



SIGMA

Creating Change Together



A joint initiative of the OECD and the EU,
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The Principles of Public Administration 2023 Edition

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Introduction

Aim and focus of the Principles of Public Administration

The Principles of Public Administration are a comprehensive framework of standards expressing the values and behaviours that citizens and businesses expect from a modern public administration in the European Union (EU), as well as a tool for monitoring and assessing the state of play and progress of the quality of national public administration systems.

The Principles were developed in response to the request from the European Commission (EC) to SIGMA, a joint initiative of the EU and the OECD, principally financed by the EU, to distil the values and standards of good public governance for the EU enlargement and neighbourhood administrations, taking into consideration primarily the EU *acquis*, but also the OECD recommendations, other international standards, as well as good practices of the EU and OECD Member States.

The Principles define what good governance entails in practice and outline the main requirements that administrations should follow during the EU accession process. The extent to which candidate administrations apply these Principles in practice indicates their capacity to effectively implement the *acquis* and readiness to participate in the policy-making processes of the EU.

Politicians and public officials from other countries can use the framework as guidance to enhance the capacity of their public administration to develop better policies for better lives, provide high-quality and user-centred services and manage public funds efficiently, as well as in their efforts to foster transparency, accountability and build citizens' trust in public institutions.

The importance of public administration reform for the EU and its enlargement

The EU and the OECD recognise that good public governance is key for achieving economic growth, competitiveness and better quality of life, as well as to address the key societal challenges of the present. The concept of “good administration” has been gradually defined by EU countries and is included in the EU Charter of Fundamental Rights, Article 41¹. The notion of a European Administrative Space was set out by SIGMA in 1999². The European Council (Copenhagen, 1993, and Madrid, 1995) highlighted the administrative and institutional capacities to effectively implement the *acquis* and the ability to take on the obligations of membership as one of the key conditions for EU membership.

In its 2014 Enlargement Strategy, the EC highlighted public administration reform as one of the “fundamentals first” of the enlargement process and outlined the six thematic areas which would later structure the Principles of Public Administration. In its 2018 Communication on Enlargement³, the EC re-emphasised the need to address “fundamentals first” in the European integration path:

*“Core issues such as the rule of law, fundamental rights, strengthening democratic institutions, public administration reform, as well as economic development and competitiveness remain key priorities in the enlargement process. They form the basis for any aspiring Member State to ensure it has the necessary administrative and judicial capacity in place to properly apply EU rules and standards not only in law but in practice. Much remains to be done across the board to align with the EU's *acquis*, to establish or build up the related institutions, and to ensure implementation*

¹ <https://fra.europa.eu/en/eu-charter/article/41-right-good-administration>.

² OECD (1999), *European Principles for Public Administration*, SIGMA Papers No. 27, OECD Publishing, Paris, <https://doi.org/10.1787/5kml60zwd7h-en>. The European Administrative Space included components such as reliability, predictability, accountability and transparency, as well as technical and managerial competence, organisational capacity, financial sustainability and citizen participation.

³ https://ec.europa.eu/neighbourhood-enlargement/2018-communication-eu-enlargement-policy-en-fr-de_en.

capacity, whether in terms of single market rules, social policy, energy and transport acquis or EU environmental law”⁴.

In 2021, the EC issued a document on supporting public administrations of the EU Member States to deliver reforms and prepare for the future emphasising the importance of national public administration systems for the future of the EU, for its economic prosperity, social progress, fairness, digital and green transformation:

“Quality public institutions are crucial for the EU to address the climate crisis and the economic and societal transitions outlined in the UN’s Sustainable Development Goals. (...). Public administrations are the foundation on which the EU builds its success (12). This foundation needs to be solid if the EU is to be strong”⁵.

In March 2022, European Ministers responsible for public administration further emphasised the need for attractive, modern and innovative civil services that lead by example; transparent and resilient public services that meet users’ expectations; and high quality, inclusive digital public services that respect European values⁶.

Rationale for a revised (2023) edition of the Principles of Public Administration

The first edition of the Principles of Public Administration was published in 2014. This revised edition has been developed with the aim to update the framework with the most recent developments of standards and practices in the EU, OECD and other international organisations, and to better respond to societal challenges of the present, such as the need for digital transformation and environmental sustainability.

The *acquis* requirements remain at the core of the Principles. Where there is no *acquis*, the Principles are derived from other international standards, particularly from OECD recommendations and good practices in EU and OECD Member States.

In recent years, several new international standards have been laid down. In 2015, The UN Sustainable Development Goal 16 called for “peaceful and inclusive societies, the provision of access to justice for all, and building effective, accountable institutions at all levels”. In 2020, the OECD Policy Framework on Sound Public Governance weaved together existing OECD legal instruments and tools. Public administrations are today expected to be more digital, agile, innovative and green than in 2014.

This new version of the Principles unifies the framework, eliminating the need for separate Principles for the EU Enlargement and Neighbourhood regions, and even more clearly and succinctly expresses the EU values and standards in each area. Where accession-specific standards exist, they are highlighted in a separate module. The 2023 Principles also extend the scope beyond central government to include the regional and local government levels with the aim to foster a coherent policy approach⁷. Finally, the revision also reflects the lessons SIGMA learned since 2014 on what works well, through direct engagement with national administrations and its regular monitoring exercises.

Scope of application of the Principles of Public Administration

The Principles of Public Administration apply to centres of government, line ministries, government agencies, regulatory bodies and other institutions of central government performing the core functions of

⁴ COM(2018) 65 final, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions, A credible enlargement perspective for and enhanced EU engagement with the Western Balkans, 6 February 2018, p. 6.

⁵ EU (2021), *Supporting public administrations in EU Member States to deliver reforms and prepare for the future*, 29 April 2021, p. 3, https://ec.europa.eu/info/departments/structural-reform-support/supporting-public-administrations-eu-member-states-deliver-reforms-and-prepare-future_en.

⁶ *Strasbourg Declaration on the Common values and challenges of European Public Administrations*, (2022) https://www.transformation.gouv.fr/files/presse/Declaration_common_values_challenges_european%20public_administrations_1.pdf.

public administration: policy making and policy implementation, including delivery of administrative services.

The application of the Principles extends to the judiciary, parliaments and independent constitutional bodies such as ombudsman or the supreme audit institution, insofar as they oversee and scrutinise public administration or otherwise collaborate with public administration.

The Principles apply also to the sub-national (regional and local) levels of government. Two dedicated Principle guide decision-makers on subsidiarity, fiscal autonomy and other key structural aspects of multi-level governance. Throughout the framework, specific sub-principles lay out elements relevant for regional and local authorities.

Structure of the Principles of Public Administration: six areas of Public Administration, thirty-three Principles, 293 sub-principles

The structure of the 2023 edition of the Principles of Public Administration still follows the six thematic areas as set out by the 2014 Enlargement Strategy. Innovation, digital and green government have been added to the first thematic area and "Accountability" has been renamed to "Organisation, accountability and oversight" to better reflect the content of the Principles in that area.

Thematic areas	Short description
Strategy, green and digital	Continuous improvement, innovation and digitalisation in public administration are ensured through leadership, management, co-ordination, effective planning and implementation of realistic and targeted actions.
Policy development and co-ordination	Policy plans and budgets are harmonised; policy objectives are clearly defined, monitored and evaluated. Public policies are developed through an open process, based on sound evidence and analysis, coherent and well-coordinated across the whole-of-government.
Public service and human resource management	Public servants act with professionalism, integrity and neutrality. They are recruited and promoted based on merit and equal opportunities, and have the right competencies to deliver their tasks effectively.
Organisation, accountability and oversight	Public administration is organised in an efficient and effective way across all levels of government. Public administration bodies apply clearly defined internal and external accountability mechanisms, are open and transparent, and are overseen by strong oversight bodies that protect the rights of citizens and the public interest.
Service delivery	Public administration places the users at the centre and delivers high-quality and easily-accessible services online and offline to all people and businesses.
Public financial management	Public administrations plan and manage public finances to ensure they are sustainable and transparent and allow the delivery of policy objectives, with control, procurement and oversight arrangements in place to ensure the economic, efficient and effective use of public resources shared across all levels of government.

33 Principles outline the expected values, behaviours and outcomes. **293 sub-principles** provide more detailed guidance on how to achieve these results and ensure adequate administrative capacity. The sub-principles reflect all prerequisites that need to be observed to effectively comply with the principles, namely:

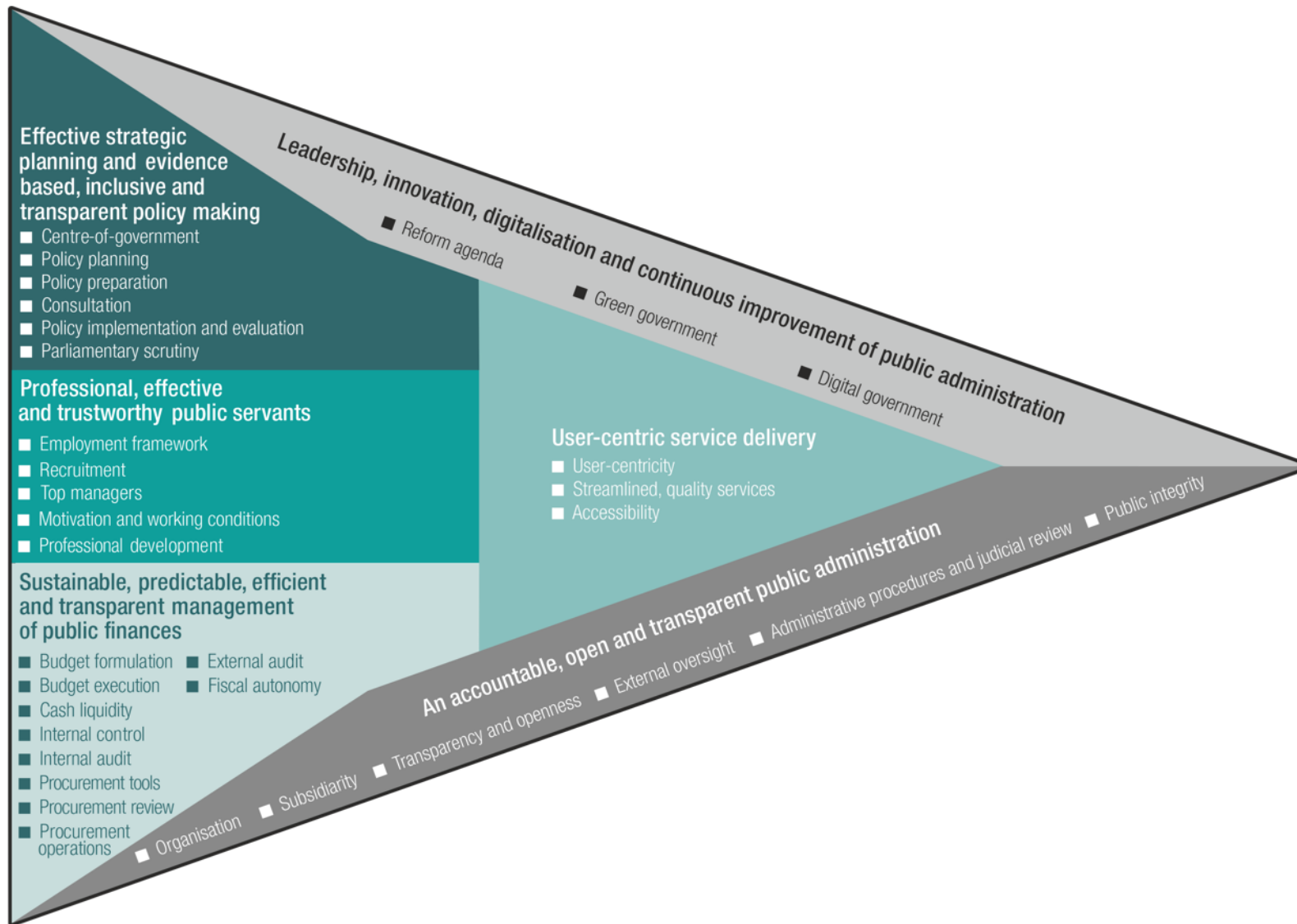
- Adequate legislative framework (both primary and secondary legislation)
- Established institutional and organisational setup with clearly defined responsibilities, as well as adequate capacities of responsible institutions
- Right people with the right skills
- Orientation towards outcomes for citizens and businesses
- Decisions based on evidence and reliable data
- Systematic monitoring and evaluation of performance to create a learning and feedback loop
- Organisational culture internalising the desired values and behaviours
- Management of change
- Comprehensive scope of application

Monitoring framework

The Principles are complemented by a monitoring framework that operationalises this normative guidance into indicators with specific criteria and performance benchmarks. The indicators measure the enablers of successful reforms (laws and policies, institutional structures, resources) and the actual implementation of reforms and subsequent outcomes (how the administration performs in practice). The indicator values express the maturity of relevant components of public administration, providing an overall value between 0 (lowest) and 5 (highest) for each Principle.

The overall approach recognises that no single measurement method can fully capture the complex issues related to organisational change and changes in social behaviour. It is necessary to obtain as much information as possible from administrative data, surveys, statistics, interviews, etc. and then to actively cross-check to arrive at a balanced assessment. The indicators are composed therefore of a combination of sub-indicators drawing on different methodologies.

Overview of the six areas and 33 Principles of Public Administration



Leadership, innovation, digitalisation and continuous improvement of public administration

Strategy, green and digital

Continuous improvement, innovation and digitalisation in public administration are ensured through leadership, management, co-ordination, effective planning and implementation of realistic and targeted actions.

Principle 1: A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.

- a. Public administration reform (PAR) is acknowledged as a political priority and is reflected in the relevant political agendas.
- b. Continuous improvement of public administration is fostered through a comprehensive PAR agenda covering all areas and levels of government, as defined by the Principles, and is established through dedicated planning documents.
- c. Government ensures timely and full implementation and monitoring of all public administration reforms.
- d. Sustainability of PAR is ensured through adequate planning, monitoring and allocation of sufficient financial, administrative and human resources.
- e. Management and co-ordination structures are established at political and administrative levels to support effective co-ordination and implementation of PAR.
- f. All relevant internal and external stakeholders are regularly consulted and involved in PAR planning and monitoring, and regular communication with stakeholders is ensured.
- g. Innovative solutions and approaches are enabled, supported and shared centrally across the whole public administration and at all levels of government.

Principle 2: Public administration enables, supports and contributes to green transition

- a. Government has a clear policy and a commitment to enable and support the green transition, including carbon emission reduction targets, as well as plans for innovation, continuous improvement and modernisation of public administration and public services.
- b. Institutional responsibility for leading and co-ordinating government policy on green transition is established with a mandate and essential capacities to steer public sector activities across levels of government.
- c. Government has effective mechanisms, with measurable indicators and targets, to monitor and evaluate progress towards climate and other environmental objectives.
- d. Ministries, agencies and local and regional authorities develop their competence and capacity, and use scientific expertise and innovative tools as needed, to inform, formulate and implement policies that contribute to climate and environmental objectives.
- e. Impacts of new policies on the environment and climate objectives and trade-offs between policy options and objectives are systematically analysed, and the findings are used to inform public debates and the final decisions.
- f. Environmental implications of decisions are taken into account before individual projects, dedicated public plans or programmes are approved, in line with EU *acquis*⁸.
- g. Green budgeting tools are used to improve the consistency of public revenue and expenditure with climate and environmental objectives, and show the environmental and climate impacts of budgeting choices.

⁸ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32011L0092> and Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32001L0042>.

- h. All levels of public administration use procurement to achieve lower environmental impact by the public sector, and to stimulate the market for environmentally sustainable products and services consistently with primary procurement objectives.
- i. Public organisations across all levels of government have set carbon emission targets and reduce their environmental footprint through workplace and workforce planning, management of public real estate and other assets, and changes in public service delivery.
- j. Progress towards green targets of individual public organisations is monitored, including by tracking carbon emissions, and the results are regularly published.

Principle 3: Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government.

- a. Suitable governance is in place with co-ordination, leadership and capacity for the creation and delivery of effective and integrated digital government strategies, initiatives, policies and services.
- b. Public registries are digital by design and data governance coherent and systematic to ensure the trustworthiness and high quality of data, its access and sharing and data are actively used and shared within the public administration and beyond.
- c. Open data is accessible, available and re-usable.
- d. Interoperability (legal, semantic, organisational, and technical) is ensured throughout the public administration and enhanced for cross-border integrations⁹.
- e. User-friendly digital identity and trust services are easily available for everyone, legally enacted, technically functional and widely used¹⁰.
- f. Digital government infrastructure and information systems are scalable, flexible and future-proof. a
- g. Cyber security and privacy risks are effectively handled to ensure data protection and build public trust, by applying prevention frameworks and building sufficient capacities¹¹.
- h. Targeted policy and work are done to attract and maintain digital talent and leadership in the public administration, and to enhance digital skills and mind set among public officials.
- i. Digital literacy, skills and sufficient connectivity are ensured among all the population for the whole society to benefit from digital services and opportunities.
- j. Active collaboration with relevant stakeholders is taking place, and the re-use of digital solutions developed with public budget is enhanced to boost a collaborative ecosystem for the provision and use of digital services economy-wide.
- k. The legal framework allows to fully capture digital possibilities in the public administration, including uptake of new solutions and technologies.

⁹ In line with available standards at the national and international level, including the European Interoperability Framework: COM (2017) 134 final, *European Interoperability Framework – Implementation Strategy*, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2017:134:FIN>.

¹⁰ Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.257.01.0073.01.ENG.

¹¹ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, (General Data Protection Regulation), <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016R0679>.

Effective strategic planning and evidence-based, inclusive and transparent policy making

Policy development and co-ordination

Policy plans and budgets are harmonised; policy objectives are clearly defined, monitored and evaluated. Public policies are developed through an open process, based on sound evidence and analysis, coherent and well-co-ordinated across the whole-of-government.

Principle 4: Government policies are effectively co-ordinated and decisions are prepared and communicated in a clear and transparent manner.

- a. Centre of government (CoG) enables and facilitates political and policy co-ordination across different ministries and relevant institutions to ensure overall policy coherence and better and more sustainable policy outcomes.
- b. CoG institutions and their internal units co-ordinate and collaborate actively with each other to ensure good policy outcomes.
- c. Government decisions are prepared, approved and followed up in a transparent, effective and timely manner, based on clear rules and procedures, through the relevant decision-making structures, including government sessions.
- d. The government office reviews consistently all items submitted for final government approval to check their compliance with the established rules and standards.
- e. Central co-ordination of government communication, both internal and external, helps advance the national policy agenda and counters mis- and dis-information.
- f. Effective procedures and mechanisms are in place to ensure smooth and continuous functioning of government decision-making in crisis situations and managing external risks at the national, regional and local levels.

Sub-principle relevant for EU accession countries only

- g. Clear horizontal procedures for governing the national European integration (EI) and accession negotiation processes are established and enforced under the co-ordination of the responsible CoG body and with a clear allocation of roles and responsibilities.

Principle 5: Policy planning documents are coherent, inclusive and realistic, are effectively implemented and monitored, helping to achieve intended policy outcomes and goals, in line with the government fiscal space.

- a. A harmonised, integrated and coherent policy planning, monitoring and reporting system, with clear procedures and key institutional responsibilities, is established through regulations.
- b. Political priorities and agenda, as articulated in the government programme or other similar political statements, is effectively planned and implemented through relevant policy planning documents.
- c. Policy and financial planning documents are coherent and aligned with each other in terms of policy priorities, objectives and activities.
- d. Policy planning documents meet formal quality requirements and contain adequate analysis and information, including on policy objectives, indicators with targets and monitoring framework. They are developed in a participatory manner and are publicly available.
- e. Policy planning documents include detailed financial cost estimates which are aligned with the medium-term and annual budgets, and financial resources are available to ensure smooth and full implementation.
- f. Performance and results, including achievement of policy objectives and outcome indicators, are regularly monitored and reported on, in line with requirements; monitoring reports are published on time to enable public scrutiny.
- g. Guidance, quality assurance and methodological support are provided to institutions during the planning, monitoring and reporting of policy planning documents.

Sub-principles relevant for EU accession countries only

- h. The EI planning process is fully integrated within the overall government policy planning systems. EI plans are coherent and aligned with other government planning documents.
- i. EI plans are effectively implemented through prioritising and costing of EI-related commitments, taking into consideration the available resources and capacities of the administration.

Principle 6: Policies are developed based on sound evidence and impact assessment, following clear and consistent rules for law making; laws and regulations are easily accessible.

- a. A whole-of-government policy to promote better regulation, evidence-based and inclusive policy making is established and applied in practice during policy development and legislative drafting.
- b. Ministries have clear internal rules and procedures for planning and managing the policy-development and legislative-drafting processes effectively.
- c. Regulatory impact assessment (RIA), or other similar tool(s), is adopted and systematically used to support policy development, facilitate consultation and inform decision making at all key stages of policy making, covering both primary and secondary legislation.
- d. Alternative options, possibilities for regulatory simplifications and effective monitoring and enforcement mechanisms are systematically considered and analysed during policy development.
- e. All possible impacts of policy proposals are systematically analysed; reasonable efforts are made to quantify and monetise key impacts, such as additional costs on the state budget and businesses.
- f. The selection of specific analytical approach and the level of analysis of policy options are proportionate to the complexity of the issue under consideration and the scale of anticipated impacts.
- g. The RIA oversight, quality control, support and guidance functions ensure full and consistent implementation of existing rules and methodologies, enhance the quality of policy analysis, and strengthen capacities, enabling continuous improvement of the system.
- h. Laws and regulations are clear, coherent and consistent in content, structure, style and language.
- i. All primary and secondary legislation are easily accessible and available free of charge through a central online database(s), including consolidated versions. Administrative guidance documents, forms and materials, essential for complying with regulations are easily available for businesses and citizens.
- j. National, regional and local levels of government co-operate and co-ordinate actively to ensure regulatory coherence and evidence-based policy making across the whole domestic jurisdiction.

Sub-principles relevant for EU accession countries only

- k. EU *acquis* transposition and legal harmonisation form an integral part of the overall government policy-development process.
- l. Special rules, procedures and tools, such as tables of concordance, translation of EU law into national language, ensure effective legal harmonisation of the domestic legislation with the EU *acquis* and minimise the risk of gold-plating.
- m. Roles and responsibilities of all relevant institutions and structural units responsible for effective planning, co-ordinating and monitoring of the EU law transposition process are established.

Principle 7: All key external and internal stakeholders and the general public are actively consulted during policy development

- a. Procedures are in place and consistently applied to enable effective public consultations with stakeholders and the general public, allowing businesses, NGOs and citizens to participate in and inform government policy making.
- b. Government applies a proactive approach to empowering and engaging with citizens, particularly under-represented groups in decision making. Various consultation and stakeholder engagement methods, including advance notifications and targeted communications, are utilised to ensure effective participation of all target groups and stakeholders in policy making.
- c. Consultation with the general public is conducted in an accessible and transparent manner through a central online consultation portal(s). All key documents accompanying the proposal are made publicly available.
- d. Ministries hold constructive dialogue with key external stakeholders and collect, analyse and use all responses when shaping the final policy proposal. The outcome of the public consultation process and the manner in which consultees' views have shaped and influenced policy is reported on transparently.
- e. Monitoring the implementation of the public consultation and stakeholder engagement rules helps increase the transparency, quality and effectiveness of policy making.
- f. Interministerial consultations are carried out based on clear rules and procedures, facilitating effective discussions on policy and its outcome.
- g. The lead ministry reports on the outcome of the interministerial consultation as part of the documentation submitted for government sessions.
- h. Interministerial conflict resolution mechanisms are built into the decision-making process at both administrative and political levels, and the mechanisms fully utilise the expertise of the administration to enable optimal conflict resolution before the issue is discussed by the government.

Principle 8: Effective monitoring, enforcement and evaluation systems are established to increase compliance, improve policy implementation and reduce regulatory costs and burden.

- a. All preparations necessary for effective implementation of policies are made prior to the moment when the policies take full effect (including harmonisation of legislation, adoption of secondary legislation, capacity building, awareness raising, etc.).
- b. Businesses and citizens receive advance notifications about upcoming changes in the rules and regulations that will affect them, and sufficient time is allowed for the affected groups to adjust and align with the new regulatory framework.
- c. Effective monitoring of regulatory compliance and policy implementation is conducted by responsible ministries, based on robust and relevant data, including evidence gathering through direct feedback and consultations from affected stakeholders.
- d. *Ex post* evaluation of major laws and policies is an integral part of the better regulation agenda and is linked to the analysis conducted during the development of the policy. Evaluation results are made publicly available and used to inform future policy.
- e. Review of the stock of regulations is conducted regularly to ensure that regulations remain relevant, up to date and contribute to government policies on unnecessary regulatory burden reduction and simplification.
- f. Government conducts inspections based on risk analysis and consideration of the proportionality principle. Inspections are planned and conducted in a well-co-ordinated and transparent manner to minimise burdens, increase compliance and ensure effective use of public resources.
- g. Compliance with existing regulations should be promoted through information provision, guidance, checklists and other tools. Enforcement actions should be modulated depending on the profile and behaviour of specific regulated subjects.
- h. Government is engaged in international and regional regulatory co-operation to improve regulatory quality and coherence, increase compliance and achieve better and more sustainable policy outcomes.

Principle 9: Parliament effectively scrutinises the government policy-making system and ensures overall policy and legislative coherence.

- a. Parliamentary rules and procedures enable effective scrutiny and oversight of government policy making and ensure the legislation enacted is clear, concise and intelligible.
- b. Parliamentary committees debate and scrutinise legislative initiatives, with active participation of government ministers and senior officials, ensure consultation with key stakeholders, while also minimising any risks of undue external influence.
- c. The government co-ordinates closely with the parliament its legislative work plan, and shares the information about new legislative initiatives with the parliament regularly.
- d. All policy documents and supporting materials, such as Regulatory Impact Assessment, report on outcome of public consultation, are shared with the parliament; those documents are revised, if needed, to reflect any major amendments agreed during parliamentary debates.
- e. Extraordinary and/or shortened procedures for adopting laws are not used excessively to allow adequate time for preparation and scrutiny. If such procedures are used, an ex post review of these laws is carried out at the earliest possible time to assess the relevance and effectiveness of the regulatory rules and procedures.
- f. The government reviews and provides comments on all new legislative proposals initiated by the members of parliament to highlight possible policy incoherence and implementation risks, such as creation of unfunded mandates.
- g. The parliamentary services provide expert advice and support to members of parliament for initiating and drafting new laws based on evidence and with input from key stakeholders.
- h. The parliament regularly reviews implementation of major laws and government policies to assess their effectiveness and hold government accountable.

Professional, effective and trustworthy public servants

Public service and human resource management

Public servants act with professionalism, integrity and neutrality. They are recruited and promoted based on merit and equal opportunities, and have the right competencies to deliver their tasks effectively.

SIGMA applies the narrow scope of public service covering:

- ministries and administrative bodies reporting directly to the government, prime minister or ministers (i.e. the civil service, strictly speaking);
- administrations of the parliament, the president and the prime minister;
- other administrative bodies at the level of the central administration, if they are responsible for safeguarding the general interests of the state or other public bodies;
- regional and local administrations;
- independent constitutional bodies reporting directly to the parliament.

Principle 10: The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.

- a. Government has a clear policy on civil service and the political-level responsibility for the area is established.
- b. A specific employment legal framework applies to the civil service, and defines clear and adequate horizontal and vertical scopes.
- c. Public servants are subject to accountability, ethical and disciplinary frameworks and can be held liable in case misconduct is proven in due process.
- d. Public servants have the obligation to act professionally and neutrally, they have the right to reject unlawful instructions and are protected against undue political and other interferences in their professional judgement.
- e. The use of temporary employment in the public administration is limited to justified situations, positions, and time limits.
- f. Public servants can only be dismissed based on objective criteria regulated by law, following a due process and subject to judicial review.
- g. A central unit, sufficiently empowered, effectively leads and co-ordinates the human resource management (HRM) system for the civil service, provides support to the human resource (HR) units in the public bodies, and monitors the implementation.
- h. The HR units in the public administration have sufficient capacities for professional HR management.
- i. An effective information system supports HRM processes and provides data allowing for people analytics.

Principle 11: Public administration attracts and recruits competent people based on merit and equal opportunities.

- a. Public administration analyses human resources (HR), and prepares and implements HR plans aligned with the budget to ensure the appropriate workforce size, mix of competencies, skills, and expertise to fulfil its mission.
- b. Public servants are recruited through transparent and open competitions, based on merit.
- c. Inclusive recruitment policies and practices support diversity and equal opportunities in public administration.
- d. Public administration attracts high number of eligible candidates using employer branding and other recruitment tools.
- e. Recruitment is based on accurate job descriptions providing the required candidate profile (experience, knowledge, skills, competencies) for effective performance, reflected in vacancy announcements alongside with work and salary conditions.
- f. Selection committees are composed of members qualified to perform the assessment of candidates against the job requirements, without any conflict of interest, and free from political influence.
- g. Selection methods provide fair and valid assessment of experience, knowledge, skills and competencies necessary to perform the job and enable the selection of the most suitable candidates.
- h. Recruitment and selection processes are efficient, timely and user-friendly supported by digital tools.
- i. Applicants are informed of recruitment decisions in due time and have the right to ask for justification and appeal through administrative and judicial channels.
- j. The onboarding processes enable a rapid adaptation to the job and the organisation, so that new staff feel confident, competent and perform well.

Principle 12: Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.

- a. Top managers in public administration are recognised as a specific category. The scope of senior civil service is adequately defined, ensuring that senior managerial positions in ministries and agencies are not treated as political offices.
- b. Top management positions are made attractive through fair recruitment, competitive remuneration, professional challenges, autonomy and mitigation of career risks.
- c. Recruitment procedures are merit-based, professionally led, impartial and transparent allowing to determine and appoint top managers with sufficient high-level experience, knowledge, skills and competencies to perform their job well against predefined standards.
- d. Recruitment policies and practices support diversity, gender balance and inclusion in top managerial positions.
- e. Top managers in public administration have clearly defined objectives, aligned with the mission of the organisation and objectives of the government, and their performance is regularly assessed.
- f. Top managers in public administration have sufficient professional and managerial autonomy, enabling them to assume responsibility for the management of staff, resources and work.
- g. Top managers in public administration develop their skills in line with the needs of the job, both present and future.
- h. Continuity of institutional performance and institutional memory are fostered through stability of top management in public administration.

Principle 13: Public administration employees are motivated, fairly and competitively paid and have good working conditions.

- a. Public administration offers a competitive package of financial and non-financial compensation: remuneration and benefits, development and career opportunities, job security, and a respectful and inclusive work environment, to attract, motivate and retain employees and teams with the required skills and competencies.
- b. Equal pay for equal work¹², both within individual institutions and across the public administration, is promoted by determining the basic salary on job classification. Allowances and other benefits are based on objective criteria and established in law. Any type of discrimination in remuneration, including gender related, is prevented.
- c. The salary system is fiscally affordable; the evolution of the wage bill is predictable.
- d. The salary system is transparent to employees and the public while ensuring a sufficient degree of protection of sensitive personal data.
- e. Grading and pay structures provide for salary progression opportunities.
- f. Performance-related pay, if introduced, constitutes a limited proportion of the salary and is based on clear criteria and provides incentives aligned with the public interest.
- g. Public administration cares about the well-being of the employees, including their safety, health, work satisfaction and engagement. Staff well-being is monitored regularly to optimise working conditions.
- h. Flexible work arrangements are available for public administration employees (office, teleworking, part-time, hybrid, etc.) at all levels of the organisational hierarchy to foster productivity, work-life balance, and reduce the ecological footprint.
- i. Public administration involves employee representatives in social dialogue on reward systems and working conditions.

¹² Directive 2006/54/EC of the European Parliament and of the Council on 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast), <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32006L0054>.

Principle 14: Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants, and promote civil service values.

- a. Performance of public servants is managed based on clearly established objectives, aligned with the mission and objectives of the organisation. Performance assessments provide feedback to public servants, recognise good performers, identify talent and development needs, and address underperformance.
- b. Public administration actively promotes the continuous learning of public servants, conducts training needs analysis and prepares training plans.
- c. Training plans are effectively implemented and financed by the state budget. The design and delivery of training programmes take into account the current as well as anticipated future characteristics of the organisation, the trainees and training goals to enhance learning and job performance.
- d. Public administration uses horizontal mobility of civil servants to address organisational needs, manage talent, enhance professional development and performance.
- e. Public administration offers opportunities for career advancement and promotion based on merit and performance of public servants.
- f. Career development and mobility policies and practices in the public service support diversity and inclusion.

Accountable, open and transparent public administration

Organisation, accountability and oversight

Public administration is organised in an efficient and effective way across all levels of government. Public administration bodies apply clearly defined internal and external accountability mechanisms, are open and transparent, and are overseen by strong oversight bodies that protect the rights of citizens and the public interest.

Principle 15: The organisation and management of public administration foster accountability, effectiveness and efficiency.

- a. Public administration is organised in line with a coherent and limited typology of bodies, based on their main functions.
- b. Effective mechanisms keep the organisational structure of public administration compact and rational. Public administration bodies are created, merged and terminated based on sound ex-ante impact analysis.
- c. Ministers are politically accountable for the performance of public administration bodies.
- d. Ministries have assigned responsibilities for steering, overseeing and managing performance of the subordinated agencies, with appropriate organisational arrangements and sufficient capacities.
- e. Bodies performing executive functions, including regulators, are accountable to the government through line ministries.
- f. Regulatory bodies benefit from a level of autonomy required for effective performance of their functions in line with the EU acquis.
- g. Constitutional bodies and oversight institutions enjoy independence and are accountable to the parliament.
- h. Public administration bodies operate within an accountability framework based on clear objectives and performance indicators.
- i. Internal organisation of public administration bodies contributes to the effective performance of functions and horizontal co-ordination, by ensuring clear assignment of duties and lines of accountability.
- j. Managerial accountability is fostered through empowering managers and delegation of decision-making within the administrative structures, combined with effective controls focused on purposefulness, efficiency and legality.
- k. Public bodies coordinate and collaborate across organisational boundaries and sectors

Principle 16: A clear and balanced distribution of power and responsibilities is established at all levels of government, embracing the principle of subsidiarity and local autonomy, and facilitating inter-institutional co-ordination with effective oversight mechanisms.

- a. The division of competences, rights and duties across levels of government is established by law to avoid overlapping and strengthen transparency.
- b. Regional and local governments have autonomy to perform their tasks.
- c. Supervision over regional and local governments is exercised based on law by the competent authorities, is proportional and respects their autonomy in decision-making, distinguishing between own and delegated competencies and providing for remedy in case of breach.
- d. An independent mechanism resolves conflicts of competencies and responsibilities among levels of government.
- e. Effective co-ordination structures facilitate alignment of policies and priorities at all levels of government.
- f. Regional and local governments are empowered and supported to form partnerships including inter-municipal co-operation.
- g. Decision-making and responsibilities shared among the different tiers of government are carried out at the level closest to citizens with respect to the coherence of function and size of regional and local governments.

Principle 17: Public administration is transparent and open.

- a. The government has established strategic objectives to promote openness and transparency of public administration, assigning clear responsibilities to specific actors.
- b. Individuals, including non-residents, and legal persons have the legal right to access public information without justifying their request.
- c. Public information encompasses all recorded information on the performance of public functions held by the public administration, individuals or legal persons who exercise public authority. Exceptions exist only when there are compelling reasons for classifying information, they are set down precisely in law which is interpreted strictly.
- d. Public administration helps parties to identify the requested information and provides it promptly in the requested format and free of charge, except for the cost of reproduction and delivery.
- e. Public administration communicates the ground for refusal of access to public information and parties have the right to appeal this decision to an independent body or the courts.
- f. A designated supervisory authority monitors compliance with the legislation on public information, provides guidance and imposes sanctions.
- g. Public administration maintains up-to-date document registers, lay down and follow rules relative to the preservation and destruction of documents to keep easy-to-find proof of public activities and decisions.
- h. Access for re-use of information and their metadata held by public authorities, public undertakings and publicly financed research data for commercial and non-commercial purposes is widely granted in line with the EU *acquis*.
- i. Public administration bodies proactively disclose public information, which is relevant, complete, accurate and up to date, accessible, understandable, machine-readable and reusable. At a minimum, public authorities regularly publish legal acts, policy plans, public services offered, annual reports, budget, contact information and organisation charts.
- j. Public information and data are easily accessible for citizens and businesses.

Principle 18: The parliament, ombudsman, supreme audit institution, media and civil society effectively scrutinise public administration.

- a. Parliament and its committees effectively scrutinise the executive and monitors the quality of its work, through hearings, questions to government, parliamentary inquiries, evaluations of government policies and budget oversight.
- b. Parliament actively supports the ombudsman and the supreme audit institution (SAI) in their oversight functions by ensuring adequate resources, considering their reports and urging the government to correct the deficiencies identified by the oversight bodies.
- c. The independence of ombudsman is ensured in legislation and in practice. The ombudsman has sufficient institutional capacities for exercising its mandate and enjoys public trust.
- d. High moral character, integrity and appropriate professional expertise and experience of the person responsible for exercising the ombudsman functions are required in the legislation and ensured in practice.
- e. The mandate of the ombudsman, covering prevention and correction of maladministration in all public administration bodies, and the protection and promotion of human rights and fundamental freedoms, is enshrined in the legislation and implemented. The ombudsman has appropriate powers to investigate individual cases and systemic issues.
- f. The recommendations of the ombudsman to public bodies, including systemic recommendations, are effectively implemented.
- g. The SAI, its head and members' independence, in all its forms, is established in the constitution, legally protected and respected in practice.
- h. The SAI has sufficient capacities for exercising its mandate and enjoys public trust.
- i. The mandate of the SAI, covering compliance, financial and performance audits in all bodies of public administration, is enshrined in the legislation and implemented in practice.
- j. The recommendations of the SAI to public bodies, including systemic recommendations, are effectively implemented.
- k. Public administration is subject to scrutiny by free media and civil society organisations which can operate without undue political influence.

Principle 19: The right to good administration is upheld through administrative procedure, judicial review and public liability

- a. Administrative procedures are conducted in line with principles of legality, including lawful exercise of discretion, legal certainty, equality, impartiality, and proportionality.
- b. Parties involved in administrative procedures can exercise their right to be heard and access the files of the proceeding.
- c. Public administration states the reasons for their decisions, notifies the party, and informs of the right to appeal. Exceptions are allowed for cases when the decision is entirely beneficial for the interest of all involved parties and no party requested it.
- d. Internal administrative appeal mechanisms, if established, ensure swift and easy access to effective legal remedies.
- e. Government monitors the functioning of individual types of administrative procedures, the results of internal administrative appeals as well as judicial appeals and, if needed, addresses any challenges related to the efficiency, effectiveness and lawfulness of the administration.
- f. Individuals and legal persons have effective access to an independent court to challenge lawfulness of administrative acts and actions, and obtain effective protection of their rights in a timely manner.
- g. The administrative judiciary has the mandate and resources to ensure efficient delivery of quality decisions, which are effectively executed.
- h. Damages from wrongdoing by holders of public authority are redressed and fairly compensated to individuals and legal persons.
- i. Public administration analyses the causes of compensation payments and takes action to learn from mistakes to avoid or minimise similar errors in the future.

Principle 20: Corruption risks are minimised through a coherent and comprehensive public sector integrity system.

- a. The government has established strategic objectives to reduce corruption and integrity risks, based on risk analysis and data.
- b. A comprehensive set of corrupt acts and integrity violations are defined as criminal, civil and/or administrative offences, with proportional sanctions defined.
- c. Rules and public sector values for ethical conduct are established throughout the public sector and are effectively communicated and enforced.
- d. An easily accessible and trusted complaints mechanism encourages reports on integrity violations and an open organisational culture.
- e. Whistleblowers are protected by law against all types of reprisals, and can report confidentially to a body that ensures follow-up¹³.
- f. Conflict of interest situations are managed through a coherent system, in particular with guidance and procedures for resolution and a list of incompatibilities between public functions and private activities, pre- and post-public employment risks are mitigated, for example through cooling off periods.
- g. A risk-based system of asset declarations is established and monitored by a public body with authority to issue sanctions, mechanisms are in place for investigating and sanctioning discrepancies between personal assets and declared incomes.
- h. Lobby and influence activities are transparent and conducted with integrity.
- i. An effective integrity risk management and control system is functioning in all public sector organisations.
- j. Integrity violations are detected, investigated and sanctioned with fairness, objectivity, and timeliness, with an option to appeal.
- k. Information is shared with law enforcement authorities to allow interagency collaboration and criminal investigations; the public is informed about the outcome of cases, whilst respecting confidentiality.

¹³ Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L1937>.

User-centric service delivery

Service Delivery

Public administration places the users at the centre and delivers high-quality and easily-accessible services online and offline to all people and businesses.

Principle 21: Users are at the centre of administrative services design and delivery.

- a. The government establishes and co-ordinates a whole-of-government policy to improve public administrative service design and delivery continuously, based on evolving user needs.
- b. The public administration uses one or several recognised quality management tools to systematically assure and improve the quality of services.
- c. The public administration engages users to understand their needs, expectations and experiences, and to involve them actively in the (re)design of public administrative services (co-creation).
- d. The government conducts regular reviews of existing administrative procedures to simplify and improve services, reducing the cost, time and physical presence needed.
- e. When designing and implementing new policies and services, the government assesses and controls that administrative burdens and costs are not being created.
- f. The government establishes standards, defines them with users, communicates them to users, and regularly updates them to reflect changing circumstances and expectations.
- g. The public administration regularly monitors service quality against delivery standards and other metrics, to learn lessons and improve service design and delivery.

Principle 22: Streamlined and high-quality services are delivered to users¹⁴.

- a. The public administration ensures service design is streamlined for the maximum convenience of the service user.
- b. The public administration organises and offers public services in the form of 'life events'.
- c. The public administration provides pro-active public administrative services, whereby it uses prediction and automation to offer services where appropriate.
- d. The right of the user to provide the public administration with information and documents only once, in response to requests, is established by law, and applied consistently throughout the public administration.

¹⁴ Regulation (EU) 2018/1724 of the European Parliament and of the Council of 2 October 2018 establishing a single digital gateway to provide access to information, to procedures and to assistance and problem-solving services, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32018R1724>.

Principle 23: Administrative services are easily accessible online¹⁵ and offline to all users, taking into account different needs.

- a. The public administration applies omni-channel service delivery, combining online and (digitally-assisted) offline channels, so users have a seamless user journey with the possibility to interact digitally with any part of administration, if desired.
- b. The government ensures physical access to high-quality public services for all potential users through one-stop shops within a reasonable distance, through collaboration and co-ordination across and within levels of government.
- c. The public administration takes account of the diverse needs of different user groups in delivering services (including with respect to physical and intellectual ability, digital skills, language, etc.), and ensures there are no barriers to service access.
- d. The public administration ensures that users can easily find their preferred channels and access to information about their rights, obligations, services and the institutions providing them.
- e. In their communications (websites, leaflets, forms, etc.) and in the context of administrative decisions, public administrations use plain, easy-to-understand and concise language, which conveys all relevant information, in a manner that is appropriate to service users' diverse circumstances (minority languages according to the law, visual and hearing impairments, etc.).

¹⁵ Directive EU 2016/2102 of the European Parliament and of the Council of 26 October 2016 on the accessibility of the websites and mobile applications of public sector bodies, <https://eur-lex.europa.eu/legal-content/EN/LSU/?uri=CELEX%3A32016L2102>.

Sustainable, predictable, efficient and transparent management of public finances

Public financial management

Public administrations plan and manage public finances to ensure they are sustainable and transparent and allow the delivery of policy objectives, with control, procurement and oversight arrangements in place to ensure the economic, efficient and effective use of public resources shared across all levels of government.

Principle 24: The annual budget is comprehensive and formulated within a credible and rolling medium-term framework, balancing the policy needs with the fiscal constraints.

- a. The budget is prepared in line with a calendar issued by the ministry of finance that allows budget organisations sufficient time to prepare their proposals.
- b. A medium-term fiscal framework (MTFF) is prepared each year and includes policy objectives for fiscal aggregates for a minimum of three years ahead based on disclosed macroeconomic projections and respects the fiscal rules that are established in the legislation.
- c. The MTBF links fiscal policy to sectoral policies by disaggregated medium-term ceilings for line ministries as the basis for annual budget preparation and is approved by the government.
- d. First-level budget organisations are line ministries and constitutional entities only, and line ministries co-ordinate the budget preparation within their sectors.
- e. Fiscal discipline is improved by an independent oversight body that publishes on the quality of forecasts and macro-assumptions under the budget estimates and the compliance of the government with the legal fiscal rules and advising the government on fiscal policy matters.
- f. The annual budget documentation is comprehensive and includes all public expenditures and revenues, fiscal risks, tax expenditures and multi-annual commitments.
- g. The budget is presented in administrative, economic, functional, and programmatic terms, and makes use of non-financial performance information. Expenditures related to green and gender are carefully monitored.
- h. Objective selection criteria underlie the capital investment project pipeline. The budget document presents the multi-annual investments costs, and their fiscal risks and maintenance costs are assessed.
- i. The parliament has sufficient time and resources to analyse, debate and approve the budget proposal before the start of the new fiscal year.
- j. Citizen engagement in the budgeting process is stimulated by making a complete set of budget documentation publicly available, the preparation of a citizen budget and using open-budgeting tools.

Principle 25: Budget implementation and service delivery is supported by cash availability in the short and medium-term.

- a. Revenues are collected in an efficient and effective manner.
- b. The government has a complete overview of its daily cash balance using a Treasury Single Account (TSA) and oversight of the balances on all others bank accounts.
- c. The reliability of the financial data of the government is supported by regular reconciliation between the treasury information system, accounting information systems and bank account data.
- d. The cash management function ensures that liabilities can always be met within the legal timeframe using cash flow projections and access to the capital market to address cash shortfalls.
- e. A control system is in place to ensure that public sector organisations do not exceed their budget appropriations by committing to unfunded spending.
- f. Government meets its liabilities within the legal deadline. Any outstanding liabilities, such as payment arrears, are monitored, managed, and regularly reported on.
- g. Government borrowing to fund its financing gaps is prudent and sustainable in line with a published medium-term debt management strategy and fiscal strategy.
- h. The fiscal risk of an unsustainable debt burden is mitigated by centralising the mandate for central government borrowing and establishing legal constraints for borrowing or guarantees by other public entities.

Principle 26: The budget is executed in line with estimates and reported in a comprehensive and transparent manner allowing for timely scrutiny.

- a. The budget is executed in line with the approved appropriations, and fiscal rules/performance targets are complied with.
- b. The ministry of finance publishes comprehensive monthly reports of central government revenue, expenditure and borrowing within four weeks of the end of the month.
- c. Fiscal risks are continuously monitored and central government has oversight of the in-year financial performance including on contingent liabilities of local and regional government, state-owned enterprises (SOEs) and relevant PPPs.
- d. The national standards for financial reporting and accounting are defined and are aligned with the minimum requirements in place for EU member countries¹⁶ and enable the provision of data compliant with European system of accounts ESA2010.
- e. The annual financial report of the government is comprehensive, is based on an appropriate financial reporting framework¹⁷, is in a format that mirrors the format of the budget, explains variations from the budget figures, includes an analysis of state assets and liabilities and contains non-financial performance information comparing results with performance targets.
- f. Information on capital investment is provided in the annual financial report or a separate report.
- g. Government through its annual financial report, or a separate report, provides information on the significant economic, social and environmental impacts of its policies, procurements and operations.
- h. Local and regional government, SOEs and extra-budgetary funds prepare and publish annual audited financial statements.
- i. The annual financial report of the government is published no later than six months after the end of the financial year, is audited by the supreme audit institution and is discussed in parliament before the next budget discussions

¹⁶ In particular those defined in the Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States, <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX%3A32011L0085>.

¹⁷ International Public Sector Accounting Standards (IPSAS), International financial reporting standards (IFRS) or national financial reporting framework.

Principle 27: Public entities manage budgets in an effective and compliant manner to achieve their objectives.

- a. A framework for internal control, in conformity with the Committee of Sponsoring Organisations of the Treadway Commission model, is applicable throughout the public sector and is coherent with the relevant laws and regulations, particularly the legislation on public finance management.
- b. Each public entity issues an internal regulation committing to implementing internal control in accordance with the general framework and in line with a formally adopted and realistic plan for its development.
- c. Implementation of internal control is co-ordinated by a single ministry, which reviews progress and reports annually to the government on the development of internal control in the public sector.
- d. Public managers are responsible for the implementation of management and control systems that ensure the legal, effective, efficient and economic management of operations, assets and resources.
- e. Arrangements for delegation of decision making are in place with public managers' assigned clear objectives, roles and responsibilities. They have the autonomy, resources and information necessary to be accountable for the results.
- f. Each organisation produces comprehensive, timely and accurate information for managers on performance and budget execution, including on major investment projects.
- g. Public organisations identify and assess periodically the risks that threaten the achievement of their objectives, including environmental risks, and implement the necessary measures to mitigate them.
- h. The relationship between first-level organisations and subordinate entities is clearly defined, and robust governance arrangements ensure control over dependent state-owned and regional/local enterprises.
- i. Public management and control systems include procedures for preventing, detecting and reporting on irregularities and fraud, ensuring co-ordination and timely investigation and sanction of fraud and corruption.
- j. The management and control systems for using European Union (EU) funds meet the relevant EU requirements.

Principle 28: Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.

- a. Internal audit is implemented consistently throughout the public sector, on the basis of operational arrangements established by the legislation in line with the definitions of the institute of internal auditors.
- b. Internal audit is harmonised and co-ordinated at the central level, with subsidiary regulations and methodological guidance issued, that are applicable throughout the public sector.
- c. Internal audit charters and specific arrangements in line with the legal requirements are in place to adapt the internal audit function, structure and organisation to the type, size and complexity of the institution, including the possibility of shared internal audit services.
- d. Internal audit provides independent and objective assurance, reporting directly to the governing body of the organisation.
- e. Entities have an up to date and formally approved strategic plan for the implementation of internal audit. Annual plans cover the entire organisation and are based on a risk assessment on the effective operation of the organisation's risk management, governance, internal control and reporting, including a variety of audit types.
- f. Internal audits are conducted and reported in accordance with internal audit standards and manuals, and code of ethics, which are consistent with the guidelines of the Institute of Internal Auditors.
- g. A systematic follow-up ensures the implementation of internal audits recommendations by senior management, to address systematic weaknesses in internal control systems and in achieving value for money.
- h. Internal auditors hold a national or globally recognised certificate. A continuous professional development programme for internal auditors is effectively implemented.
- i. Internal quality assurance and periodic external quality assessment continuously improve the quality of internal audit.

Principle 29: Legislation on public procurement, including public-private partnerships and concessions, based on principles of equal treatment, non-discrimination, transparency, proportionality and competition, is fully aligned with EU *acquis*¹⁸. Strong central procurement institutions effectively support, steer and co-ordinate implementation, enforcement and monitoring of the public procurement system^{19, 20, 21, 22}.

- a. Fundamental European Union (EU) policy goals and Treaty principles, such as value for money, free competition, transparency, non-discrimination, equal treatment, mutual recognition and proportionality are reflected across the spectrum of public procurement legislation including public-private partnerships (PPPs) and concessions.
- b. Public procurement legislation above the EU thresholds, including PPPs and concessions, is in compliance with the EU Directives and in accordance with the requirements agreed with the country under the EU integration process, both in terms of substance and timing.
- c. Public procurement legislation below the EU thresholds reflects the Treaty principles and good European practice, promotes efficiency and ensures a regulatory balance proportionate to the size, nature and risks of the contracts.
- d. The administration has clear and comprehensive policies in place for the longer-term development of the public procurement system, including PPPs and concessions.
- e. Strategic goals of sustainable procurement, especially related to green procurement, are integrated in the public procurement system and pursued as a tool for delivering societal value, at the same time balanced and consistent with primary procurement objectives.
- f. An entity with a clear political and legal mandate at central level is entrusted with a policy making function to steer and manage public procurement reform. The necessary key functions and responsibilities to implement the public procurement system are clearly assigned to and distributed among central procurement institutions having the necessary authority and resources.
- g. An oversight and monitoring function is assigned to a central procurement institution, providing public access to consolidated data on public procurement operations (including both contract award and contract performance), allowing measuring performance and outcomes and, thereby, evaluating the procurement system as a whole and identifying the potential for its improvement.

¹⁸ Or with applicable agreements and international regulations in case of countries in which the EU legislation is not applicable.

¹⁹ Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concessions contracts, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0023&rid=2>.

²⁰ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0023&rid=2>.

²¹ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0025>.

²² Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the co-ordination of procedures for the award of certain works contracts, supply contracts and services contracts by contracting authorities or entities in the fields of defence and security, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009L0081>.

Principle 30: Public procurement operations (including public-private partnerships and concessions) are conducted efficiently and economically.

- a. Annual or multi-annual procurement plans, aligned with budget planning, are developed and published on time and the preparation of individual procurement, including definition of desired outcomes, is guided by a thorough needs analysis and market research.
- b. Competitive procedures are standard procurement methods, and other procedures are used only in duly justified exceptional circumstances.
- c. Public procurement operations benefit from the use of modern tools and techniques such as framework agreements, dynamic purchasing systems and the establishment of central purchasing bodies and arrangements that can reduce transaction costs in the whole procurement process, provide more competitive prices and simplify tendering.
- d. E-Procurement is widely used and progressively implemented by all contracting authorities and covers all stages of the procurement process²³.
- e. Procurement documents contain clear, appropriate and unbiased technical specifications, and clear and non-discriminatory criteria for qualitative selection of economic operators proportionate to the specific contract and limited to those ensuring that the economic operator has the legal and financial capacities and the technical and professional abilities to successfully perform the contract. Procurement documents do not impose unjustified barriers to participation in public procurement, or any unduly onerous procedural requirements.
- f. Contract award criteria, specified in advance in the procurement documents, are relevant to the subject matter of the contract and ensure objective evaluation of tenders resulting with the award of contract to most economically advantageous tender in terms of specific criteria of price or cost and quality considerations.
- g. Sustainability i.e. environmental and social criteria as well as procurement of innovation are integrated into public procurement of products, services and works and incorporated at all stages of the procurement cycle while ensuring that transparency, non-discrimination and competition are preserved.
- h. The public procurement market is competitive and attracts interest of domestic and international economic operators, especially small-and-medium sized enterprises.
- i. Advisory and operational support on application and interpretation of the public procurement legislation is quick, practical, useful and relevant.
- j. There is a well-functioning and sustainable system in place that supports the continuous professionalisation of new and existing procurement officers and other actors of the procurement system.
- k. Civil society is given adequate and timely access to information in each phase of the public procurement process including planning and contract performance, thus empowering it to understand, consult, observe and monitor public procurement and act as a safeguard against non-transparent and un-competitive practices and inefficient and ineffective use of public resources.
- l. Goods, works or services procured, are delivered according to the contract in terms of time, quality, cost and other contract conditions; contract amendments are timely managed and do not limit competition.
- m. Instruments to benchmark the economy, effectiveness and efficiency of public procurement proceedings and to evaluate contract performance are applied.

²³ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, and repealing Directive 2004/18/EC; Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC

Principle 31: Independent procurement review system ensures effective, rapid and competent handling of complaints submitted by dissatisfied economic operators ^{24. 25. 26. 27.}

- a. The procurement legislation lays down the mechanisms and procedures for handling complaints in compliance with the EU Directives including interim measures, ineffectiveness of contracts and alternative penalties and covers both public contracts, private-public partnerships (PPPs) and concessions.
- b. In case an independent review body is created (instead of a regular court), the institutional set up guarantees the exercise of the functions of the review body and its members in line with standards of independence and transparency and under own responsibility.
- c. The review process provides for rapid, effective and competent handling and resolution of complaints.
- d. The review and remedies system is easily accessible to economic operators, without discrimination, excessive cost or administrative burden.
- e. In the review process due consideration is given to achieving the main goals of public procurement (particularly value for money through open, transparent and non-discriminatory competition), as opposed to purely formal errors and omissions, especially those that do not impact on the outcome of the procurement process.
- f. The decisions of the review body which is not judicial in character can be the subject of judicial review or review by another body which is a court or tribunal within the meaning of Article 234 of the Treaty and independent of both the contracting authority and the review body.
- g. Comprehensive data on the functioning of the remedies, including all decisions of the review body, with full rationale, are published without a delay on a central, freely accessible public procurement website ensuring wider access to the case law through a comprehensive search engine.

Principle 32: All public funds are effectively audited by an independent auditor that provides assurance on the use of public resources and delivery of public services, and improves the functioning of the public sector.

- a. The independence of the Supreme Audit Institution (SAI), and that of its head and members, in all its forms, is established in the constitution, legally protected and respected in practice.
- b. The SAI's mandate covers all public funds and policies, including environment, climate protection and Sustainability Development Goals.
- c. All public funds are audited periodically by the SAI or other professional, independent auditors in accordance with international audit standards, through financial, compliance and performance audits.
- d. The SAI has unrestricted access to the premises, documents and information of the audited entities for the proper discharge of their statutory responsibilities.
- e. The organisation, governance and human resource management of the SAI as well as its strategic planning of audits and other activities allow the SAI to carry out its mandate and continuously improve its institutional and professional capacity.
- f. The SAI maintains procedures for quality control and ethics on an organisational level.
- g. Audit reports are concise and contain relevant and useful recommendations, and procedures are in place to follow-up audit reports.
- h. The SAI communicates widely on its activities and audit results through the media, websites and other means and makes its reports publicly available, all in a timely manner.

²⁴ Council Directive 89/665/EEC of 21 December 1989 on the co-ordination of the laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts, <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A31989L0665>.

²⁵ Council Directive 92/13/CEE of 25 February 1992 co-ordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A31992L0013>.

²⁶ Directive 2007/66/EC of the European Parliament and of the Council of 11 December 2007 with regard to improving the effectiveness of review procedures concerning the award of public contracts, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32007L0066>.

²⁷ World Trade Organization, Agreement on Government Procurement as amended on 30 March 2012, https://www.wto.org/english/docs_e/legal_e/rev-gpr-94_01_e.htm.

- i. Parliament and its committees, in accordance with a formally existing mechanism, regularly consider SAI reports, take decisions based on them and follow up on them.

Principle 33: Regional and local governments have fiscal autonomy with diversified revenues and financial control to foster responsible financial management.

- a. The distribution of finances across levels of government is established by law guaranteeing diversified revenues and borrowing rights.
- b. A transparent and predictable fiscal equalisation fairly distributes the resources and spending costs among regional and among local governments.
- c. Financial control by public authorities or auditors is stipulated by law to consider the financial situation of regional and local governments, support the effective use of finances and prevent financial imbalances.
- d. Financial resources of regional and local governments are partly derived from local taxes, fees and charges for which they have the power to determine the rate.
- e. Earmarked allocations to regional and local governments have functional classification and are restricted to cases where there is a need to stimulate the regional and local implementation of national policies and/or international policies.
- f. Financial resources of regional and local governments are commensurate with their tasks and responsibilities and ensure financial sustainability and self-reliance.