made up of a multiplicity of ministries, themselves comprising many sectors and units and decentralised and deconcentrated bodies, as well as agencies, commissions, and international representations. Democratic governments combine a variable element, subject to periodic elections and replacement, and more permanent staff, who serve both the citizens and the politicians. The interaction between these elements, each with their own motivations and aspirations, is often far from easy. It only states the obvious to say that it is a wonder that modern government does not degenerate more often into chaos! It is equally a truism to say that co-ordination is crucial to effective government, as it is to any complex organisation.

“Co-ordination” is defined by the American Heritage Dictionary as “the regulation of diverse elements into an integrated and harmonious operation”. The Cambridge Dictionary defines “co-ordinate” as “to make various different things work effectively as a whole”. More operationally, Bordeau and Wasson, in an article on information and communication (1997), define “co-ordination” as “managing dependencies between activities and interdependencies among actors”. There are a few things to note about these definitions. First, the term “co-ordination” tends to have positive connotations, indicated by the use of words such as “harmonious” and “effective”. The second is the implied assumption that co-ordination does not happen all on its own, but requires management and regulation. Third, in general, “co-ordination” is defined as a process, rather than as an outcome. Finally, co-ordination allows elements and actors to remain plural and different, while it aims for results that are harmonious and effective.

All large and complex organisations develop means for co-ordination, often at various levels within the organisation. The headquarters of Coca-Cola in Atlanta, or of the UN in New York, or the general staff of any military organisation is the apex of a multi-level system of co-ordination within and between units, which may be organised on the basis of region, sector, or other forms of grouping. In any large and complex organisation, the *raison d'être*, the justification, and the “value-added” of the headquarters is the management of the co-ordination of the decision-making and the performance monitoring of the organisation as a whole. The headquarters does not replace the units or divisions, does not carry out their

work for them, and, ideally, does not micro-manage them. The headquarters is there to ensure, as best it can, that each company, subsidiary, or division performs its own assigned task, and that all together they meet collective objectives.

The analogy to government is clear. In parliamentary systems and to a large extent in semi-presidential systems as well, the apex of the decision-making system is the weekly session of the Council of Ministers, chaired by the Prime Minister. In these systems, the aim of these sessions is to achieve the following:

- To take a strategic view: establishing the overall government objectives, setting priorities among them, and allocating resources to these priorities;
- To discuss political and communications issues facing the government;
- To take major decisions on behalf of the government, ensuring that all ministers are committed to them;
- To take coherent decisions: that is, decisions that are lawful, for which financial and staffing resources have been identified, and in which the different interests of ministers have been identified and conciliated; and
- To take collective responsibility for the performance of the government.

Decision-making in democratic parliamentary systems (including semi-presidential systems) is predicated on the performance of a dual role by all members of the government. In general, ministers are assigned personal responsibility for a policy area (finance, health, agriculture, etc.), and in the performance of this responsibility they are served by their individual ministries. In addition, they come together regularly in the sessions of the Council of Ministers, where they discuss proposals from members of the government, make decisions, and are required to take collective responsibility for the government's programme, and for specific decisions. In performing their collective role, specifically in coming together as the government, ministers are assisted and supported by the GO.

The main responsibility of the Prime Minister is for the collective performance of the government, a role usually performed by chairing the sessions of the Council of Ministers, and for ensuring orderly and coherent fulfilment of the government's programme. The Prime Minister also has the responsibility of representing the country abroad, and managing the coalition. As the Chair of the CoM, the Prime Minister is supported by the GO. The political office or "cabinet" of the Prime Minister (PMO) is also usually a part of the GO, at least administratively, and the two are usually co-located, even though functionally they often remain somewhat distinct.

In summary, the responsibilities of the GO derive directly from the collective responsibilities of the government and the PM. Above all, therefore, the unique purpose of the GO is to serve the Council of Ministers and its Chair in their responsibility to co-ordinate the activities of all ministries, with the objective of facilitating the effective and efficient performance of their collective duties. The GO, therefore, is primarily a co-ordinating body within the administration. Very often, the GO must perform its co-ordinating role without actually being in a formally superior hierarchical position to the ministries. Its capacity to perform its co-ordinating role, therefore, does not derive from a capacity to command or order ministries to act in certain ways, but from an acceptance by all the players in the system of the importance of co-ordination. Where this is not sufficient, the GO needs the authority of the Prime Minister in imposing collective discipline on the government.

### **3. Tools for Increasing Policy Coherence**

In recent years, OECD's Public Management Service (PUMA) — since September 2002 the Public Governance and Territorial Development Directorate (GOV) — has emphasized the growing need and the growing difficulty of OECD Members to achieve policy coherence. The reasons are many and varied, including the need to manage and maximize the effectiveness of limited resources, rapid and continuous change which necessitates flexibility; the interpenetration of international and domestic policy domains

which require management of multiple layers of policy-making; the information explosion that has multiplied the number of actors in the policy arena and which has fostered policy fragmentation. In an Occasional Paper entitled *Building Policy Coherence — Tools and Tensions*<sup>2</sup>, PUMA pointed out that internal organisational issues also interfere with coherence, and noted that:

“Governments are subject to divergent policy tensions, often epitomised in the conflicting, sectoral interests of line ministries, which vie with each other for financial resources, while the budget ministry characteristically seeks to control outlays. In some countries, a degree of policy competition is deliberately maintained between line ministries, in order to ensure a level of creative tension, and to enhance the contestability of policy advice. In all countries, important trade-offs between diverging interests have to be made at the highest level.”

The Occasional Paper notes that there is a better understanding today of the fact that inconsistent policies entail a higher risk of duplication, inefficient spending, a lower quality of service, difficulty in meeting goals, and, ultimately, reduced capacity to govern. Nevertheless, the brief also cautions that while there are good reasons to strengthen policy coherence, there are also reasons to be circumspect, given the real practical limits to which coherence can actually be increased. Moreover, it is important to ensure that efforts to achieve greater coherence do not result in excessive control and a consequent loss of flexibility and creativity in the policy-making system.

Examination of the experience of OECD Members led GOV to identify eight basic tools of coherence. Having noted that “the primary tool of coherence is informed decision-making”, the following tools are listed, with the caveat that they can only be adapted to each national system cautiously and sensitively:

- Commitment by the political leadership is a necessary precondition to coherence, and a tool to enhance it.
- Establishing a strategic policy framework helps ensure that individual policies are consistent with the government's goals and priorities.
- Decision-makers need advice based on a clear definition and good analysis of issues, with explicit indications of possible inconsistencies.
- The existence of a central overview and co-ordination capacity is essential to ensure horizontal consistency among policies.
- Mechanisms to anticipate, detect and resolve policy conflicts early in the process help identify inconsistencies and reduce incoherence.
- The decision-making process must be organised to achieve an effective reconciliation between policy priorities and budgetary imperatives.
- Implementation procedures and monitoring mechanisms must be designed to ensure that policies can be adjusted in the light of progress, new information, and changing circumstances.
- An administrative culture that promotes cross-sectoral co-operation and a systematic dialogue between different policy communities contributes to the strengthening of policy coherence.

The main actors who should use these tools are the political leadership, the ministries, and the GO and PMO.

Over the past twelve years, the work carried out by Sigma in Government Offices in Central and Eastern Europe and the Western Balkans has led to very similar conclusions about strengthening the policy

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<sup>2</sup> *Building Policy Coherence — Tools and Tensions*, Public Management Occasional Paper, PUMA, OECD, 1996.

system, and the role of the GO in this regard. Since 1997, Sigma has carried out detailed reviews of the GO in seven countries in the region. Also, since 1999, Sigma has been assessing for the European Commission the performance of the policy system in all CEECs, in relation to a common baseline. One of the main conclusions from all of these assessments is that the effective use of these tools to promote policy coherence requires interrelated capacities in line ministries and in the GO.

In line ministries, the effective use of the tools requires procedures and capacities to develop policy and legislative proposals of high quality. Specifically, the procedures need to address inter-ministerial and stakeholders' consultations, and there must be capacity to base proposals on valid analysis based on *ex ante* assessment of the impacts of proposals, and periodic *ex post* assessment of results.

The GO has a central role in specifying, promoting, and using these tools to increase policy coherence. The GO is responsible for establishing, updating, and enforcing procedures for preparation and submissions to the CoM. It must be able to provide policy co-ordination, analysis, and advice so as to facilitate and ensure the flow of high quality information to the sessions of the CoM, and ensure that the majority of conflicts, especially technical conflicts, are resolved before items reach the CoM.

The functions and activities of Government Offices in OECD countries, CEECs, and Western Balkan countries are discussed within a comparative framework in the next section of this paper.

#### **4. The Main Functions of the GO: Eight Dimensions of Co-ordination**

It is useful to view all functions of the GO as related to co-ordination. In general, the GO is rarely responsible directly for one specific policy area (although there are some exceptions). Instead, the GO is a co-ordinator, whose job, to quote again the Cambridge Dictionary, is "to make various different things work effectively as a whole". In this section, the common functions of the GO in different countries are discussed under eight headings, all of them aspects of co-ordination. In many cases, the GO shares some of these responsibilities with the PMO, but constant distinctions between the two would complicate and burden this paper unnecessarily, so a reference to GO should be read as including the PMO as well. The eight dimensions of co-ordination discussed in this paper are:

1. Co-ordination of preparation of the government sessions;
2. Co-ordination of legal conformity;
3. Co-ordination of the preparation of the government programme and priorities, and their link to the budget;
4. Co-ordination of the policy content of proposals for the CoM;
5. Co-ordination of communications, e.g. press releases;
6. Co-ordination of the monitoring of government performance;
7. Co-ordination of relations with other parts of the State (President, Parliament); and
8. Co-ordination of specific horizontal strategic priorities.

##### **4.1 Co-ordination of Preparation of the Government Sessions**

The most common way in which the GO contributes to co-ordination is through the management of the logistics for preparation of the sessions of the CoM. This function is found in all GOs in OECD countries, CEECs and Western Balkan countries. This is essentially a technical function, and it is fundamental to the success of the CoM because it concerns the management of the process of decision-making by setting the rules and enforcing them. As a process, policy co-ordination is directed at creating conditions — in particular, standard procedures within the state apparatus — under which co-ordination can be achieved within and across different policy sectors. As will be shown later, procedural co-ordination is not sufficient for ensuring high-quality output from the sessions of CoM; but it is absolutely necessary for high-quality decision-making. Procedural co-ordination has the added advantage that it can be relatively easy to improve with techniques that are not controversial and not difficult to implement.



With one or two exceptions, all of the CoMs studied here hold regular weekly sessions which focus primarily on items prepared by ministries and sent to the GO for review and scheduling. The GO's logistical support consists of the following main activities:

#### *4.1.1 Time Limits on the Arrival and Distribution of Material for the Sessions*

Unless material arrives in good time, ministers are not likely to be able to study it and consult with their officials prior to the CoM session. In most countries, therefore, it is the responsibility of the GO to enforce deadlines. For example, in Austria material is distributed five days before the session to allow prior consultations (e.g. with coalition parties). In Belgium material must reach the GO on the Monday before the Friday session, and in Ireland material is distributed three days before the meeting. In Bulgaria, the Czech Republic and Estonia, material is to be circulated seven days before the meetings. In general, between three to seven days prior to the meeting seems to be the norm for distribution in most of the countries.

In the majority of countries, the agenda for each session is prepared by the Secretary-General and approved by the Prime Minister. For each weekly session, there are usually rules that specify a cut-off date when the material must be submitted to the GO in order for it to be scheduled for a specific meeting. This takes into account the days required by the GO for scrutinizing the material, for any meetings that may need to take place to review items prior to the CoM session (e.g. "filter" committees of the CoM, weekly meeting of state secretaries). For example, in the former Yugoslav Republic of Macedonia, items for sessions of the government should arrive at the GO 15 days in advance of the session if they concern organic laws or other important matters, and otherwise 8 days in advance.

Table 1. Preparation of government sessions

OECD member countries	Deadline for submission by ministries of items to the GO prior to date of CoM session	Deadline for distribution of material to ministries prior to date of CoM session
Australia	5 days	5 days
Austria	5 days	5 days
France	5 days	3 days
Germany	14 days	7 days
Iceland	No time limit	No time limit
Ireland	3 days	3 days
Netherlands	7 days	7 days
Norway	2 days	2 days
Spain	4 days	4 days
Sweden	1 day	No time limit

CEECs	Deadline for submission by ministries of items to the GO prior to date of CoM session	Deadline for distribution of material to ministries prior to date of CoM session
Bulgaria	10 days	7 days
Czech Republic	7 days	7 days
Estonia	14 days	7 days
Hungary	4 days	No time limit
Latvia	2 days	4 days
Lithuania	20-28 days	3 days
Poland	5 days	5 days
Slovakia	No time limit	No time limit
Slovenia	4 days	4 days

Western Balkan countries	Deadline for submission by ministries of items to the GO prior to date of CoM session	Deadline for distribution of material to ministries prior to date of CoM session
Albania	No time limit	2 days
BiH (State level)	No time limit	3 days
BiH (Federation)	7 to 2 days	2 days
Croatia	No exact time limit but regular procedure for prior assessment	7 days
fYR Macedonia	15 days	15 days
SaM (Federation)	5 days	As soon as they are received
SaM/ Montenegro	9 days	7 days
SaM/ Kosovo	5 days	5 days

Many countries make use of ministerial committees or commissions to discuss items and resolve conflicts before they reach the CoM. In such cases, the items must arrive in time to be scheduled first for the committees, and then allow time for distribution to the full CoM. In Canada, documents must arrive five days before the meeting of the relevant committee, to be distributed to members at least three days in advance. Items are then scheduled for a full CoM after clearing the committee, and time must be allowed for further distribution.

In a number of CEECs and Western Balkan countries, e.g. Romania, the Czech Republic, Slovakia, and Bosnia and Herzegovina (State), there is a problem whereby too many items appear at the last minute and are brought directly to the session of the CoM. Last-minute items occur in most systems, but become a problem where they represent a significant part of the agenda, and when they include important policy issues that need fuller scrutiny. It is important for the GO to develop methods for controlling this tendency in order to prevent (or limit) situations where important decisions are made with insufficient consideration. For example, Portugal has a rule that only the Prime Minister can raise items at the session if they are not already on the agenda. In many other countries, the rule is that ministers can place items on the agenda at the last minute only after prior permission of the Prime Minister.

The main issue here is whether or not, and to what extent, ministers are “allowed” to bring material directly to the session and thus ignore the time limits. When this happens, proposals bypass the process of additional conflict resolution prior to the session, e.g. through ministerial committees and the weekly meeting of state secretaries (where they exist), as well as prior scrutiny by the GO (see below). Most systems allow for some exceptions, but ideally such exceptions should be rare and should be procedurally regulated, e.g. they must be urgent and require permission of the Prime Minister or the Secretary-General. In the final analysis, in general the only person who can control the tendency to bring items that are not fully prepared is the Prime Minister. In recent years, Sigma reports pointed to Bulgaria as a good example of a government where the Prime Minister used his authority to very effectively control the practice of last-minute items.

Table 2. Respect for the rules

OECD member countries	Are the deadlines for submission respected in general?	Do ministers bring unscheduled items directly to CoM sessions?
Australia	Yes	Rarely
Austria	With many exceptions	Rarely
France	With some exceptions	No
Germany	Yes	No
Iceland	With many exceptions	Rarely
Ireland	Yes	Often
Netherlands	Yes	Rarely
Norway	Yes	Rarely
Spain	Yes	Rarely
Sweden	With many exceptions	Rarely

CEECs	Are the deadlines for submission respected in general?	Do ministers bring unscheduled items directly to CoM sessions?
Bulgaria	Yes	No
Czech Republic	With many exceptions	Often
Estonia	With many exceptions	Rarely
Hungary	Yes	Rarely
Latvia	With many exceptions	Rarely
Lithuania	With many exceptions	Rarely
Poland	Yes	Rarely
Slovakia	With many exceptions	Often
Slovenia	Yes	Rarely

Western Balkan countries	Are the deadlines for submission respected in general?	Do ministers bring unscheduled items directly to CoM sessions?
Albania	Yes	Rarely
BiH (State level)	No	Often
BiH (Federation)	With many exceptions	Rarely
Croatia	Yes	Rarely
fYR Macedonia	With many exceptions	Often
SaM (Federation)	Yes	Rarely
SaM/ Montenegro	Yes	Rarely
SaM/ Kosovo	With many exceptions	Rarely

The questionnaire results reported in these tables suggest that failure to respect the deadlines is fairly common, but the practice of bringing items directly to the CoM without prior review and scheduling by the GO is not widespread. In the past, Sigma often observed that such practices were actually quite common in central and eastern European and Western Balkan countries, and had commented negatively on them. The results reported here may suggest that there have been improvements in these practices, and that the GOs in the region are now better able to control the preparation process for the CoM sessions. There is also the possibility that self-reporting tends to be overly positive.

#### 4.1.2 *The Agenda for CoM Sessions*

Planning the agenda of the CoM in advance is important. In many countries, the items for the agenda depend almost entirely on the proposals that arrive from ministries by a certain date. Ireland is typical of this approach: "The agenda is prepared by the Secretary of the Government and is a list of all memoranda received from Ministers". Other countries attempt some advance planning. In Estonia, Latvia, and SaM/Kosovo, for example, the weekly meeting of state secretaries, which sets the items of the current week's agenda, also prepares the agenda for the following week.

In France, an even more elaborate system allows for better advance planning of the agenda. The agenda is derived from the government's programme of work, which is usually prepared every semester by the Prime Minister's *Cabinet* (PMO), and the GO (the Secretariat General of the Government). Draft agendas for the eight subsequent meetings of the Council of Ministers are drawn up on Friday mornings in two successive meetings. The first one is internal to the GO; the second is a joint meeting of the PMO and the GO.

The structure of the agenda for the CoM may also be used to streamline the meetings and allocate more time to important or controversial issues. In France, for example, the agenda is divided into three parts: the first includes drafts that usually do not give rise to discussion as all issues have been cleared; the second includes appointments, which also do not usually require discussion; only the third part of the agenda contains policy and communications matters that require discussion and elaboration of views. Clearly, it is the third part that is the focus of the sessions. In the Netherlands and Germany, the agenda is in two parts, based on whether or not the item requires discussion.

In Romania, the first part of the weekly agenda of the government session is devoted to discussion of strategic issues. Only after these issues have been discussed does the meeting move to the approval of legal documents and other items requiring formal decision. The inclusion of items on the first part of the agenda is decided by the Prime Minister on proposals from ministers, who generally prepare discussion documents for their items. Recently, the former Yugoslav Republic of Macedonia also began to use a three-part agenda similar to France, and ministers report that this has improved the conduct and efficiency of the sessions. The division of the agenda into parts can help ministers focus their preparation and attention on the important issues; this is especially important where the agenda tends to be long, and where a significant amount of material is attached.

#### 4.1.3 *Scrutiny of the Material to Ensure that Dossiers are Complete and Consultation Procedures Followed*

Most countries have detailed procedures that regulate preparation of documents for the CoM, including requirements for supporting analysis. Also normally covered in the rules are the steps that proposing ministries have to follow to ensure that other interested ministries, and sometimes certain outside groups, are adequately consulted prior to submitting the item to the GO for scheduling. The quality and depth of such inter-ministerial and other consultations are among the most crucial contributors to policy coherence. Consultations need to include all interested parties, take place early in the preparation process, and provide those who are consulted with enough time to consider the issues and respond. They should be open and informal. If consultations are carried out properly, there is a high probability that contradictory or illogical elements of policies and draft laws can be corrected before the items reach the CoM session. Consultations are the responsibility of ministries, and it is generally the role of the GO to verify that such

consultations have been completed with all interested parties, and that their opinions have been given reasonable hearing and attention.

Since the procedures are normally specified in the rules, the GO should, at a minimum, verify that they have been followed. However, this is not always so simple. For example, in many cases, the rules specify that certain ministries (e.g. finance and/or justice) must always be consulted, or that a legislative secretariat must be consulted on all legal acts. In addition, the rules often say that "all other relevant ministries should also be consulted". A good example of such an approach comes from Australia. "The Government Handbook requires that ministers and officials in ministries with interest in the proposal should have ample opportunity to contribute to its development and resolve differences before submission of the proposal to the GO. The proposal should have co-ordination comments from all ministries with interest." Can ministries always be counted upon to identify correctly who should be consulted? What about the proposing ministry's response to comments from others? Has it taken them seriously, or, if it has rejected the comments, was this done on a sound basis? The GO, as part of its responsibility to ensure informed decision-making, should be empowered to verify all these aspects of preparation and consultations by ministries. It is helpful, therefore, if the GO is involved early in the process and receives good documentation of the consultation process.

In general, the GO is the guardian of the rules on the completion of dossiers. For example, it checks if all the required signatures are affixed, if explanatory memoranda are included, and if secondary legislation is included with primary legislation (where these items are required by the rules). The main question is: if the dossier is not complete, if important items are missing, if relevant ministries were not consulted, etc., can the GO return the dossier to the ministry and refuse to schedule it until it is complete?

In almost all Western Balkan countries, the rules allow the GO to return items to ministries only on technical, formal grounds, e.g. if required documents or signatures are missing. Unfortunately, this often does not include the appropriateness and completeness of the consultations. For example, in many of these countries, the rules specify that the proposing ministry must include a document that indicates who was consulted and the results of the consultations. The GO is empowered to return the item to the ministry if this document is missing. However, the GO is not entitled to judge if all the appropriate ministries were consulted and to then return the documents if it esteems that there are gaps. In many cases, even when the GO has the formal power to return items, it may lack the capacity or the authority to make this decision hold in practice. In the past, Sigma assessments usually found that the situation in CEECs was also of this type. However, the questionnaires indicate that in five out of the nine CEECs, the GO now has authority to consider aspects of policy and programme adequacy and to return items to ministries for more work if the substance is considered inadequate.

Ultimately, if ministers want to push an item forward, they can often go to the Prime Minister and get the item scheduled at the last minute. The GO therefore needs the backing of the PM when sending incomplete items back to ministries, or it risks losing a very useful tool for safeguarding the integrity of the decision-making system.

Table 3. Grounds for returning items to ministries for further work

OECD member countries	GO can return items to ministries on technical grounds	GO can return items to ministries on policy grounds
Australia	Yes	Yes
Austria	Yes	Yes
France	Yes	Some (solved by GO in other ways)
Germany	Yes	Yes
Iceland	No authority to return items	No authority to return items
Ireland	Some	Yes
Netherlands	No authority to return items	No authority to return items
Norway	Yes	No
Spain	Yes	Yes
Sweden	Yes	Yes

CEECs	GO can return items to ministries on technical grounds	GO can return items to ministries on policy grounds
Bulgaria	Yes	No
Czech Republic	Yes	Yes
Estonia	Yes	No
Hungary	Yes	Yes
Latvia	Yes	Yes
Poland	Yes	Yes
Slovakia	Yes	No
Slovenia	Yes	No

Western Balkan countries	GO can return items to ministries on technical grounds	GO can return items to ministries on policy grounds
Albania	Yes	Yes
BiH (State level)	Yes	No
BiH (Federation)	Yes	No
Croatia	Yes	No
fYR Macedonia	Yes	No (but planned as part of reform)
SaM (Federation)	Yes	No
SaM/ Montenegro	Yes	Yes
SaM/ Kosovo	Yes	No

## 4.2 *Co-ordination of Legal Conformity*

Closely related to the preparation of CoM meetings is the co-ordination of the legal conformity of draft legislation. In continental Europe, and especially in Central and Eastern Europe and the Western Balkans, the CoM has a crucial role in the law-making process; all legislative material that is brought to the CoM for a decision needs to be carefully reviewed to ensure that it meets the country's legal requirements. These requirements traditionally address three dimensions: conformity with the Constitution, conformity with other laws and regulations, and conformity with legal-drafting style. For countries wishing to join the EU, the conformity with the *acquis communautaire* is now added as a fourth dimension.

Most GOs in CEECs and Western Balkan countries have a strong focus on legal review, while only some in OECD countries do. It is quite rare for GOs in OECD countries to see this as a central function. For example, of the 25 OECD countries that completed a PUMA Profile of their centre of government in 1996, only one or two listed legal review as one of the functions of their Government Office. (The recent questionnaire paints a somewhat different picture, but the nature of the responses suggests that this question may have been misunderstood, and this requires further research.) In the case of the CEEC Centre of Government (COG) Profiles prepared by Sigma, all countries mentioned legal review as a function of the GO. In the countries of ex-Yugoslavia, on the other hand, it is customary to have a separate, independent legal council that is responsible for legal review. In many countries, both OECD Members and CEECs, the GO is not the only administrative organ that reviews legal conformity. For example, in Slovakia and the Czech Republic, legal conformity is checked by the GO and the Legislative Council and in Estonia by both the GO and the Ministry of Justice.

Generally, this function is not problematic in itself, and it operates smoothly in most CEECs and Western Balkan countries, whether inside the GO or in an independent council. It is rarely the subject of any reform proposals in any of the Sigma assessments. However, there are related issues worth considering. The most important issue — from the point of view of policy coherence — is that the focus on legal conformity in CEECs and Western Balkan countries often comes as a substitute for concern with the policy content of proposed legislation. This problem occurs not only with regard to the nearly exclusive focus of the GO on technical/legal aspects, but also at the stage of preparation and consultations by ministries. For example, it is quite common for ministries in Western Balkan countries and CEECs to proceed directly to drafting legislation, before the policy and implementation implications are clarified and addressed. Inter-ministerial consultations also occur in many cases only after proposals are fully drafted as laws. As a result, consultations are often rather formal, with implied pressure on those consulted to comment on technical and drafting issues, rather than on fundamental questions of policy and cost-benefits. For this reason, some of the extensive efforts to reform the GO — e.g. in Latvia, Lithuania, and the former Yugoslav Republic of Macedonia — focus on strengthening the role of the GO with respect to policy analysis and co-ordination.

## 4.3 *Co-ordination of Preparation of the Government Programme (strategic priorities, annual work plans), and their Fit with the Budget*

Planning — both strategic planning and work planning — and the management of the dynamic linkages between the two are quintessential responsibilities of the government and the Prime Minister. A strategic framework, as was noted by PUMA, is a central tool for achieving policy coherence. In parliamentary democracies, setting the government's strategic goals is a political responsibility, often reflected in statements of the government in parliament. On the other hand, the preparation of plans, the analysis required to sustain the plans, and the activities required to implement the plans are tasks of the administration. As ministries prepare ideas and analyse information in their different domains, the GO has responsibility to co-ordinate the material and to assist the government in establishing priorities among competing demands on fiscal and other resources.



Table 4. Capacity for strategic and work planning for the CoM

<b>OECD member countries</b>	<b>Capacity for Strategic Planning</b>	<b>Capacity for Annual Work Planning</b>
Australia	In the PMO	In the GO
Austria	No	No
France	In the GO	In the GO
Germany	In the GO	In the GO
Iceland	No	In the PMO
Ireland	In the PMO	In the GO
Netherlands	No (to be created soon)	No
Spain	In the PMO	In the PMO and GO
Sweden	In the GO	In the GO

<b>CEECs</b>	<b>Capacity for Strategic Planning</b>	<b>Capacity for Annual Work Planning</b>
Bulgaria	In the GO	In the GO
Czech Republic	In the GO	In the GO
Estonia	No	In the GO
Hungary	In the GO	In the GO
Latvia	In the GO	In the GO
Lithuania	In the GO	In the GO
Poland	In a separate body reporting directly to the PM	In the GO
Slovakia	In the GO	In the GO
Slovenia	No	In the GO

<b>Western Balkan countries</b>	<b>Capacity for Strategic Planning</b>	<b>Capacity for Annual Work Planning</b>
Albania	In the GO	No
BiH (State level)	No	In the GO
BiH (Federation)	No	In the GO
Croatia	In the GO	No
fYR Macedonia	In the GO	In the GO
SaM (Federation)	No	In the GO
SaM/ Montenegro	No	In the GO
SaM/ Kosovo	No	No

#### 4.3.1 *Strategic Planning*

Generally, the role of the GO with respect to strategic planning includes the following:

- To ensure that the government's deliberations on its strategic priorities take place with the benefit of a broad assessment of the overall economic, political and social situation;
- To ensure that strategic priorities are harmonised with other strategic documents of the government, such as EU accession, economic and fiscal strategies, and other key policy and reform strategies;
- To ensure that the budget preparation process takes account of, and reflects, strategic priorities;
- To ensure that the ministry's work plans reflect the government's strategic priorities;
- To ensure that the Prime Minister is regularly briefed on new developments affecting the strategic priorities and annual work plan, and on possible responses or adjustments where relevant.

Many GOs in OECD countries are responsible for strategic planning. For example, in Austria one of the functions of the GO is "to formulate the general governmental policies, in particular the overall direction of economic policies". In Canada, the GO "offers the Prime Minister strategic handling of government issues as well as overall planning and priority setting". In Switzerland, every four years the Government Office "prepares the governmental programme for the following parliamentary term, in collaboration with ministries. This 'Programme for term of office' highlights the main problems, and presents concrete solutions, in the form of a declaration" of the CoM.

In CEEC and Western Balkan countries, on the other hand, the capacity of GOs to co-ordinate the preparation of strategic plans is rare<sup>3</sup>. Recently, steps to strengthen strategic capacity have been taken in some countries, for example in Latvia, Lithuania, Poland, and the former Yugoslav Republic of Macedonia. Recently, as part of comprehensive reform of the GO, the Government of FYR Macedonia adopted a decision to set up a strategic planning unit in the GO, and steps are now being taken to set up a comprehensive planning process linking budgetary and strategic priorities. Similar developments are taking place in Latvia and Lithuania. Table 4 shows in fact that some strategic planning capacity exists in seven of the nine CEECs responding to the questionnaire. Romania, which did not respond, does not have this capacity. Information gathered by Sigma in the last round of the policy co-ordination assessments (2000) would tend to suggest that this capacity remains generally insufficient in most CEECs.

#### 4.3.2 *Annual Work Planning*

Most governments engage in one or more forms of work planning, generally on an annual basis. Programmes may focus on all items planned by ministries for the CoM, or only on some aspects, e.g. a legislative plan. In almost all cases, the preparation of such plans is the task of the GO, and Table 4 shows that almost all of them have the capacity to prepare annual work plans.

The main issue regarding the preparation of the annual work plan(s) is whether this is a purely "bottom-up" process, where the GO merely gathers together items sent forward by the ministries, or whether the GO has the authority and capacity to exercise judgment in compiling the plan based on the input provided. This means, for example, that the GO assesses if the plans submitted by ministries take sufficient account of the priorities of the government, and can request additional input from a ministry if it appears that items required for meeting strategic priorities have not been included. Conversely, it may indicate to a ministry that it has included too many items, some of which the government or parliament may not have time to consider. In this manner, the preparation of the work plan becomes an interactive process between ministries, promoting specific sectoral priorities, and the GO, responsible for considering cross-sectoral

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<sup>3</sup> Sigma's most recent assessment of policy co-ordination in CEECs was in 2000; assessments were carried out in 2003/4 on the countries/entities of the Western Balkans.

and government-wide issues. Needless to say, the final decision on the work plan, including resolution of conflicts, remains the responsibility of the CoM.

#### **4.4 Co-ordination of Policy Content of Proposals for the CoM (preparation in ministries, activities of the GO)**

In general, systems for developing policy and legislative drafts assign to each minister the tasks of:

- Identifying problems requiring government response;
- Initiating the development of policy solutions;
- Consulting with interested ministers and outside groups;
- Analysing the consequences of proposed solutions; and
- Presenting a proposed solution (or a few options for solution) for a collective decision by the CoM.

In carrying out these tasks, the minister is supported by her/his ministry. In cases of complicated issues, the minister may seek additional support from outside experts or a special working group (including inter-ministerial working groups). The impetus for initiating policy work may be government priorities, analysis by the ministry itself, international obligations, or outside pressure by companies, interest groups, or citizens. Regardless of the initial impetus, the early steps belong to the minister, supported by his ministry.

On the other hand, since policy decisions are a collective responsibility of the government, there is a need to assure the CoM as a whole that proposals from specific ministers have been prepared according to an appropriate process, that the proposals fit with government plans, timetable, and priorities, and that they do not contradict other decisions. This is policy co-ordination, and it naturally belongs in the GO as the central organisation serving the CoM.

Policy co-ordination is the central tool of the GO in serving the collective responsibility of the CoM to develop and implement coherent policies. Specifically, the GO should be able to ensure that items reaching the government and its ministerial committees are consistent, coherent, and well co-ordinated.

This consists of activities in the GO:

- To ensure that sectoral and cross-sectoral issues have been considered and addressed from all aspects;
- To ensure that the analysis and analytical material (fiscal, economic, social, environmental, etc.) underpinning proposals from ministries are of high standard;
- To ensure that the proposals from ministers are in line with the government strategic and budget priorities;
- To ensure that disagreements between ministries over materials submitted to the government are resolved or minimised prior to sessions of the CoM; and
- To ensure that the Prime Minister and the chairs of ministerial committees are briefed on issues reaching the committees and the CoM for decision.

##### **4.4.1 Preparation of Material in Ministries: The Role of the GO in Establishing Procedures for Policy Analysis**

The preparation and development of proposals for the CoM is the responsibility of ministers and their ministries in all of the countries covered here. The process of developing policy and legislation is, in itself, beyond the scope of this paper. It is important to note, however, that in many countries the GO has a central role in guiding the process of preparation, in particular through setting the rules for presentation to

the CoM. Simply put, if the GO requires the presentation of certain types of information and analysis to the CoM, the proposing ministry would normally have to carry out that analysis in its preparation process and include it in its submission.

For this reason, it is customary for Government Offices in many OECD countries (e.g. Canada, United Kingdom and Denmark) to prepare an instructions manual for ministries on the specific types of information required by ministers for discussion in the CoM. Since the analysis and research supporting and justifying a proposal is prepared by each minister and her/his ministry, the focus of the general instructions is on ensuring that the most important issues are addressed and highlighted in a short summary (usually limited to about five pages), presented in a fixed format. The summary, if well prepared, helps to focus discussion in the CoM on important issues, rather than on technical and drafting details (which are better left to experts). In addition, it provides discipline to the preparation process, is helpful for internal discussions within the ministry, and provides a good basis for the GO as it reviews the proposal within the broader policy context.

The specific elements of the short summary memorandum to ministers vary somewhat from country to country and over time, as does the format. It is important to note that it is the responsibility of the GO to ensure that ministers receive the information they need to make informed decisions. While such information has to come from the proposing ministry, the GO is ultimately responsible for its quality and completeness. If well prepared, the short summary often provides the focus for ministers when readying themselves for the CoM meeting, and often serves as the main reference for their discussions during the session itself.

The main items generally required in presenting items to CoM are shown in the two examples below.

**General Example of Format for Short Summary for CoM**

<p><b>1. Decision(s) required</b></p> <p>This section tells the CoM, in one or two sentences, what issue(s) the proposer is asking them to consider and approve.</p>
<p><b>2. Options considered</b></p> <p>This section explains briefly what options were considered by the proposer. Critical descriptive or contextual information should be provided for each option, preferably with a one/two-sentence commentary. The commentary should include the major implications, as well as the pros and cons.</p>
<p><b>3. Main outcome of consultations</b></p> <p>This section should identify those ministries, NGOs, and other target groups on which this proposal would have a major impact, and highlight those that have been consulted and that have substantive unresolved concerns. It is important that these views are reflected frankly and accurately in the summary.</p>
<p><b>4. Recommended option and rationale</b></p> <p>This section should indicate the recommended option and advance the case for having chosen the recommended option over the alternatives. Where possible, links should be pointed out to the government's strategic priorities and to other commitments and CoM decisions. Considerations based on cost-effectiveness and on public attitudes are also useful information to be included in this section.</p>
<p><b>5. Cost of recommended option</b></p> <p>Based on a complete financial analysis, this section should indicate the expected cost of the recommended option and, where appropriate, suggest the source of funding (e.g. ministry's own funds, next year's budget, reserve, etc.). In some cases (e.g. in FYR Macedonia), this section has to be supported by a full fiscal impact assessment.</p>
<p><b>6. Expected impacts</b></p> <p>This section briefly summarises the impact this decision may have, e.g. on the public, target groups, taxpayers, the economy, employment, the environment. This summary should draw on the analysis and on any quantitative research contained in the dossier submitted to the CoM.</p>
<p><b>7. Harmonisation with EU legislation</b></p> <p>This section should explain briefly any significance that the proposed material has in respect to the harmonisation of legislation with EU legislation. In the case of draft laws, it should indicate if the material has been reviewed and certified by the competent body responsible for legal harmonisation.</p>
<p><b>8. Communication messages</b></p> <p>This section should suggest to the CoM a small number of key communication messages that should be used when announcing this decision and/or explaining why the CoM decided to adopt it. This is particularly important in cases where a decision can be expected to be unpopular with the public at large or with specific public groups, or vulnerable to public non-compliance.</p>

<b>Box 1. Guidelines for Preparation of Items for Council of Government Meetings in Norway (unofficial translation)</b>	
Minister of Health	
IN CONFIDENCE MEMORANDUM TO THE GOVERNMENT IN COUNCIL 13 August 2000	
<b>Heading giving a short and concise account of the substance of the memorandum</b>	
<p><b>1. Background</b></p> <p>The purpose of this memorandum is to obtain the government's approval for a new refund scheme for prescription medicines. On 22 October 1997, the commission appointed to consider the introduction of such a scheme presented recommendations...</p>	
<p><b>2. Alternative solutions</b></p> <p>I have considered several alternative ways of resolving the matter. One alternative may be to ....</p>	
<p><b>3. Arguments for and against the proposal</b></p> <p>Arguments for.....</p> <p>Arguments against.....</p>	
<p><b>4. My recommendation</b></p> <p>After weighing up the various considerations, I have decided to recommend alternative 2. My reasons are as follows:</p> <p>.....</p> <p>.....</p>	
<p><b>5. Submission for comments</b></p> <p>The government memorandum has been submitted to the <u>Minister of Finance</u> and the <u>Minister of the Environment</u>. The <u>Minister of Finance</u> had no comments. The <u>Minister of the Environment</u> had the following comment:</p> <p>“.....”</p> <p>(Alternative conclusion, if appropriate)</p> <p>“.....”</p>	
<p><b>6. Conclusion</b></p> <p>1. A scheme should be introduced whereby...</p> <p>2. The cost of the scheme is to be covered within the existing budget framework of the Ministry of Health...</p>	

#### 4.4.2 Policy Review in the GO: Co-ordination and Conflict Resolution

Once a proposal for the CoM reaches the GO, it is important to review the content to ensure that it is ready for discussion and decision in the session or in the ministerial committees. Most GOs in OECD countries list policy co-ordination and dispute resolution as one of their main functions; some even list it as their only function. In Germany, for example, one of three functions listed for the GO is “to provide the Chancellor with the information and the co-ordination capacities necessary to conduct the overall policy of the government”. In Ireland, the main function listed is “to provide policy advice and administrative support to the *Taoiseach* [Prime Minister]”. In New Zealand, the main function of the GO is “to promote the collective interest of the government and the effective co-ordination of the policy development process”. In Turkey, one of the functions of the GO is “to ensure co-ordination between ministries, to monitor the handling of the government’s overall policy agenda”.

The situation is quite different in CEECs and Western Balkan countries where, as Sigma assessments indicate, the lack of policy capacity is often the central weakness of the GO. There are, of course, some encouraging signs that this situation is changing. One of the best examples of this is in Hungary, where since 1998 a reorganised Government Office has been given a more influential role in implementing the government’s goals and in ensuring substantive co-ordination. A group of experts, called a “*Referatura*”, shadows ministries to ensure horizontal co-ordination. Latvia has established a Policy Co-ordination Department in its GO, and the former Yugoslav Republic of Macedonia is also in the advanced stages of establishing such a department. Other countries, e.g. Bulgaria and Slovakia, already have some policy capacity in the GO, but still need to strengthen its competencies and expertise.

Policy co-ordination is a complex and sometimes elusive process. The policy staff of the GO are not expected to have the depth of knowledge of any one topic treated in a ministry, and they should not normally try to replace the experts in ministries in developing policy. Rather, policy staff tend to be “sector generalists”, that is, economists or experts in social or foreign policy, with an overview of the entire sector. Once they study a proposal, they generally have four co-ordination tools:

- **Broad perspective:** They can use their knowledge of government priorities and of the sector as a whole to point out to ministry staff where the ministry’s proposal might need to be adjusted.
- **Guardian of the process:** They can inform and remind ministries of the rules for preparing proposals for the CoM and of the importance of high-quality analysis and open consultations, pointing out cases where the process could be better managed.
- **Conflict resolution:** They can call and chair inter-ministerial meetings of officials (formal or informal) in order to resolve conflicts and develop solutions.
- **Brief superiors:** Where important issues cannot be resolved, they can brief the Prime Minister, ministerial committee chairs, or the Secretary-General on the problems of a proposal so that the issue can be taken up at a higher level. They can suggest to the Secretary-General that unresolved issues be taken up at the weekly meeting of state secretaries, and they can suggest to the Prime Minister (via the Secretary-General) how the issue might be handled at the CoM session.

Early involvement in the policy development process in ministries is critical for the successful use of the above tools. In general, policy staff in the GO are assigned to follow one ministry, a number of ministries, or an entire sector (economic, social, foreign and defence). In cases where a significant policy initiative is developed in one of the ministries assigned to them, the GO staff should know about it through their formal or informal networks. They might be able to attend meetings of preparatory working groups or to discuss issues informally with persons preparing concepts or early drafts. They can suggest early inter-ministerial meetings of experts to discuss issues before they are decided, or offer additional ideas about sources of information and international experience.

**For a summary table of the involvement of the GO in the review of policy content, please refer back to Table 3, above.**

A description of the modus operandi of the *Referatura* in Hungary demonstrates the use of some of these tools. The experts become involved in the preparation of ministries' documents as from the early stages, so they are well informed of their content by the time the documents reach the GO. The responsible desk officer within the *Referatura* prepares a note on each document, including the background, description of the proposal, outcome of inter-ministerial consultations, points not resolved, issues seen by the GO as problematic, and proposals for resolving such issues. The note is given to the Prime Minister, the minister responsible for the GO, the head of the *Referatura*, and the government spokesperson.

For resolving inter-ministerial conflicts over policy issues in advance of the final decision by the CoM, meetings of senior officials organised and/or led by the GO is a widely used tool. They can be very formal, as in France (*arbitrage*), or informal, as in Canada. They can be small, involving two ministries where a serious problem has arisen (e.g. where fundamental conflict exists between the objective of the Transport Ministry and that of the Environment Ministry). They can be quite large, where many ministries, and even agencies and regional offices, are concerned. The GO staff member who calls and chairs such meetings has the advantage of acting as an "honest broker" since he/she does not represent any one ministry's interests, but only the collective responsibility of the government.

As a final co-ordination stage before the consideration of items by ministers (in committees or in the full CoM), many countries (especially CEECs, it seems) find it useful to hold a meeting of the state secretaries of all ministries, chaired by the Secretary-General. Such meetings are held, for example, in Hungary, Lithuania, Latvia, the former Yugoslav Republic of Macedonia, Estonia, Spain, Norway, Finland, and Germany. For this meeting, the Secretary-General needs to be well briefed by the policy staff of the GO, so that he is able to focus on unresolved issues and perhaps clear some of them before the items proceed to decision by ministers. Here again, early and continuous involvement of the GO staff with the issues and the ministries to which they are assigned will increase the quality of the information they provide to the Secretary-General.

Finally, many countries have developed a system of ministerial committees that meet to discuss issues in depth and resolve final conflicts prior to the full meeting of the CoM. These committees, sometimes referred to as "filter committees", bring together ministers (and sometimes supporting officials), usually in a broad sectoral grouping, e.g. economic policy committee, social affairs committee, or European integration committee. These committees may be chaired by the Prime Minister, a Vice Prime Minister, or a senior minister in the specific field. Review by committee may be a requirement for all items proceeding to the CoM, or committees might be convened to discuss specific items of political or strategic importance. In most cases, the work of these committees is supported by the GO.



Table 5. Co-ordination meetings prior to meeting of CoM

OECD member countries	Are items discussed by ministerial committees prior to decision by the CoM?	Is there a weekly meeting of senior ministry officials to discuss and finalise agenda items?
Australia	Yes, this is a requirement	No
Austria	Yes, this is a requirement	Yes, every week
France	Yes, this is a requirement	No (but extensive use of <i>arbitrage</i> meetings)
Germany	Yes, this a requirement	Yes, every week
Iceland	Only important issues are discussed	No
Ireland	Only important issues are discussed by committees	No
Netherlands	Yes, this is a requirement	No
Norway	No	Yes, Every week
Spain	Yes, this is a requirement	Yes, every week
Sweden	No, there is no ministerial committee. Items are discussed among ministers at general deliberations	No

CEECs	Are items discussed by ministerial committees prior to decision by the CoM?	Is there a weekly meeting of senior ministry officials to discuss and finalise agenda items?
Bulgaria	Only important issues are discussed	Yes, every week
Czech Republic	Only important issues are discussed	Yes, every week
Estonia	No	Yes, every week
Hungary	Yes, this is a requirement	Yes, every week
Latvia	Yes, this is a requirement	Yes, every week
Lithuania	Only important issues are discussed	Yes, every week
Poland	Yes, this is a requirement	Yes, every week
Slovakia	Only important issues are discussed	No
Slovenia	Yes, this is a requirement	Yes, every week

Western Balkan countries	Are items discussed by ministerial committees prior to decision by the CoM?	Is there a weekly meeting of senior ministry officials to discuss and finalise agenda items?
Albania	Only important issues are discussed	Sometimes
BiH (State level)	Yes, this is a requirement	No
BiH (Federation)	No	No
Croatia	Yes, this is a requirement	No
fYR Macedonia	Yes, this is a requirement	Yes
SaM (Federation)	Yes, this is a requirement	No
SaM/ Montenegro	Yes, this is a requirement	Yes, every week
SaM/ Kosovo	Only important issues are discussed	Yes, every week

A very useful tool for ensuring that GO efforts on policy co-ordination influence the outcome of CoM discussions is the preparation of a briefing note for the Chair of the CoM (generally the Prime Minister). Such notes allow the GO to inform the Chair of outstanding issues or unresolved conflicts between ministries that might need special attention at the session. The fact that the GO briefs the Chair before the session also gives the GO a certain status in the system, and some informal authority to push for better information and to resolve conflicts. If ministries know that the Chair might be informed in the briefing note that the item is not ready for the CoM, they might make an extra effort to resolve the problems and avoid a “negative” brief.

**Table 6. Policy advice by the Government Office**

OECD member countries	Does the GO prepare a note to the Chair of the CoM on agenda items for CoM meetings?	Does the note to the Chair include recommendations on handling the item at the meeting?	Are the notes to the Chair distributed to the other members of the CoM?
Australia	Yes, for each item	Yes	No, it is only for the Chair
Austria	No	No	Notes are not prepared
France	Yes, for each item	Yes (by PMO)	No, it is only for the Chair and the Spokesperson
Germany	Yes, for each item	Yes	No, it is only for the Chair
Iceland	No	Notes are not prepared	Notes are not prepared
Ireland	Yes, for each item	Sometimes	No, it is only for the Chair
Netherlands	Yes, for each item	Yes	No, it is only for the Chair
Norway	Yes, for each item	Yes	No, it is only for the Chair
Spain	Only for certain items	Sometimes	No, it is only for the Chair
Sweden	Only for certain items	Yes	No, it is only for the Chair

CEECs	Does the GO prepare a note to the Chair of the CoM on agenda items for CoM meetings?	Does the note to the Chair include recommendations on handling the item at the meeting?	Are the notes to the Chair distributed to the other members of the CoM?
Bulgaria	Yes, for each item	Yes	Yes, to all members
Czech Republic	Yes, for each item	Yes	No, it is only for the Chair
Estonia	Yes, for each item	Sometimes	No, it is only for the Chair
Hungary	Yes, for each item	Yes	No, it is only for the Chair
Latvia	Only for certain items	Yes	No, it is only for the Chair
Lithuania	Yes, for each item	Yes	Yes, to all members
Poland	Yes, for each item	Yes	No, it is only for the Chair
Slovakia	Only for certain items	Sometimes	No, it is only for the Chair
Slovenia	Yes, for each item	Yes	Yes, to all members

Western Balkan countries	Does the GO prepare a note to the Chair of the CoM on agenda items for CoM meetings?	Does the note to the Chair include recommendations on handling the item at the meeting?	Are the notes to the Chair distributed to the other members of the CoM?
Albania	Yes, for each of them	Sometimes	No, it is only for the Chair
BiH (State level)	No	No	Notes are not prepared
BiH (Federation)	No	No	Notes are not prepared
Croatia	No	Notes are not prepared	Notes are not prepared
fYR Macedonia	No	No	Notes are not prepared
SaM (Federation)	Yes, for each item	No	No, it is only for the Chair
SaM/ Montenegro	Yes, for each item	Yes	Yes, to all members
SaM/ Kosovo	Only for certain items	Sometimes	Only to the minister(s) directly concerned

With respect to the preparation of policy briefs, the questionnaire results suggest that CEECs have made significant progress in recent years, since Sigma's last policy-making assessments in 2000. Unless this is an artefact of self-reporting, it might indicate a welcome growing role of the GO in policy-related matters. As on many of the issues covered in this report, Western Balkan countries appear to be lagging behind.

#### **4.5 Co-ordination of Communication Messages**

In recent decades, the link between policy and communications has been growing stronger, along with the link between politics and the media. As a result, the process of policy development and government communications is becoming interwoven. Some of the reasons for the tighter link between policy-making and communications are:

- Increasingly, a key characteristic of modern democracy is transparency, which imposes a duty on governments to explain to the widest public audience what they are doing and why. Access to information on government policy and decisions has come to be considered a basic right of citizens.
- Government actions ultimately depend for their success on public tolerance and acceptance: if a law or a tax is perceived as unfair, it is more likely to be violated or evaded. Explaining the rationale behind government decisions increases the likelihood that the government's actions will be successful.
- If the government fails to explain why it is doing something, it leaves itself open to speculation that its motives are impure. If the press asks questions, and the government does not have good answers, or ministers offer contradictory answers, many people will draw an unfavourable inference.
- Many government actions create both "winners" and "losers". Those who lose from a new government policy — be it a reformed tax system or a decision to build a new road — are likely to be more vocal than the winners, and the press is more likely to take up the cause of the critics. In support of its policy, the government has an interest in telling the full story.
- Governments are very sensitive to their public image throughout their mandate, and especially as they approach elections. They have an interest in influencing the way news is reported, and in having some influence over the content and timing of the messages. If every minister is completely free to release messages to the press, the collective management of the government and its policies is likely to appear contradictory.

The increased public demand for information has also increased governments' interest in controlling and co-ordinating their messages in order to increase the popularity and acceptability of their policies. This control and co-ordination by the government also prevents ministries from conveying different and contradictory messages. Accordingly, many governments develop a collective approach to communications, generally giving to the Prime Minister the overarching responsibility for ensuring that the public is informed about the work of the government. Ministers, on the other hand, are responsible, in consultation with the Prime Minister, for ensuring that the public is informed of developments in their own particular areas of competence. The day-to-day management and co-ordination of the communications function is often placed in the GO or PMO, directly in the hands of the Government Spokesperson or of the head of the Government/Prime Minister's press office.

The GO then establishes mechanisms to ensure, for example, that the information provided by one ministry is consistent with the information issued by others and by the Government Spokesman, and that initiatives are synchronised and announcements timed to maximise their impact. The co-ordination mechanisms include: a requirement to indicate communication messages as part of the summary memorandum to the CoM (see example above); weekly meetings of the communications advisers of ministers, chaired by the Government Spokesperson; a weekly item on communications in the CoM meeting; and strategic communications planning.

In many countries the capacity for co-ordination of government communications is in the GO and/or PMO. In Slovenia, for example, the Public Relations and Media Office is in part a service and in part a co-ordination mechanism. It provides full public relations and information support to the government

collectively, and supplies information to the public at home and abroad, including on EI matters. Its director is the official Government Spokesperson. This office also co-ordinates the public relations work of ministries, through a well-established network of ministerial officials. In Austria, one of the five departments of the Federal Chancellery is called the “Federal Press and Information Unit”, and the German Chancellery includes a governmental Press and Information Office, with a large staff under a state secretary.

Government communications almost always walk the fine line between information and propaganda. In a democracy, the complex distinction must be made between informing and influencing the public. For this reason, the co-ordination and management of government information and communications is often placed in the political part of the GO (the PMO), rather than in the administrative part. However, in many countries there are elements in both the GO and PMO, with the former being responsible for “information” and the latter for “communications”. This distinction underlines the government’s collective obligation to keep the public informed and its political right to explain, justify, and even “sell” its policies and legislation to the public.

#### **4.6 Co-ordination of the Monitoring of Government Performance**

The implementation of government decisions and monitoring of results are quintessentially the responsibility of individual ministers. However, the government collectively, and especially the Prime Minister personally, has a responsibility (constitutional, legal, or by convention) for both individual and collective performance. In the information provided for the above-mentioned PUMA Profiles, the Netherlands put this succinctly: “The implementation of the decisions of the Council of Ministers is the responsibility of the ministers concerned. On a regular basis, the programme of the government and the progress of projected policy proposals are reviewed by the Council of Ministers. The progress report is compiled by the Secretary of the Council of Ministers [the head of the GO].” Most OECD countries and many CEECs and Western Balkan countries take a similar approach, and the majority of GOs include at least a limited capacity to monitor performance.

The most common problem identified in CEECs and Western Balkan countries with respect to monitoring is that this monitoring is often focused almost exclusively on formal aspects of monitoring; that is, they monitor aspects such as tasks assigned and completion dates (often through a computerised system), but do not address actual impacts and effects on society and the economy. This tendency is linked to an overly legalistic definition of implementation that equates “implementation” with the passage of a law and/or secondary legislation (regulation). In this context, a decision is considered to have been implemented when the law is passed, and a minister is seen to have implemented a decision of the CoM once the required secondary legislation has been approved.

While there can be no doubt that the passage of legal acts is a necessary step towards full implementation, it is surely not reasonable to say that a budget or tax or school curriculum is “implemented” when the law and regulations to set them up are passed. Implementation would rather involve certain concrete steps, e.g. a new curriculum is implemented when all (or most) teachers and schools are using it. One of the challenges of reform of PAR in CEECs and Western Balkan countries is to broaden the concepts of implementation and monitoring beyond their purely formal and legalistic definitions. The GO can contribute to this development by expanding the definition of what constitutes collective performance, and by expanding its monitoring activities to focus on the actual and concrete implementation of policies and legislation.

#### **4.7 Co-ordination of Relations with Other Parts of the State (President, Parliament)**

The task of maintaining policy coherence often has to continue beyond the decision by the CoM. In all of the countries covered here, the parliament must pass all primary legislation, and it may attempt to amend government legislation in the process. In addition, parliament is also an initiator of laws, and these laws may or may not harmonise well with the government’s own priorities and policies. This issue is particularly acute in CEECs, where parliaments tend to initiate a large number of laws, and where, in addition, there are often difficult and unstable coalitions, so the government may have problems controlling the policy agenda. There is therefore a need to co-ordinate relations with the parliament to ensure that ministers are

available to discuss and defend laws within their portfolios, and to present a common position when necessary.

Another important link for the government is the President (and his/her office). This is clearly the case in semi-presidential systems, where more often than not there are common and related domains of responsibility between the President and the Prime Minister. But even in purely parliamentary systems, the head of state has influence on policy, at least from time to time, and in any case the President usually signs bills into laws, but not always automatically.

For these reasons, it is quite customary for the GO to be responsible for managing and co-ordinating the relationship with parliament on behalf of the government, especially the planning and scheduling of government legislation. For example, in Italy, Belgium, France and Germany, the GO includes a unit that handles issues related to the parliament. In CEECs, this function is often quite significant. In Lithuania, it is the responsibility of a senior official within the GO. In Poland, an important function of the GO is "the co-ordination of co-operation of the Council of Ministers and the Prime Minister with the *Sejm* (parliament), the Senate, and the President of the Republic. The tasks of such units include monitoring the passage of government bills, organising and scheduling the appearances of members of the government in parliament, providing information in preparation for the 'government hour' or question period in parliament, monitoring written responses to questions from deputies, and providing general information and advice on relations with parliament and with individual deputies."

In parliamentary systems, units for relations with the head of state are less common than units for co-ordination with the parliament, since such relations are often limited in scope, generally more ceremonial than policy-related, and not controversial. Nevertheless, in some countries, for example in the UK, Germany and Canada, the GO specifically handles relations with the head of state. The management of relations between the government and the president is a major task in semi-presidential systems, such as France (but also Portugal, Finland, and possibly Poland). The demarcation of competencies varies widely between these systems, but detailed consideration of the issues arising in semi-presidential systems is beyond the scope of this paper.

#### **4.8 Co-ordination of Specific Horizontal Strategic Priorities (EI, PAR)**

Almost all GOs include some attached functions, whereby they perform tasks that are not fundamental to their core responsibilities for managing the decision-making system on behalf of the Prime Minister and the Council of Ministers. These functions often involve activities that are unique to a specific country or a given time period. Examples of the former include management of inter-governmental affairs in federations such as Canada and Germany, or matters related to children in Romania. Examples of the latter include the offices set up to deal with the results of the floods in Poland, to handle constitutional reform in the UK, and to manage the Framework Agreement in the former Yugoslav Republic of Macedonia.

However, some attached functions are more commonly found in GOs. In general these activities are carried out by the GO because they are both crosscutting and of high strategic priority, and as such they are essentially co-ordinative in nature. For example, in federal states, such as Canada, Germany and Austria, the management and co-ordination of relations with constituent governments (*Länder*, provinces) is placed in the GO. In CEECs and Western Balkan countries, two policy areas are sometimes dealt with in the GO: public administration reform and European integration. The placement of these activities in the GO is by no means universal in the region, as the table below indicates. It is nevertheless common enough to warrant some discussion, especially since foreign advisors often recommend to governments to place these functions in the GO.

**Table 7. Units for EU and PAR Co-ordination**

<b>OECD member countries</b>	<b>Unit to co-ordinate relations with the EU</b>	<b>Unit to co-ordinate reform of the administration</b>
Australia	Not applicable	GO
Austria	PMO Ministry of Foreign Affairs	PMO
France	In a separate secretariat	Ministry of Civil Service
Germany	GO	Ministry of Interior
Iceland	Ministry of Foreign Affairs	PMO
Ireland	PMO/Foreign Affairs	PMO/Ministry of Finance
Netherlands	Ministry of Foreign Affairs	Ministry of Interior
Spain	Ministry of Foreign Affairs	Ministry of Public Administration
Sweden	PMO Ministry of Foreign Affairs	Ministry of Finance

<b>CEECs</b>	<b>Unit to co-ordinate relations with the EU</b>	<b>Unit to co-ordinate reform of the administration</b>
Bulgaria	GO	GO
Estonia	Ministry of Foreign Affairs	No such unit
Czech Republic	Ministry of Foreign Affairs	PMO
Hungary	Ministry of Foreign Affairs	GO
Latvia	European Integration Bureau	GO (section within the Policy Co-ordination Department)
Lithuania	GO PMO	Ministry of Interior
Poland	Ministry of Foreign Affairs	Ministry of Interior and Administration
Slovakia	GO	No such unit
Slovenia	Government Office for European Affairs	Ministry of Interior

<b>Western Balkan countries</b>	<b>Unit to co-ordinate relations with the EU</b>	<b>Unit to co-ordinate reform of the administration</b>
Albania	GO (Minister of State for Integration)	GO
BiH (State level)	Independent Directorate	Ministry of Justice
BiH (Federation)	None	None
Croatia	Ministry of European Integration	Government Task Force (in Ministry of EI)
fYR Macedonia	GO	Might move to GO
SaM (Federation)	Ministry of International Economic Relations	Office for Organisation and Status of the Administration
SaM/ Montenegro	Ministry of Economy and European Integration	Ministry of Justice
SaM/ Kosovo	GO	Ministry of Public Service

Interestingly, European integration is placed in the GO in about half of the CEECs and Western Balkan countries, whereas PAR is placed in the GO in relatively few countries. In OECD member countries, it is quite unusual to place responsibility for PAR in the GO/PMO, although in a couple of cases these offices share this responsibility with a ministry.

Is the placement of these two functions in the Government Office important? Although quite a few assessments of the management of European integration have been carried out in CEECs, there appears to be no conclusive answer to this question. It seems, however, that placement is less important than co-ordination. There are basically three models of placement — in the GO, in the Ministry of Foreign Affairs, or in a dedicated ministry — and all have been shown as capable of being effective. What is important is that there is a clear focus for the co-ordination of European integration activities throughout the administration; that the co-ordinating body is so recognised and its authority is not challenged bureaucratically or administratively; that the focal point is well linked to units in ministries; and that it is sufficiently staffed with qualified persons.

With respect to PAR, the situation is far less clear. As pointed out above, foreign consultants often advise governments to place PAR in the Government Office, under the authority of the Prime Minister. This advice is based on the belief that since PAR affects all ministries and state bodies, and is both urgent and difficult, it will only be effective if it is led from the top. In fact, however, there is no significant research on this topic, and no clear empirical evidence has shown that when PAR is placed in the GO it is more likely to be effective than if placed elsewhere.

## **5. The Structure of Government Offices**

### **5.1 *The Paradox of Variability and Similarity***

It is often observed that GOs vary more among countries than do ministries, such as the Ministry of Agriculture or Ministry of Health. There are some good reasons for this. For example, compared to the structure of line ministries, the structure of the GO is more directly related to the constitutional distribution of powers. The GO structure is subject to changes in response to political circumstances (one party versus a narrow or wide coalition, the presence or absence of deputy prime ministers). It is also more dependent on the needs and personality of a specific Prime Minister than a ministry is dependent on those of a given minister. Indeed, a glance at the organisation charts of different GOs reveals a very large variation in their structures.

More than the above variations, in many CEECs and Western Balkan countries the GO is itself in transition and has not yet settled on a fixed and stable structure. In some cases, this is useful experimentation to see what works best in the particular system. In other cases, it may be the result of conflicting technical assistance and outside advice, or of other administrative changes, such as the passage of a new civil service law. Whatever the reason, the reviews and assessments carried out in the region over the past twelve years have revealed that the functions and structures of GOs are still changing.

Paradoxically, however, the variability in GO structures also hides fundamental similarities. Although there is no generic GO, it is not very difficult to construct a general model of a GO which would have significant similarities to the GO of almost every country. Research has shown that in terms of general functions, GOs overwhelmingly perform activities that are internal to the work of the government and the administration, rather than serving or dealing with the public. They generally perform some or all of the following functions: logistical and technical functions related to sessions of the CoM; strategic and work planning; policy co-ordination, policy advice and conflict resolution; legal functions; communication functions; some monitoring functions; and their own internal management functions. They rarely perform service-delivery functions, regulatory functions or supervision functions.

The majority of GOs are headed by a minister or a Secretary-General (who is appointed either by the government or by the Prime Minister). In the majority of cases, the Secretary-General (even if he/she is a civil servant) is subject to replacement when the Prime Minister changes. Among the CEECs, in Hungary, Poland, Slovakia, Slovenia and the Czech Republic, the head of the Government Office is a minister.



Similarly, among OECD countries, the majority of GO heads are senior officials, with the notable exceptions of Germany and Spain.

More often than not, the organisation of GOs includes a combination of units (departments, sectors, offices, etc.) responsible for performing the activities described in detail in section 4 of this paper. The common units are:

- PMO: The Office provides administrative and political support specifically for the Prime Minister;
- Cabinets of deputy prime ministers (where they exist) and cabinets of other ministers without portfolio;
- Press and communications unit: In many cases, this is part of the PMO, due to the primarily political nature of communications;
- Unit for technical preparation of the sessions of the government and the meetings of ministerial committees (where they exist) to perform a role in the decision-making system;
- Unit or units to provide policy co-ordination and advice to the CoM, the Prime Minister, and chairs of committees. In many cases, there are 3-5 such units, defined along sectoral lines (e.g. economic policy, social policy, defence, foreign policy);
- Planning unit: In some cases, there is no separate unit, and planning is one of the tasks of the policy co-ordination unit;
- Legal or legislative unit;
- Unit to monitor the implementation of government decisions: Where monitoring is primarily technical, this function might be performed by the same unit that prepares the sessions;
- Unit for managing the relations of the government with parliament and the President's Office;
- Unit for the internal management of the GO (personnel, budget, IT, etc.).

In addition, most GOs have some attached functions (as discussed in 4.8 above). These functions are unique to each system, making generalisation impossible.

## **5.2 Structural Note on the PMO**

This paper does not deal in detail with the functions and organisation of the PMO, which is the part of the central apparatus that serves specifically the Prime Minister as the political head of government (as distinct from the chair of CoM sessions). However, in the context of the discussion of the organisational structure of the GO, a few words on this subject are in order.

An important structural issue is the division of responsibilities between the GO and the PMO. As was noted above, the PMO is almost always a part of the GO in an administrative sense. In terms of functions, there are two extreme models, with many variations in-between. The first extreme is a model where most of the substantive functions (legal, policy, etc.) are a part of the GO, leaving the PMO essentially a limited function of serving the direct needs of the Prime Minister, such as secretariat, driver, agenda management, perhaps a speech writer, press officer, one or two personal political advisors. In this model, all other assistance to the Prime Minister is provided by the GO as part of its services to the CoM. Clear examples of this model are Bulgaria, the former Yugoslav Republic of Macedonia, and Denmark. The second extreme model comprises two distinct institutions, with the PMO performing many of the same functions as those of the GO, but from a political perspective. Clear examples of this model are Canada and France; the UK has also been moving in this direction in recent years.

In terms of organisation, it appears that among OECD member countries, the two models are more integrated, with the head of the GO almost always responsible for the PMO as well. In CEECs and Western Balkan countries, the tendency is towards a greater separation between the GO and the PMO. In cases where the head of the GO is also the head of the PMO, it is usually for administrative purposes. This

means that the budget and personnel are the responsibility of the GO, but there is no day-to-day authority, no work assignment and no supervision by the head of the GO over staff in the PMO.

In practice, this issue is less important than it may seem. Even in countries where there is a separate organisation, the two bodies often share the same building as well as administrative support. Moreover, even countries with combined organisations usually have a clear functional distinction between the two offices, allowing them in effect to function as parallel bodies. In practice, what matters much more than the formal structure is the clear functional differentiation between the two bodies and the close working co-operation between them. This requires a difficult distinction to be made between political functions on the one hand, and policy and administrative functions on the other.

Accordingly, functions and structure of the PMO must be viewed in the broader context of the overall administrative apparatus supporting the government sessions, the Prime Minister, deputy prime ministers and ministers without portfolio. It is important to ensure that all necessary functions are performed. They can then be assigned to either the GO or to the PMO to suit the needs and traditions of each country.

Staffing issues are central to this differentiation. Within that overall structure there is a need for a balance of policy management, policy advice, political input, and technical/logistical support. Consequently, two types of human resources are required:

- a permanent element, to ensure stability of structure and continuity of procedure and policy knowledge, so that a change of government does not cause a disruption of business and reduced efficiency; and
- temporary elements, to allow for some political advice in support of the Prime Minister's views, that can be changed with each PM.

In most countries, the GO is the permanent body staffed primarily by civil servants, and the PMO is staffed by temporary political appointees. This is the case for example in Latvia, Bulgaria and Canada. However, other countries, e.g. France, have also successfully combined both permanent civil servants and temporary political appointees in the PMO, which provides for a useful element of continuity when the government changes.

**Table 8. Links between the GO and the PMO**

<b>OECD member countries</b>	<b>Are the GO and the PMO one organisation or two?</b>	<b>Is the head of the GO also the head of the PMO?</b>
Australia	Two	n/a
Austria	One	Yes
France	Two	Yes, only for administrative purposes
Germany	One	Yes, only for administrative purposes
Iceland	One	Yes
Ireland	One	Yes
Netherlands	One	Yes
Norway	One	Yes
Spain	Two	Yes, only for administrative purposes
Sweden	One	Yes

<b>CEECs</b>	<b>Are the GO and the PMO one organisation or two?</b>	<b>Is the head of the GO also the head of the PMO?</b>
Bulgaria	One	No
Czech Republic	One	Yes, only for administrative purposes
Estonia	One	Yes, only for administrative purposes
Hungary	One	Yes
Latvia	One	Yes, only for administrative purposes
Lithuania	One	Yes, only for administrative purposes
Poland	One	Yes
Slovakia	One	Yes, only for administrative purposes
Slovenia	One	No

<b>Western Balkan countries</b>	<b>Are the GO and the PMO one organisation or two?</b>	<b>Is the head of the GO also the head of the PMO?</b>
Albania	Two	No
BiH (State level)	Two	Yes, only for administrative purposes
BiH (Federation)	One	No
Croatia	Two	No
fYR Macedonia	Two	Yes, only for administrative purposes
SaM (Federation)	Two	N/A
SaM/ Montenegro	One	Yes, only for administrative purposes
SaM/ Kosovo	One	Yes

## 6. Conclusion: Toward Strengthening the Government Office

This paper has touched on a large number of issues concerning the purpose, functions, and structure of GOs in OECD countries, CEECs and Western Balkan countries. No doubt it did not do justice to any of these issues, since all are more complex than a brief review can indicate. The paper raises many issues for discussion, suggesting that there is much to learn from others if and when there is a desire to improve the support operations provided to the Council of Ministers and to the Prime Minister. At the same time, the variety of national systems alone suggests that direct copying is not likely to be successful.

Over the years, Sigma has accumulated considerable experience in assessing GOs and assisting in their reform. A few of the more important lessons learned are the following:

**Top-level commitment:** In order to be successful, the impetus and continuous support for reforming the GO must come from the top, ideally from the Prime Minister, but at the very least from the Secretary-General. Moreover, the will of the PM is the crucial factor in sustaining the reformed system.

**Starting from the existing organisation and building up:** The reform of the GO should start with a thorough review of the existing Office, rather than starting from an abstract model. As the existing GO often has a base on which to build — many good people and procedures — it would be wasteful and totally unrealistic to start the reform of the Office from a clean page or from someone else's model. It is worth investing time and effort in mapping out the current situation and building reform ideas from that base.

**The value of outside assistance:** Outside assistance is often useful, but unless these external experts have close working relations with the management and staff of the GO, the value of such assistance diminishes sharply after the initial assessment.

**It takes time to implement change:** The initial review of the GO need not take very long, and often two months are sufficient. The process of implementation, on the other hand, is long and often difficult, involving decisions by the government, planning, legislative/regulatory changes, resources, and training. It can take a year or more before the process begins to bear fruit, and as much as two to three years to complete implementation.

**The reform of the Government Office needs to proceed along with increasing policy capacity in ministries:** A co-ordinator needs to have something to co-ordinate. The extent of the GO's work depends on the material it originally receives from ministries. If ministries do not have the capacity to develop high quality proposals, consult, and assess impacts, the GO cannot ensure informed decision-making.

**Successful reform requires change in the culture of the organisation:** A persistent legacy of the past is the lack of experience of officials in using their judgment. In the past, officials were trained primarily to apply rules or at best to look for objective data and information. However, policy development and co-ordination are as much an art as a science, and they require judgment above all. Although it is recognised that making policy decisions is ultimately the responsibility of the CoM, ministers need to have the advice and support of experts who do more than refer to previous decisions and legal rules. They need to have at their disposal an assessment of possible outcomes of a particular policy as well as a politically neutral assessment of the reaction of citizens to that policy.

**It is both important and possible to reform the Government Office:** The capacity to develop and implement coherent policy is important for European integration. It is even more important for successful membership after accession.