



Online consultation on the draft revised Principles of Public Administration

Principle	Comment	SIGMA's response
General	You may consider putting a stronger emphasis on knowledge management in public administration, which was missing in the current draft. Recently, knowledge management is becoming more and more critical for a resilient administration. It is essential that public servants continuously educate, acquire more/new knowledge and skills in order both to improve their performance as well as to improve their relationship with citizens. The introduction of knowledge management in public administration (both at the central and local level) might lead to essential changes, introduce new knowledge, retain knowledge within the public sector, etc. As such, the introduction of a sub-principle, or modification of any of the current sub-principles under Thematic area 1, to include the knowledge management matter, may be considered.	We fully agree that knowledge management is an important precondition for all public bodies to perform their tasks. There are a number of such preconditions relevant for individual public bodies which could be repeated throughout the framework. We chose to list such preconditions in the introduction. We will emphasise knowledge management more here in the final draft. Preconditions: <ul style="list-style-type: none"> • 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
General	After reading the Principles received by you, we would like first to congratulate you for the comprehensive and great work, therefore we have some general comments that covers the whole principles and not a specific one. please find below our comments; 1. It is for the public administration to be open not only to its service recipients in the same country or the European Union, but also to be open to neighboring countries and countries of the world as the benefit of this for the exchange of experiences and information organizing the work of the public administration in all countries of the world. With a number of sub-principles, including: 1. Respect the privacy of each country and region 2. Taking into account the laws, regulations and culture of each country 3. Building bilateral and multilateral cooperation to open up or to be collectively 2. Taking into account the culture of the country, social differences, laws and beliefs when reshaping the public administration (reform) in a way that guarantees the civilizational and historical contribution and its reflection on the public administration, which enhances the chances of success for the reform process (and this enhances the uniqueness of each country and preserves the competitive in order not to spread one culture that may cancel the past and the other). 3. Making the public administration adopt the values of tolerance, acceptance of the other, and openness to the other, which facilitates the transfer of experiences and expertise with the countries of the world. 4. Making the public administration responsive in its procedures to technical and environmental changes, and integrating sustainability as an element thereof (technology and green environment) of governance. That is, considering sustainability as an essential element of governance and includes within it (digitization, the environmental dimension, and green operations). 5. Enhancing the independence of the public administration and ensuring its strength in facing political challenges and tensions between the various political blocs, entities and lobbies, with a clear strategy for the interfere and the power of each party.	Thank you very much for these constructive comments. We agree on the value of openness, both of the national administration to its citizens and cross-border. This element has been augmented in several places of the revised draft. We also agree that normative standards should not be prescriptive. Countries should be able to chart their own course to reach the desired objectives set in these Principles. This version of the Principles is much less focused on "blueprints" for legislation and institutional setups, and focuses more on shared values. Digital and green governments are two new distinct additions to the framework, and the focus on sustainability has indeed been improved, not least inspired by the SDG agenda. We are also emphasizing the professional autonomy of public administration across the Principles while balancing it with responsiveness, accountability and oversight.
General	Great framework, comprehensive and supportive. however, focusing on national agenda and the linkage with PAR will also be good sub-principle, and international indicators as well.	The linkage between the national policy agenda and PAR is emphasised in Principle 1. Regarding international indicators, SIGMA has developed a set of indicators dedicated to monitoring the state of play for each of the Principles in this framework.
General	It is important that digitalization is considered as a general principle of good governance, not merely limited to service delivery, as the governments will treat it horizontally as well.	Thank you. We fully agree and that was the main consideration behind having a stand-alone Principle on digital government.

Principle	Comment	SIGMA's response
General	<p>General observations</p> <ol style="list-style-type: none"> The (sub) principles could win in clarity if they are horizontally harmonised. The refer no need to refer to COSO framework: the principles regarding institutional set up and management of public entities reflect the COSO principles. Including COSO is an add-on will be confusing and can be missed. There are some elements of management which are underrepresented: <ul style="list-style-type: none"> a. an important aspect of achieving intended results is mitigating the risks of not achieving the organisational objectives. Risk management is however only mentioned under internal control (principle 27) but it is a wider concept that also affects other principles. b. revenues are important budget input factor. However, the organisation of the collection of revenues is the only separate sub-principle (mentioned under principal 25a). This sub-principle is formulated in broad terms. It is recommended to split this broad formulated sub-principle in several (e.g., 3) sub-principals. c. capital investment is key for achieving the green transition and digitalisation goals. The EU has also reserved funds for these goals (for member states the Recovery & Resilience Facility). There are only 2 sub-principles on capital investment (24h -selection criteria and 26f-reporting). Sub principle 1h mentions procurement. But capital investment includes more phases than procurement. International standards (OECD/World bank/IMF but also DG ECOFIN of the European Commission) recognise stages as strategic planning, appraisal/prioritisation, independent review, budgeting/ tendering, monitoring implementation and ex-post reviews. More attention to capital investment is recommendable. Although Public Procurement is a part of capital investment, there are 3 principles (29,30, an 31) with 27 very detailed sub-principles about legislation, types of procurement, procurement and complain procedures. There is a disbalance in details between all other principles and the public procurement principles. 	<p>Thank you for these very useful comments. Regarding point 2, we have replaced COSO by international standards. Regarding point 3.a), on risk management, principles 4 and 5 in the PDC area do include it, but we will consider further development in the Methodological Framework. Regarding 3.b), on revenues, we have developed this further and there are now two sub-principles (tax collection and revenue collection), which will be further developed in the Methodological Framework. Regarding comment 4, on capital investment, it is specifically dealt with in two sub-principles in addition to public procurement; it will be further developed through the Measurement Framework and the related criteria in a number of sub-principles</p>
General	Overall, very solid work. Congratulations to the entire SIGMA team!	Good to hear. Thank you.
General	<p>In the case of NM having in mind that the new Strategy for PAR (2023-2030) is in the preparatory phase it is very important the new Principles to find its place in it, or after the adoption of the updated Principles those to be included in the new Strategy which would mean immediate amending/updating the new PAR Strategy with the new PAR Principles.</p>	<p>Thank you. As there are no major changes in the underlying Principles and approaches on planning and implementing reforms through PAR strategies in this revised Principles framework, we do not think there is much risk in not covering certain aspects of the Principles in the new PAR Strategy. In any case, the revised framework is available to MISA and they can consult it when finalising the PAR strategy. SIGMA team is in contact with MISA and other colleagues from the administration to provide advice and guidance on the Principles and the new Strategy, if needed.</p>
General	<p>1. The principles of public administration are a framework with humongous impact on the work and organization of public administrations as it sets the future model for the years to come. The framework and public officials themselves (as individuals, teams, and institutions) can benefit from offering aspirations and inspiration to public servants, imagining the future, and understanding what needs to be done to get there. Based on the CEF experience, this perspective makes a big difference and change in behavior.</p> <p>2. Public Asset Management not addressed by the principles. We identified challenges for the region: Lack of government-wide strategies, policies, and rules exacerbates the fragmented legal and institutional frameworks for public sector asset management, as does the absence of a clear rationale for state ownership. Limited information: Information on countries' assets is often scattered, incomplete and out of date. Political incentives to better manage public assets are often weak; politicians may be reluctant to pursue reform initiatives; a clear institutional accountability framework is needed as the foundation of a strong ownership policy. Key issues and challenges related to fixed asset management need to be seen through the lens of undergoing public sector accounting reforms. Enforcement mechanisms needed to review the efficiency of asset use and firm recommendations for governments to act upon. Management of government property in South East Europe is still in its infancy compared with traditional areas like public budgeting or public administration. A striking mismatch still exists between the potential benefits of good asset management and the little attention it receives. The inclusion of the asset management would provide a strong incentive for proceeding with changes and improvements in this area.</p> <p>3. People – focus might be improved within the framework overall: the public administration is mainly about the people and institutions are driven by individuals and team with their own nature, drives, qualities and blindspots, as well as qualifications, and motivations. The institutional and governmental systems might be perceived as a platform for the people to do their best. In these terms, the description of public officials as professional, effective and trustworthy public servants would benefit from being updated with words like “agile, innovative and engaged” or similar aspirational words.</p> <p>4. Individual, team and institutional learning is mentioned in a conservative way. As the principles need to mark the way forward to the public institutions, they would benefit from seeing new forms of organizing the institutions therefore continue taking the best practices from the private sector and embedding them into the context of the public management. Consider the concept of public institutions as learning organizations: https://www.cef-see.org/becoming-a-learning-organization. Learning organizations is an institution where “people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together” Peter Senge, The Fifth Discipline</p> <p>5. Green and digital agenda to be embedded throughout the PFM chapter, in addition to the general part. In this way, it will become more clear what green and digital mean as concrete changes in the values, procedures, or skills related to PFM.</p>	<p>Regarding point 2, the principles mention asset management very broadly in sub-principle 27d "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" and 26e "The annual financial report of the government is comprehensive, is based on an appropriate financial reporting framework, 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". However, your suggestion is relevant and we will consider how we could include a more specific sub-principle on asset management. Regarding point 3, we fully agree. Innovativeness, agility and engagement are indeed vital for civil service to perform. Innovativeness is, for example highlighted in Sub-principle 1g. Competencies and skills, adapted to present and future needs, are captured in Sub-principles 11a and 11e. Motivation is in the focus of Principle 13.</p>

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General	<p>We would like to reiterate our interest in engaging with SIGMA once draft criteria and indicators become available. Hopefully considerably before they are finalized. The revised Principles are clear and thorough and we recognize that comments made during the implementation of the 2014 Principles have been taken onboard. The full picture, however, will be clear only once we see how they will be operationalized in the indicators.</p> <p>We welcome the decision to move from a prescriptive to value/results-driven approach. This will also necessitate change in our administrative and operational culture. That said, however, we are cautiously concerned of your decision to develop universal principles (and indicators) applicable to both EU and non-EU countries recognizing the absence of level playing field.</p> <p>The new Principles will unavoidably impact data collection. As a result, we urge SIGMA to engage with beneficiaries from outset in mitigating the potential risks in this area, especially in light of the new trending topics such as innovation, digital, green, integrity and anti-corruption.</p>	<p>We understand that a revised set of indicators will require additional guidance to beneficiary countries. Rest assured that this will be done.</p>
General	<p>Overall the following comments are aimed at making the process more effective: 1. The evaluation of the process would be supported by the countries making a self assessment at the principle level without going to the indicator levels. Critical initiatives to ensure improvements should be incorporated into the self assessment and these should be evaluated to assess if they are the right initiatives and whether they have yielded improvements. Gaps identified by the self-assessment should be supplemented by a future plan. 2. The assessors should take the self-assessment as a starting point and be allowed to use their experience and professional judgement to provide a review of the performance of a country against the principles. The indicators and other guidance should only be guides and not required as full assessment frameworks giving rise to onerous and potentially spurious rating measures. 3. The process can then be peer reviewed and moderated to ensure consistency and comparability of results at a principle level accepting the professionalism of the assessors. I hope these comments are useful. The framework overall seems robust and comprehensive drawing on good practice, however, PIFC now has a scope that goes beyond financial assurance to much broader areas such as sustainability and this presents challenges to the scope of the review as well as the expertise to undertake fair evaluations.</p>	<p>SIGMA does not apply a self-assessment or peer review methodology. We rely on pre-established standard criteria, directly linked to the normative standards, and require primary data as evidence for evaluating the performance of national administrations, to ensure fair evaluations. Nevertheless, the Principles of Public Administration can be used by national governments of the EU Enlargement and Neighbourhood countries, but also by other countries as a tool for self-assessment and continuous improvement.</p>
General	<p>In our opinion, Principles should be complemented with a detailed glossary of key terms (e.g., agencies, first level budget users, payment arrears)</p>	<p>Agree that a glossary would be useful. However, it is not usual OECD practice for normative instruments to include a glossary. We will continue to have a glossary at the level of indicators.</p>
General	<p>Introductory part should more specifically indicate that concept of multi-level governance will be assessed through indicators 16 and 33.</p>	<p>Agree. We will make this change.</p>
General	<p>Regarding Strategic framework area word leadership is connected with Principle 3 only, not with principle 1 (sub-principle e doesn't speak anything about "institutional responsibility for leading and coordinating... across levels of government".</p> <p>There are some number of very broad formulation in Principle 3 (and some other areas) and it is difficult to see what will actually be measured. Generally, Principles alone do not provide a sufficient level of information without a methodological framework. It would be simpler to comment Principles together with the MoF.</p>	<p>The new framework, and in particular Principle 1, moves from simply "having a strategy" to stressing the important of (political and administrative) leadership. This is reflected in Principle 1a and 1e. A green agenda already requires leadership.</p>
General	<p>I would add word „vision“ into the following sentence: Continuous improvement, innovation and digitalisation in public administration are ensured through leadership, VISION, management, co-ordination, effective planning and implementation of realistic and targeted actions - „Strategy, green and digital“.</p>	<p>Leadership for us encompasses having a clear vision.</p>

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General	<p>Throughout the document there should be a clear definition and usage what is (public) policy, public policy documents (strategies, action plans etc.), and public policy management (making and implementing). How it is written now, it is a mix of definitions and different views what these word mean. Later on, while implementing these principles it could lead to further confusion. From pages 10 to 13 - Effective strategic planning and evidence-based, inclusive and transparent policy making – There should be a clear division of which subprinciple is related to PIA (Policy impact assessment) and which to RIA (Regulatory impact assessment). Even though the document does not formally distinguish PIA and RIA, you can find that difference where it is stated that something is related to policy planning documents or government strategic policies (as it is in principle 4 and 5). However, principles e. and f. are related to PIA.</p>	<p>Thank you for the comment. A more detailed definition of all key terms will be provided in the Methodological Framework. We have to accept that countries have different models and approaches to policy planning, policy preparation and analyses of impacts of individual policies. The Principles aim to provide a high-level, generic framework to captures all possible processes and tools used in planning and development of policies. P5, covers the planning, while P6 is about development of individual policies. In the case of RIA and PIA, as impact assessment tools, those are covered primarily in P6 where we discuss key elements, processes and tools for evidence-based policy making. We refer to RIA and other relevant tools used during policy making, in the relevant sub-principle c of P6. We recognize that countries have different IA models. We promote using IA early in policy making cycle, and encourage considering non-regulatory options to achieve policy objectives. If a policy document precedes preparation of a regulatory instrument, such as a law or regulation, the analysis of those impacts and policies can be covered in an impact assessment (we can call it RIA or PIA, it doesn't matter). We have tried to make the principles generic and refer to policies (not laws) recognizing that very often government needs both regulatory and non-regulatory instruments to achieve policy objectives.</p>
General	I generally liked the document and its structure, good work.	Thank you.
General	I would like to complement the SIGMA team for a very comprehensive, focused, well structured document. The content of the principle 32 and all the sub-principles are highly in line with all the standards, best practices and requirements concerning the external public audit function.	Thank you.
General PFM	<p>An aim of modern public administrative arrangements should be to improve efficiency and effectiveness in public expenditure. This requires a focus on operational management quality. This should be a civil service function. The political level should determine policy, objectives to be achieved, and performance standards. Delegation and managerial accountability arrangements should ensure that operational management is delivering those objectives and performance standards efficiently and effectively. Operational management should itself be so organised that it has the capacity to fulfil these responsibilities. This requires effective arrangements for internal control. The European Commission wants countries to adopt the COSO internal control standards. Therefore, an important feature of the proposed Principles of Public Administration should be consistency with the requirements of the COSO standards. These standards have a strong managerial orientation which should be embedded in the Principles of Public Administration. The COSO standards are not simply about financial, budgetary, and legal/regulatory controls (i.e., input controls) but are also about achieving objectives to time, to standard, efficiently and effectively (i.e., output controls). Internal control, that is of both inputs and outputs is the responsibility of operational management accountable to political management.</p> <p>To date, the measurement of performance in applying the COSO standards has been the existence of the bureaucracy introduced by countries in applying those standards. Yet, the benefits from applying those standards comes from improvements in the quality of management, that is in the delivery of objectives and performance standards and in the efficiency and effectiveness of operations. These benefits can be measured. The COSO standards are in effect a set of managerial disciplines. This means that the focus of the application should be upon the manager starting with their impact upon the most senior operational management. The Principles of Public Administration should reflect those requirements by:</p> <ul style="list-style-type: none"> • Distinguishing between the responsibilities of the political level of management and those of the civil service; • Defining operational management; • Setting out the consequences of delegation and managerial accountability; • Indicating how operational management should be structured, including that each civil service organisation should be headed by a single top manager; and, • Indicating how measurement in the success of the application of the COSO standards might be achieved. <p>To deliver efficiency and effectiveness managers require financial advice, be financially literate and have a high degree of financial awareness. This means that organisations have a strong financial management capability. The finance function should be much wider than that of financial controller. The chief financial officer should have high status, be suitably qualified and report directly to the head operational manager.</p> <p>This approach to internal control broadens internal audits role and it affects its reporting lines. Audit reporting normally should be to top operational management and ideally to an independent audit committee, rather than simply to the political head, the minister. Reporting directly to the minister has the adverse effect of drawing the minister into the detail of operational management.</p>	<p>Thank you for the comments. We are addressing a number of the points you raise across a number areas in the Principles within the Measurement Framework that supports the Principles. Saying that we do not specifically stated any requirement to comply with COSO. We have stated the expectation to meet international standards to avoid being overly prescriptive</p>

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<p>Principle 1. A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.</p>	<p>c - word 'all' might be interpreted in different ways. d - word 'sufficient' might be interpreted in different ways. f - word 'all' might be interpreted in different ways.</p>	<p>Thank you. c- we could clarify to say the reference is to all reforms which have been planned and included in the strategy/action plan. Proposed change to ("all planned reforms"). d. 'sufficient' is important to refer to in here. F. All relevant stakeholders- this is ok, so we do not think there is any need to change it.</p>
<p>Principle 1. A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.</p>	<p>it is recommended to focus on the stability of PAR vision across consecutive cabinets or governments. in addition to the stability of the PAR incubator body (institution)</p>	<p>Thank you. It's an interesting point. Adoption of a formal planning document provides stability and long-term validity of the reform agenda. At the same time, it is equally important to ensure the PAR agenda and vision are evolving over time, if needed, to allow addressing new challenges and priorities brought by the new governments.</p>
<p>Principle 1. A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.</p>	<p>Sub-Principle 1.g. Innovative solutions and approaches are enabled, supported and shared centrally across the whole public administration and at all levels of government. We believe that reinforcing the statement with "systematically" at the very end of the sub-principle would encourage innovations coming from the operational level.</p>	<p>Thank you. An interesting observation. But it may seem to be unnecessary addition to the formulation which already considers a holistic approach to promoting innovation. The current statement already captures the essence of those additional points being fully and systematically enabled, supported and shared centrally, and in a coordinated manner. Additionally, we do not want to force the 'innovation' upon the public administration. Instead, we are stressing importance of environment in which the innovation can develop. And to achieve this - systematic approach is an embedded concept.</p>
<p>Principle 1. A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.</p>	<p>In North Macedonia PAR has to be on the political agenda fully fledged and not only declarative. The PAR Council chaired by the PM should meet regularly and should drive the process, because it seems that MISA alone cannot drive the process without a real political and coalition support.</p>	<p>Thank you. We agree implementation is important hence we highlight the need of having adequate management and coordination structures being established (1e), Issues related to implementation are analysed during the SIGMA assessments and in monitoring reports which are carried out in line with the Methodological Framework. The latter will include an element/criterion to assess the frequency and consistency of meetings of coordination structures.</p>
<p>Principle 1. A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.</p>	<p>Sub-principle G is unclear, i.e., what is meant by innovative solutions and approaches. It would be good to be more specific. For example, by saying: PAR agenda includes and enables application of innovative approaches to governance which apply to the whole of PA and all levels of government.</p>	<p>Thank you. It is indeed a high-level sub-principle, which is very much a cross-cutting principle by its nature and relates to all areas and reforms. It is hard to be very specific at the sub-principle level. In addition, with this sub-principle we do not want to impose innovation upon the public administration. Instead we speak about creation of an environment that enables various innovative solutions and approaches within the public administration without formally requiring them to be part of the PAR agenda.</p>
<p>Principle 1. A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement.</p>	<p>- Management and co-ordination structures are established at political and administrative levels to support effective co-ordination and implementation of PAR</p> <p>CSOs have to be included in the administrative and political structures for PAR coordination, but there also should be a sound system/procedure for selection of those interested CSOs.</p>	<p>Thank you. Indeed, participation of CSO's in management and co-ordination mechanisms is promoted by SIGMA as good practice, because it ensures not only a transparent approach, but also a balanced view on implementation success and remaining challenges. These aspects are specifically described in the Methodological Framework of the Principles and countries that apply such practices get higher scores during assessment. This sub-principle does not go into the details of the composition of these mechanisms, but just sets out the need to have such coordination mechanisms at both political and administrative levels. Moreover, Principle 7 sets out more specific guidance for consultation with the public and with CSOs throughout the policy cycle.</p>
<p>Principle 2. Public administration enables, supports and contributes to green transition</p>	<p>In order to ensure that employees adapt and meet the needs of green transformation, they must have the required knowledge, skills, and competencies. For this reason, it is kindly recommended to emphasize and include the necessity of developing these knowledge, skills, and competencies in the Principle.</p>	<p>Thank you. Competence and capacity of public administration organisations is part of a following sub-principle. In order to make it clearer we will consider using knowledge or skills of public servants to complement for clarity.</p>

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<p>Principle 2. Public administration enables, supports and contributes to green transition</p>	<p>a - at the end of the sentence it should be added 'with regards to the green transition' j - what does this mean 'individual public organisations'? which ones? it is a huge question how they are going to be chosen.</p>	<p>Thank you. We will consider making further changes to the formulation. But the spirit of the Principle expects that over time, all public organisations have an idea what is their carbon footprint and they take feasible/reasonable steps to reduce the emissions caused by their actions.</p>
<p>Principle 2. Public administration enables, supports and contributes to green transition</p>	<p>While understanding that the new revised Principles are more universal and no longer specific to enlargement/neighborhood countries, this will probably be the most challenging principle for all acceding economies. While having adopted the Green Agenda for the Western Balkans at the Sofia Summit in 2020, WB countries will face considerable difficulties in closing the gap and overcoming the inequalities in the area vis-à-vis EU standards in the short to medium term. In this light, the universality of the principle becomes problematic, especially as SIGMA's assessments inform EC Country Reports. Poor implementation within this principle will unavoidably have negative repercussions on our general assessment in PAR.</p>	<p>Thank you. We accept this is a new and challenging Principle. While the Principle needs to show the relevant European ambition, we will not be using all the possible sophistication in the measurement framework. The Methodological Framework which will be accompanying the Principles will provide more information on the specific criteria and it will award already simple and basic steps taken in relation to greener focus of the public administration.. Regarding the EU approach and policies, those need to be discussed with EC directly.</p>
<p>Principle 2. Public administration enables, supports and contributes to green transition</p>	<p>Principle 2 seems to look at green transition from a sectoral perspective rather than focusing on how green transition is mainstreamed in the PAR. In our opinion a better approach would be to focus the principle and the analysis on the question on how the PAR agenda (the entire PAR strategic framework) includes and supports green transition.</p>	<p>Thank you. A good observation. We will adjust some of the sub-principles to make them more specific to the PAR agenda. However some overlap will remain with other policy areas since in practice governments may find different solutions in which policy plans they wish to address PAR related green transition challenges.</p>
<p>Principle 3. Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government.</p>	<p>Principle 3/g</p> <p>Principle 3: Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government. g. Cyber security and privacy risks are effectively handled to ensure data protection and build public trust, by applying prevention frameworks and building sufficient capacities.</p> <p>Principle 3/g is suggested to be revised as follows in order to strengthen the emphasis on the protection of personal data.</p> <p>“Cyber security and privacy risks are effectively handled to ensure data protection, in particular personal data, and build public trust, by applying prevention frameworks and building sufficient capacities.”</p> <p>Moreover, please consider adding the following reference to the EU legislation as footnote 11.</p> <p>“Directive (EU) 2016/680 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 by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA (Law Enforcement Directive) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2016.119.01.0089.01.ENG&toc=OJ%3AL%3A2016%3A119%3ATOC “</p>	<p>Suggestion the strengthen to focus on 'personal data', makes sense. Changes have been made to the subcriteria. The reference to the directive is relevant and will be added to the sources.</p>
<p>Principle 3. Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government.</p>	<p>The administration has a rich potential of data, information and knowledge, the capitalisation and exploitation of this potential requires a strong collaboration and sharing. Principle 3) addresses this aspect with great clarity and precision, it is useful to highlight the following points as well:</p> <p>in point d) on interoperability, Underline the importance of using standards and best practice guidelines and contributing to their wide adoption</p> <p>In point j) collaboration with stakeholders is important and wide-ranging. The reuse of digital solutions is emphasized and this is absolutely true, but collaboration on data analysis is also important to be explicitly mentioned in the principle.</p> <p>.business processes are the main generator of data that contribute to the implementation of a data-centric administration. It is worth mentioning the importance of their maturity and level of digitalisation. A continuous transformation is to be maintained on processes, domains, and the digital culture within the administration.</p> <p>.Encouraging innovation in public administration is a challenge that requires the use of emerging technologies and participation in innovative projects in the framework of public-private partnerships. It is desirable to add this aspect in the principle</p>	<p>The reference to 'standards and practices' was already "implicitly" included when referring to the EIF. But we are happy to include these references more precisely as suggested. Also the suggesting to the data- analysis is valid, this will be captured at the level of indicators.</p>

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<p>Principle 3. Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government.</p>	<p>1. 'Efficient' is not the right term in the title as it refers to the ratio of inputs to outputs. Instead, 'effective' would better convey the message that data-driven decisions improve the effectiveness (i.e. capability to obtain desired outcomes) of policies and services (such as the text in point a) actually states).</p> <p>2. There is only a general reference to the governance – and through that leadership and strategy - aspect of digital government. Leadership is one of the key success factors to effective digital transformation. It could be captured through the requirement that there is a clear responsibility both at political and administrative level for clear policy in this area, similar to civil service management under Principle 10 a), or service delivery policy under Principle 21 a).</p> <p>3. A clear concept behind the Principles should be to capture the aspects of digitalisation which are vital for fully digital service delivery. This is captured through aspects of interoperability and digital identity, but not articulated in regard to other key enablers, such as e-payment (possibility to pay the service fees digitally without the need to provide extra paperwork), e-document exchange (administration should turn documents which may originally not exist in digital format, into digital format and exchange them among themselves digitally to support the application of 'once only' principle), and e-delivery (document delivered should bear a digital signature which would make it equal to paper-based document).</p>	<p>Efficient is replaced by effective. Related to leadership and governance, at the level of the measurement framework different aspects will be operationalised to specify this further and make sure the importance is highlighted. Good point on the different service delivery aspects (epay, document, delivery), we have changed subprinciple e. including these.</p>
<p>Principle 3. Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government.</p>	<p>Principle 3 should be complemented by an additional subprinciple which would specifically deal with personal data protection in the work of PA authorities. Moreover, sub-principle F is formulated in a rather general and broad manner and such is difficult to understand the meaning, thus reducing its use to administrations.</p>	<p>The personal data-protection element is added in the updated version.</p>
<p>Principle 3. Digital government enables data-driven decisions, efficient and responsive policies, services and processes – in the whole of government.</p>	<ul style="list-style-type: none"> You might want to consider adding a suggestion for the development of indicators to monitor the implementation of digital government You might want to consider adding a suggestion for the implementation of an artificial intelligence (AI) strategy to investigate integration of AI in digital government 	<p>The implementation of the strategy will be captured indeed in the first sub-principle. The AI aspect is captured in general terms looking at the capacity and ability of the public administration the forecast, think ahead and plan for new 'technologies'.</p>
<p>Principle 4. Government policies are effectively coordinated and decisions are prepared and communicated in a clear and transparent manner.</p>	<p>Principle 4 f: "Effective procedures and mechanisms" may still hinder the crisis and risk response. Wording that suggests flexibility and agility in times of crisis may be considered as more appropriate.</p>	<p>Thank you. Since the sub-principle relates to government decision-making, it appears to be appropriate to refer to the existence of effective mechanisms and procedures in the first place, to ensure smooth, consistent and effective functioning of the system. but we agree that is not sufficient . The Methodological Framework (to be developed) will provide more details on how we anticipate to measure those aspects in practice</p>
<p>Principle 4. Government policies are effectively coordinated and decisions are prepared and communicated in a clear and transparent manner.</p>	<p>With regards to sub-principles 4e and 4f, during the consultation meeting you mentioned that SIGMA will be looking at the mechanisms, structures and procedures that should assess whether these functions exist and the degree to which they are implemented. Our question is how you plan to measure this? Would be useful if you could share the indicators at your earliest convenience as this is a novelty in the assessment process</p>	<p>Thank you. The measurement approach will include detailed indicators and those will be used to assess the Principle. We will look into both the formal procedures as well as the practice in those areas which are practically possible to measure.</p>
<p>Principle 4. Government policies are effectively coordinated and decisions are prepared and communicated in a clear and transparent manner.</p>	<p>Would appreciate if you could reconsider the wording under sub-principle 4d. "Government office" usually refers to PM's political cabinet, while the functionalities developed under this principle entail processes that fall under the jurisdiction of Center of Government services.</p>	<p>Thank you. We use a general definition of CoGs, which are those institutions that perform CoG functions, as defined by the Principles are covered. There are different models of CoGs and the terms of different institutions vary. The relevant CoG institution (such as the general secretariat, the PM Office) reviews consistently all items submitted for final government approval to check their compliance with the established rules and standards. The Methodological Framework (which is being developed) will provide more details and full definitions of terms and institutions. The PM political cabinet is not covered and we will make efforts to make sure that it is clear from the definitions provided in the methodological framework.</p>
<p>Principle 4. Government policies are effectively coordinated and decisions are prepared and communicated in a clear and transparent manner.</p>	<p>Sub-principle b: Could you please specify the term "CoG institution' means and its composition?</p>	<p>All those institutions which perform any of CoG functions, as defined by the Principles/ Methodological Framework, are recognized as CoG institutions. There are different models of CoGs and several institutions could be performing those functions. The Methodological Framework (to be developed) will provide more details and clearer definition of the terms and indicators.</p>

Principle	Comment	SIGMA's response
<p>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.</p>	<p>4. Point e) refers to detailed financial cost estimates in policy planning documents. While understandable why it might be desirable, it is not always realistic to assume that kind of estimates to be detailed in long-term policy documents, such as sector strategies, for their entire period of application. It would be appropriate that the 'detailed' aspect relates to the time-perspective which is aligned with that of the medium-term expenditure framework, so a rewording may be necessary.</p>	<p>Thank you. We will adjust the sub-principle. The Methodological Framework (to be developed) will specify the details regarding costing which in the current framework refers to the costing of the action plans.</p>
<p>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.</p>	<p>Principle 5 lacks a sub-principle which would focus on regularity and timely publishing of both of the EI planning documents and their reports (in the section concerning EU accession countries)</p>	<p>Thank you. Regular monitoring and reporting are important for all types of planning documents, including EI planning documents. It is already covered in SP f. We will consider highlighting the need for regular monitoring and reporting of EI plan as part of the additional EI module SPs.</p>
<p>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.</p>	<p>In general, principle 4 should more clearly indicate the link between national strategies and priorities and local policies. There should be a clear path and systematic coordination to transfer national policies on regional and local level.</p>	<p>Thank you. The SP 1 of Principle 5 highlights the need of having a harmonised, integrated and coherent policy planning system. This covers all policies and programmes of government approved by the central government which can be directed/affect regional/local governments.</p>
<p>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.</p>	<p>Please consider emphasizing in the part of indicators that cross-sectoral approach and collaboration while creating and implementing horizontal policies should be established and functional.</p>	<p>Thank you. We will consider that aspect when developing the indicators and methodological framework. We also have principles on interministerial consultations and also CoG coordination role.</p>
<p>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.</p>	<p>Sub-principle d: We suggest you using the term "planning document" or "public policy documents".</p> <p>Sub-principle e: Is it feasible to have detailed financial costing? Is this a practice in EU / OECD countries?</p>	<p>Thank you. The Principles aim to provide a high-level definition of key documents and processes, considering that country systems and models of planning of government work vary significantly across countries. The term refers to all types of policy and planning documents. In the Methodological Framework, however, we will explain different types of documents we refer to. Here we try to keep it generic to cover all types of documents. Regarding the second comment, we will delete the word "detailed" from that sub-principle.</p>
<p>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.</p>	<p>i - 'including consolidated versions' is too demanding for any country. the consolidated versions of all primary and secondary legislation are not easily accessible and available free of charge (through a central online database) even in some of the EU countries. so, this part of the sub-principle should be reconsidered, I suggest to delete this part of the sub-principle. There is no clear requirement to assess the usage of RIA for the pieces of legislation being harmonised with the EU Acquis. I suggest adding an additional requirement in this regard.</p>	<p>Thank you. We believe citizens and businesses must have free access to laws and regulations which they are asked to comply with. Countries should aim to provide free and easy access to all laws, including in consolidated form. So, we think the bar should remain high in here. But we accept that not all countries do provide it free of charge. In the methodological framework, we will try to adjust the approach to recognise this aspect. Regarding the use of RIA for EU transposition cases, as we say in the first EU SP, those should be part of the same process and RIA and other requirements should apply also on EU cases. We will consider expanding the EU SP K. to be clearer about this, ie that the same standards and requirements are expected also for EU cases. In the Methodological Framework we will make it even clearer that RIA is also required for EU transposition cases.</p>
<p>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.</p>	<p>Please consider adding principle with more emphasis on implementation e.g learning from implementation. For example: Knowledge for implementation is storage and kept. The importance is to emphasize continuity of processes, institutional memory and learning from implementation. (Might fit in principle 8 as well)</p> <p>Sub-principle J should be moved to previous principle 5 where we look at policy planning, coordination and coherence.</p>	<p>Thank you. We will consider making a small change in one of the sub-principles in P8 (P8 d), which is about implementation, evaluation, to reflect those aspects.</p>

Principle	Comment	SIGMA's response
<p>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.</p>	<p>Sub-principle c: Please add PIA (policy impact assessment) as well.</p>	<p>There are different types of impact assessments and tools used during policy development and we do not think we should indicate all different types of IAs in the principles. The most common tool/term is RIA, hence we highlight RIA in here. But we are also clear that other types of tools are available and used and it is also indicated in the SP. It is a technical and methodological issue which we do not think should be explained and expanded in detail at the level of Principles. But we will consider it in the Methodological Framework. . Additionally, SIGMA promotes the approach of early development of (R)IAs to use them to inform policy prioritisation and planning. At that early stage, RIA will consider non-regulatory options and we strongly encourage that as part of our drive to promote better regulation principles.</p>
<p>Principle 8. Effective monitoring, enforcement and evaluation systems are established to increase compliance, improve policy implementation and reduce regulatory costs and burden.</p>	<p>a - completely unclear sub-principle. it is not clear itself, while, at the some time, the things mentioned in the brackets make even greater confusion, especially 'adoption of secondary legislation'. when is this moment when the policies take full effect? by when the secondary legislation should be not only prepared, but adopted?</p>	<p>Thank you. We will try to reformulate the sub-principle to be clearer.</p>
<p>Principle 8. Effective monitoring, enforcement and evaluation systems are established to increase compliance, improve policy implementation and reduce regulatory costs and burden.</p>	<p>legal frameworks that guarantee implantation and accountability.</p>	<p>It is not clear what the suggested change/comment is about. Hence, we cannot respond.</p>
<p>Principle 8. Effective monitoring, enforcement and evaluation systems are established to increase compliance, improve policy implementation and reduce regulatory costs and burden.</p>	<p>Sub-principle a: Examples are made what other instruments, beside regulation, can be used in policy making, but still, strategies, action plans and other public policy documents, are not included in the list.</p>	<p>We agree that those documents are also important for policy implementation and we refer to policy and law implementation in SP a. In fact, we are considering using information about sector strategy implementation for assessing the policy implementation as part of the indicators/criteria for this Principle. More information will be provided in the new Methodological Framework.</p>
<p>Principle 9. Parliament effectively scrutinises the government policy-making system and ensures overall policy and legislative coherence.</p>	<p>e - what does specifically mean 'excessively'? how much is that? how you are going to measure it? in addition, the second sentence starts with 'if such procedures are used' - it is not the question - if, but - how much. hence, after 'if such procedures are used' - it should be added 'excessively'. f - this sub-principle is completely problematic, since it could be understood as the Government scrutinizes the work of the Parliament, instead of vice versa.</p>	<p>e. The term "excessively" means not too much within a specific country context. We cannot provide a specific threshold at the Principle level and do not need to do that as the country systems and procedures are different. Also, the criteria and process of preparing and approving laws varies significantly. The second part of the comment, again, we want to encourage countries to carry out ex-post review of laws and revise regulations introduced under special, extraordinary conditions to minimize the burden and improve the regulatory policy environment. . f. We do not see it that way. The government's ability to review and comment on draft laws initiated by parliament is a very important principle of evidence-based law making that should be promoted also in the parliament. Government has access to the best data and evidence on all policies hence consulting with the Government during law-making process should be strongly encouraged and supported. This is what the SP is meant to do.</p>
<p>Principle 9. Parliament effectively scrutinises the government policy-making system and ensures overall policy and legislative coherence.</p>	<p>Principle 9 should include a subprinciple for EU accession countries which would should examine whether the parliamentary legislative procedure includes a requirement to check the compliance of law proposed by MPs as well as of proposed amendments with the EU acquis and other EU accession conditionalities. The same subprinciple could also look into the existence and functioning of a unit within the parliamentary expert service which would be tasked with checking such compliance.</p>	<p>Thank you. It is a good comment we will consider again. But we think the risks are managed through other Principles. In general, we strongly promote the concept of all MP-initiated laws to be consulted with the Government, who is best positioned to check the law's compliance with EU acquis, and to carry out other types of checks (e.g. fiscal impact). But we realize countries may have also other mechanisms to check EU law compliance within parliament. For effective overall monitoring and reporting on the EU law harmonization process, it is important for the central EI government institution to manage and lead the process.</p>

Principle	Comment	SIGMA's response
<p>Principle 9. Parliament effectively scrutinises the government policy-making system and ensures overall policy and legislative coherence.</p>	<p>Sub-principle a: This subprinciple should be changed. Government policy making can be implemented not only through legislation and Parliament may adopt and review other documents than regulatory.</p>	<p>Thank you. We note there is a misunderstanding of the formulation of the SP. The second part relates to the clarity of legislation, while the first part refers to scrutiny of government policy which includes legislative and non-legislative instruments. We will adjust the formulation to clarify this aspect, by making those two separate points.</p>
<p>???</p>	<p>- 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.</p> <p>In NM the retention policy should be introduced and implemented properly and has to be monitored having in mind it can be easily compromised.</p>	<p>The comment refers to P13, it is valid and corroborates our approach. The Principles are not limited to financial compensation, we refer to "competitive package": various factors (including job security, work environment, career opportunities), which constitute elements of retention policy (although we do not specifically request a retention policy in a form of document/action plan, etc.</p>
<p>Principle 10. The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.</p>	<ul style="list-style-type: none"> In the title of the principle it's about public service, while in the content of the principle, the civil service is in some cases fairly separated from the general public service. First, taking into account that the civil service is part of the general, we propose to group and arrange the elements of the principle in order from general to special (from public service to civil service). In addition, 'g' subsection is about the human resources management system of the civil service, and subsection 'i' is about the effective human resources management information system in general, which should provide the necessary data for analysis. In this regard, in order for the statistics on the public service in general and the civil service that is part of it to be concise and accurate, it is necessary for the data that is the basis for statistical analyses to have a single, a single, systemically linked source. Therefore, the human resource management information system should not be a civil service, but a general public service. We offer to combine 'g' and 'i' subsections. In 'e' subsection (The use of temporary employment in the public administration is limited to justified situations, positions, and time limits.). Please clarify what positions does this apply to, by what criteria they are distinguished. 	<p>Thank you. We will consistently apply the term "public servants" and define it precisely for the purpose of the Principles.</p> <p>We will also indicate that some sub-principles apply to a narrower category of public servants which we will also define clearly.</p> <p>The last sub-principle deals with the HRMIS for the whole public service and not only to the narrower group, therefore the comment is already addressed, no need for the change.</p> <p>Examples cannot be provided at the level of sub-principles (they may be introduced at the Monitoring Framework level) and they may include replacement of temporarily absent public servant, work on limited in time projects, etc.</p>
<p>Principle 10. The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.</p>	<p>Human resources development tools and methods can promote to development of more professional practices in public administration. Therefore, it is kindly suggested to add a subprinciple such as "Public servants are informed of and trained sufficiently to ensure professionalism, neutrality, accountability and stability of public service".</p>	<p>We believe we cover this suggestion in P14.</p>
<p>Principle 10. The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.</p>	<p>Principle 10 g: The current wording may gain from adapted wording that would stress the strategic, developmental dimension of the human capital of the institutions. It can stress the HR as a long-term and key resource of the institution that adds value through learning, creativity, and innovation, therefore cannot be easily replaced by other types of resources. To maintain the specific quality of the human vs other resources – a strategic approach towards the HR development should be taken and reflected in the text.</p>	<p>The strategic developmental dimension of HR is addressed in P11, SP a), on the preparation of HR plans to ensure the appropriate workforce size, mix of competencies, skills and expertise to fulfil its mission. And in P13 (among others, SP a on conditions to attract, motivate and retain employees with the required skills and competencies) and P14, on professional development.</p>
<p>Principle 10. The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.</p>	<p>Regarding explanation of scope "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". Comment: It is not quite clear which institutions are comprised in the category of „other administrative bodies responsible for safeguarding the general interests or other public bodies“, and which are not. It seems that the scope was defined more clearly in the previous Principles. We suggest this to be defined as precisely as possible in order to avoid the confusion, both in measurement and implementation of the Principles.</p>	<p>Thank you. See comments to P10 above - We will consistently apply the term "public service", including its institutional scope, and define it precisely for the purposes of the Principles of Public Administration.</p>
<p>Principle 10. The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.</p>	<p>In the area Professional, effective and trustworthy public servants it is important to harmonize word "public /civil servant" throughout the text. Namely, we do have civil service laws but not public service laws regulating ministries and administrative bodies reporting directly to the government, prime minister or ministers (i.e. the civil service, strictly speaking);</p> <ul style="list-style-type: none"> 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 	<p>Please see the comment above. The definitions will be clarified.</p>

Principle	Comment	SIGMA's response
<p>Principle 10. The employment framework for public servants ensures professionalism, neutrality, accountability and stability of public service.</p>	<p>The instructions during the online presentation of the revised principles were to submit comments to the draft principles and subprinciples without questions relevant to indicators, which is challenging giving, in my opinion, we think of the application of principles and subprinciples through the prism of indicators. To that regard, following comments include (inevitable) referrals to potential indicators.</p> <p>Principle 10, Subprinciple d: "Public servants have the right to reject unlawful instructions and are protected against undue political and other interferences in their professional judgement". Considering application and assessment, is this requirement directly linked to the application of the Principle 20?</p> <p>Principle 10, Subprinciple e: "The use of temporary employment in the public administration is limited to justified situations, positions, and time limits". Does this imply that it would be necessary to define (through bylaw for example) particularly what are "justified" situations rather to rely on individual understanding of what justified is? The risk of regulation being not to anticipate all of the justifiable situations, and by not regulating the possibility of remaining at the same level of temporary work for which public institutions will provide plausible justification.</p> <p>Principle 10, Subprinciple h: "The HR units in the public administration have sufficient capacities for professional HR management". Establishment of functional HR units in my opinion needs to be embedded within the Principle 15, in particular Subprinciple i. In my opinion, there are only few HR units and institutions rely on their internal resources and staffing capacities and understanding of organizational setting related to HR units and their functions and capacities.</p>	<p>Thank you.</p> <p>P10d: These sub-principles are not directly linked, but of course related to public integrity generally. Originally, we had a SP on top managers' setting the example but decided to remove duplication with P10. The SP from P20 would cover protection against undue influence but it is much broader than P10. "Rules and public sector values for ethical conduct are established throughout the public sector and are effectively communicated and enforced."</p> <p>P10e Legislation should establish general grounds for temporary employment in public service. Examples: replacement of temporary absent public servants, work on time-limited projects, internship.</p> <p>P10h This SP focuses on the capacities of public bodies for HRM and focus on the HRM function rather than on organizational structures. This may involve the existence of HR units but also alternative solutions (e.g., the possibility of sharing HRM services, in particular for small-size public bodies). It also underlines other requirements, such as the involvement of managers in people management.</p>
<p>Principle 11. Public administration attracts and recruits competent people based on merit and equal opportunities.</p>	<ul style="list-style-type: none"> • 'f' subsection (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.) According to the current Law "On Civil Service" the official having competence to appoint to a position is considered a mandatory member of the commission. However, taking into account that the commission shall be comprised of at least five members, the risk of the influence of a person holding a political position also decreases and the question arises to what extent the presence of a person holding a political position in the commission will influence the decision making, if the person holding a political position can have the same influence even without being included in the commission, forcing to select his preferred candidate. 'i' subsection (Applicants are informed of recruitment decisions in due time and have the right to ask for justification and appeal through administrative and judicial channels.) if the format allows, please clarify what kind of administrative appeal mechanism is it. According to the Article 10, Part 21 of the RA Law "On Civil Service", the competition shall be declared invalid through judicial procedure. The official having competence to appoint to a position, within three working days, appoints the sole participant recognized by the commission as the only winner, to the relevant position. Under the conditions of our regulations, how to appeal the competition results through administrative procedure? 'j' subsection (The onboarding processes enable a rapid adaptation to the job and the organisation, so that new staff feel confident, competent and perform well.) I would like to know what is considered in the onboarding processes. Are they regulated processes? 	<p>We separate the professional, neutral part of the selection procedure from eventual political discretion that might be acceptable or top managerial position. Neutral and professional selection procedure requires a selection panel without political interference from within or from outside. In this sense, membership of a political appointee in the panel would present a risk to neutrality and professionalism, even if the political appointee(s) are in minority in the panel.</p> <p>. We are of the opinion that prior to appealing to the court, there should be a possibility to file an appeal to the commission, other administrative body and only then to a court. The practice shows that if the only option is going to court, some people would not go to court. A possibility to apply to court is an obligation, an administrative review is a good practice that SIGMA strongly encourages - the measurement methodology is likely to recognize the possibility of judicial appeal as partial compliance even if administrative appeal is not possible.</p> <p>Onboarding is a process following the hiring. Through this process, a new collaborator is introduced in the team, provided with the support, guidance, training and coaching/mentoring needed to become fully incorporated in the team, to perform in a confident way. While it is desirable that onboarding processes be standardized, we will not insist on existence of regulations in this respect but will rather focus on outcomes, i.e. subjective perception of newcomers which we will capture via a survey.</p>
<p>Principle 11. Public administration attracts and recruits competent people based on merit and equal opportunities.</p>	<p>There is a high risk that young people remain underrepresented in public institutions and great variation across countries in young people's participation in public institutions. In that sense, as an attraction of younger people, it is kindly recommended that to add "The representation of young people in the public sector workforce, as well as intergenerational learning between older and younger employees, should be promoted by targeted talent acquisition and management activities, such as internship programs and part-time jobs."</p>	<p>Young people are important (see P11b), but countries can be in different situations and not always require specific actions, so we do not raise this to the level of sub-principles. It is proposed to be included in the Methodological Framework (data point to monitor the situation)</p>
<p>Principle 11. Public administration attracts and recruits competent people based on merit and equal opportunities.</p>	<p>Providing career development opportunities, mentoring, and career guidance for younger people is also a part of the attraction process. In that sense, we kindly recommend that the scope of "attraction" should be expanded with the activities to increase the career awareness of young people and to enable them to gain internship experience in public administration.</p>	<p>We agree that internships can contribute to increased attractiveness of public service, but they are one of many tools that should be used by public administration and as such cannot be consider a Principle of Public Administration (a requirement for countries, even if they already exist in many of them).</p>
<p>Principle 11. Public administration attracts and recruits competent people based on merit and equal opportunities.</p>	<p>The onboarding refers to the adaptation of new hires to their jobs and institutions. In that sense, it is a part of talent development processes, as similarly stated in the subprinciple "j" under Principle 11 by mentioning "rapid adaptation". Therefore, we kindly recommend the subprinciple "j" should be replaced under Principle 14.</p>	<p>Indeed, onboarding can be seen as part of professional development, but because of its specificity (direct link with a completed recruitment) we decided to place it under recruitment. Poor onboarding and recruitment will be reflected by low retention rate (% of new employed who stay in position over a year) and also through lower employee satisfaction.</p>

Principle	Comment	SIGMA's response
<p>Principle 11. Public administration attracts and recruits competent people based on merit and equal opportunities.</p>	<p>Principle 11, Subprinciple d: In my opinion "employer branding" (and attraction of eligible candidates, providing job descriptions are updated and include the right professional profile fit for the position) should build upon application of Principle 17, particularly Subprinciples i. and j.</p>	<p>Transparency and openness of public administration contribute to building a brand as employer, but also build trust. However here we are specifically interested in using employer branding in order to attract candidates to public service. Moving the concept to P17 would reduce the link administrations should see between building their brand and attracting candidates.</p>
<p>Principle 11. Public administration attracts and recruits competent people based on merit and equal opportunities.</p>	<p>You might want to consider adding a suggestion to use private recruitment agencies to support recruitment based on merit and equal opportunities</p>	<p>Private recruitment agencies, similar to shared HR services, are different forms of implementing HR procedures. We are not prescriptive on how HR policies should be implemented as long as they meet the Principles. There is no obstacle to use private recruitment agencies, nor other tools to achieve HR objectives.</p>
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>Subprinciples e and f refer to 'top managers' i.e., Subprinciple e states: 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.</p> <p>Subprinciple f states: Top managers in public administration have sufficient professional and managerial autonomy, enabling them to assume responsibility for the management of staff, resources and work.</p> <p>There is no clarity in the wording of these two subprinciples about the specific responsibilities of the most senior official compared with other senior officials. As drafted these sub principles refer to both sets of officials. Yet the most senior official has distinct responsibilities. First it is the most senior official who has overall responsibility for the quality of operational management within a ministry. That official should be accountable for how that responsibility has been exercised. Secondly that most senior official should have a responsibility to ensure that other senior officials had achievable objectives and performance standards and that those objectives and standards were met. Thirdly, that most senior official has overall responsibility for the management of the financial operations of the ministry such as the preparation of the budget, compliance with the approved budget and for the quality of financial and budgetary control. Fourthly, that most senior official has an overall responsibility for the management of the civil servants within that ministry, including for their morale and training.</p> <p>These and other responsibilities are not shared by other senior officials. These two sub principles should be amended to reflect these very significant differences.</p>	<p>Thank you. These are valid points and we agree with them, although we cannot put all this knowledge to the Principles. We do promote these standards across the Principles - specifically in P12h where we request that top managers have responsibility for management of staff, resources and work</p>
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>• 'd' subsection (Recruitment policies and practices support diversity, gender balance and inclusion in top managerial positions.). Under the circumstances mentioned in 'c' subsection (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), by what mechanisms is gender balance ensured?</p>	<p>Very good question, it has been discussed at length within SIGMA. In our Framework, merit always has priority. However, there are possible soft measures to improve the balance, such as outreach to candidates of "deficitary" groups, flexibility of work arrangements etc.</p>
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>5. While the Principles captures well most of the accountability and management issues of public administration, it leaves open the aspect of administrative management of a ministry under the minister. For professionalism, stability and continuity it would be necessary to have one top-most senior civil servant responsible for running a ministry (P12 h does not go into the heart of this problem). While the scope and interplay between this position and political appointees is a matter of configuration, without the powers vested into such a position it will be very difficult to properly manage a complex organisation consisting not just of a ministry itself, but also its subordinate institutions.</p>	<p>It is a valid comment. It has already been taken into account in sub principle 12f. We may provide additional clarity at the level of the Methodological Framework (MF)</p>
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>Principle 12 e+f: The wording is very correct yet does not provide space for the agility and innovativeness the top leaders need to demonstrate in VUCA world. The overall principle needs to provide qualities beyond the directions, procedures etc. and enable the talents and extra capacities top leaders need to possess.</p>	<p>Thank you. We agree, but believe these qualities can be found in "effective leadership" concept.</p>

Principle	Comment	SIGMA's response
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>Please consider serious roles that Governing and Supervisory boards of public institutions have. They are one who are appointing top managers in many cases. Their appointment solely on political grounds will not contribute to merit-based selection of top managers even if new legislation on TMS is introduced.</p> <p>Therefore, it will be important to add principle of merit based/professional appointments of members of Governing and Supervisory boards. In some cases, even their existence is questionable.</p> <p>Please consider including responsibility (political and legal) of top managers for miss management or waste of public funds to be predefined and clear, either in sub-principle or in indicators</p>	<p>Thank you for this question. We deal with top management function, so in theory if the board exercises executive functions then our Principles should be fully applicable. However, we do not find a collegial body in such capacity (and not to be charged with supervision, steering, appointing top managers - such bodies can in fact be political and/or set up by politicians).</p>
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>This change of terminology might be confusing to the administration, as the term "top managers" is usually used to refer to heads of institutions, agencies, etc, while on the other hand senior managerial positions would (in terms of BiH) comprise all managerial civil servants. It should be clearly defined in the Principles who are actually top managers (as opposed to the middle managers). This is even more important in terms of measurement if, as it was hinted during the presentation on 2nd of February, data (e.g. turnover) will be compared against other countries. It is important that the same categories of civil servants are comprised by this term in all the countries so that data would be comparable.</p>	<p>We clarified our Principles to make sure we refer to professional civil servants in managerial positions.</p>
<p>Principle 12. Effective leadership is fostered through competence, stability, professional autonomy and responsiveness of accountable top managers.</p>	<p>Principle 12, sub principle b. Please do precise "Top management positions" according to the legislation. Are these position referring to political nominees or senior civil servants with permanent duty as assistant minister/deputy director in the civil service?</p>	<p>We clarified our Principles to make sure we refer to professional civil servants in managerial positions.</p>
<p>Principle 13. Public administration employees are motivated, fairly and competitively paid and have good working conditions.</p>	<ul style="list-style-type: none"> • The 13th principle included in the section " Professional, effective and trustworthy public servants" refers to the motivation of employees of the public administration system, fair and competitive remuneration and normal working conditions. • 'a' subsection (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.) We suggest emphasizing the use of non-financial incentive tools in non-financial compensation, which will be performance-related and will be a motivating tool. • 'g' subsection (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 optimize working conditions.). We consider it important to specify whether the requirement for monitoring of working conditions also refers to the physical conditions of work. The requirement to clarify the issue is due to the fact that ensuring the mentioned principle will become the obligation of every state body. • 'h' subsection (Flexible work arrangements are available for public administration employees (office, teleworking, part-time, hybrid, etc.) at all levels of the organizational hierarchy to foster productivity, work-life balance, and reduce the ecological footprint.). Is part-time work acceptable for a public servant? 	<p>Ad a) – emphasizing non-financial incentive tools among non-financial compensation? The list of mechanisms used to attract, motivate and retain staff is open, may include other tools, but at the level of Principles we cannot emphasize any of them in a particular way.</p> <p>Ad g) yes, it refers to physical conditions of work: we added "safety" and "health" to indicate direct reference to Occupational Safety and Health issues and this will be further clarified in the Methodological Framework.</p> <p>Ad h) There are no obstacles for a public servant to be on a part-time employment.</p>
<p>Principle 13. Public administration employees are motivated, fairly and competitively paid and have good working conditions.</p>	<p>As job analysis is one of the best basic prerequisites for job descriptions and expectations, it should be utilized in the determination of salary system and performance-related pay. In that sense, it is kindly recommended to evaluate job descriptions of employees as a "clear criteria".</p>	<p>In the measurement framework, we will further develop expectations toward job classification and job evaluation is naturally part of them. It may be too technical an issue to discuss it at the level of sub-principles.</p>
<p>Principle 13. Public administration employees are motivated, fairly and competitively paid and have good working conditions.</p>	<p>- The ministry of finance publishes comprehensive monthly reports of central government revenue, expenditure and borrowing within four weeks of the end of the month.</p> <p>In NM the MF is usually not responsive when it comes to providing information about temporary employments or payed bonuses in the ministries. It has to possess that kind of information having in mind it is responsible for the Budget and its execution instead of diverting the freedom of information request to all separate institutions. Namely it has to be accountable and possess information for the spend resources of the overall administration.</p>	<p>The comment refers to transparency of information on the budget spending, so not directly to PSHRM Principles.</p> <p>The Principles for PSHRM do not require publication of such information, but of course, Principle 17 constitutes a good basis for expecting the MF to provide such information.</p>

Principle	Comment	SIGMA's response
<p>Principle 13. Public administration employees are motivated, fairly and competitively paid and have good working conditions.</p>	<p>One of sub-principles (c) refers to the fiscal affordability of salary system and public administration wage bill predictability. Although the fiscal aspect of salary system is important, it is rather part of the public finance management system. Salary system (salary structure, job classification framework; salary groups and grades, coefficients, bonus, etc.) and amount of salary (both individual salary amount and total wage bill) should be considered separately, and only the salary system issues should be analysed under the civil service area. Thus, our recommendations is to move sub-principle 13c under Principle 24 of the budget management.</p>	<p>Wage bill is a very important part of budgetary expenditure and may be influenced by the way the salary system is constructed. The sub-principle would fit in both place, we chose this one to draw attention to the macro-level considerations of the salary system.</p>
<p>Principle 13. Public administration employees are motivated, fairly and competitively paid and have good working conditions.</p>	<p>HRM part includes almost all-important policies from recruitment to career development, training, disciplinary, dismissal, working conditions, salaries, flexible working hours etc. Please consider developing sub-principle on absence management. Critical to the administration. Absentees are not managed at all, and this causes serious internal problems as well as miss performances etc.</p>	<p>Absenteeism is indeed an issue in several administrations we work with. However, as it is culturally dependent, raising the problem to the level of Principles of Public Administration might be misunderstood. We will consider adding a data point in our Methodological Framework to indicate that there can be a problem to examine.</p>
<p>Principle 13. Public administration employees are motivated, fairly and competitively paid and have good working conditions.</p>	<p>Taking into account that this principle will be assessed through application of one or more subprinciples, in my opinion, motivation as a concept is very complex and refers to more elements than fair and competitive pay and good working conditions. To this regard, allow me to quote the relevant literature, which indicates that predicting, explaining and influencing employee motivation can be done by taking into account seven variables. (1) Needs for psychical and psychological well being (2) personal traits, which are viewed as needs or drivers (3) individual difference rooted in values, individually considered good or beneficial to act upon, (4) context affecting to which needs are met and values are fulfilled, (5) cognition, particularly goals, the situationally specific form of values, specific object or aim of an action, (6) affect or emotion which does not depend on cognition but is reciprocally related, and (7) emphasized in the high performance cycle, employee motivation is affected by rewards or incentives, however only to the extent that they satisfy one or more values of an employee. Apologies for this lengthy explanation, but my intention was to point out to what would entail to state that an employee is motivated.</p>	<p>Thank you for this additional explanation on motivation of employees. We believe we covered in our framework (including the Methodological Framework) many of the variables you mentioned.</p>
<p>Principle 14. Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants, and promote civil service values.</p>	<ul style="list-style-type: none"> • 'b' subsection (Public administration actively promotes the continuous learning of public servants, conducts training needs analysis and prepares training plans.). Since the proposed edition clearly mentions the analysis of training needs and the preparation of training programmes, we suggest emphasizing under the word "promote" at the beginning of the sentence that it implies, among other things, the existence of active mechanisms for exercising the right to training of public servants. This will also be a great source of self-improvement and motivation. • 'e' (Public administration offers opportunities for career advancement and promotion based on merit and performance of public servants.). According to the current Law "On Civil Service", promotion shall be made through the competition, in which every citizen who meets the specified requirements has the right to participate. The question arises whether the performance result can play a role in ensuring career promotion without competition. 	<p>The term "to actively promote" already covers this aspect – training (professional development/continuous learning) is both a right and a duty of public servants and we indicate that training is financed by the administration (exercising the right to training) Ad e) This is not a matter to be dealt with at the level of Principles, but indeed, internal promotion does not always require competitions open to every citizen (then, technically speaking, it is not a promotion) and yes, performance results can be a factor taken into account in assessing candidates (there are legislations requiring positive performance results to apply for promotion for example).</p>
<p>Principle 14. Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants, and promote civil service values.</p>	<p>Top managers and managers work as an accelerator in creating a learning culture in institutions and promoting employees to benefit from professional development activities. In that sense, it is recommended that "The contribution of top managers should be ensured and managers should promote the learning environment in the workplace" could be mentioned.</p>	<p>Thank you. We agree with the idea behind the proposal. We do have a reference to the role of managers in P10, SP h, on the capacities of public administration bodies for professional HR management, but only at the level of criteria (two criteria, one on whether managers do have responsibilities for people management, and another on the development of the managers' capacities in this area)</p>
<p>Principle 14. Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants, and promote civil service values.</p>	<p>Principle 14: The wording does not sufficiently promote collaborative working and learning approaches.</p>	<p>SP a) refers to the active promotion of continuous learning of public servants by public administrations. This may involve different learning approaches, including different training modalities (instructor-led, mentoring, coaching, etc.), but also work networks, communities of practice, etc. These possibilities are dealt with in the Methodological Framework.</p>

Principle	Comment	SIGMA's response
<p>Principle 14. Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants, and promote civil service values.</p>	<p>Too much focus put on training, disregarding other aspects of the learning eco-system. We would advise expanding the terminology to areas such as on-the-job assistance, mentoring, job-shadowing, knowledge management and the like, that would help employees on their continuous learning journey.</p>	<p>Thank you. Please see the comment above.</p>
<p>Principle 14. Professional development, talent and performance management enhance the skills, efficiency and effectiveness of public servants, and promote civil service values.</p>	<p>Please consider changing the language from training plans, training need analysis, training programmes, training goals to learning. Please indicate more clearly other forms of learning (on the job learning, job shadowing, team work on delegated assignment, online learning, mentoring etc. Administration reacts on TNA and TPlans as they consider that they don't have many opportunities for training.</p> <p>Also, consider adding indicator or sub-indicator on retention policy for specific professions in public administration.</p>	<p>Thank you. The term "learning" is in fact present and important in the Framework: 14b: promoting continuous learning, 14c enhancing learning by using different training design and delivery – this concept should cover various forms of learning. TNA and TPlans are standard tools used by administration and hence reflected in our Framework.</p>
<p>Principle 15. The organisation and management of public administration foster accountability, effectiveness and efficiency.</p>	<p>Subprinciple c states: Ministers are politically accountable for the performance of public administration bodies. However, the subprinciple does not explain how this is to be achieved or what it precisely means. So far as the operational management is concerned, this would include the performance of the organisation for which the minister was responsible. In particular, had it delivered its objectives and performance standards, to time, within budget, efficiently and effectively. Also had it met all the requirements of financial and budgetary control and operated within all legal and regulatory requirements? Had it reported on its activities comprehensively and transparently? (See also subprinciple h contained within this Principle.) These are the requirements contained in the COSO standards. A key feature of the application of those standards ought to include an annual report by the head of operational management covering the above points. This report is known in some countries as a 'statement of internal control' or in some other countries as a 'fiscal responsibility statement'. This would be signed by the head of operational management, agreed with the head of internal audit who may also sign the statement and with the political head of the organisation. This annual report would be supplemented by periodic managerial accountability reports. In this way the political head is kept informed of the performance of the organisation. This statement should be subject to review by the state auditor. The Principles ought to include a reference to the need for the preparation of such a statement, even though a specific title may not be referred to. Subprinciple i states: 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. This requirement can only be achieved through an organisation which has a single top civil service official, otherwise "effective performance of functions and horizontal co-ordination, by ensuring clear assignment of duties and lines of accountability" can only be achieved by the minister. In some countries no such single top official exists and individual directors report directly to individual ministers and deputy ministers. This arrangement also encourages the development of a 'silo mentality'. Therefore, the Principles should make clear that each ministry civil service should be headed by a single top official. Subprinciple j states: 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. In many countries delegation of operational management is very limited and if often confined to limited administrative decisions. What is missing from these Principles is a definition of operational management and the requirement on ministers to delegate the responsibility for operational management to the civil service, recognising that decisions about delegation of operational management will change periodically as circumstances and personnel change. However, the Principles should make clear that in the normal course of business operational management should be a responsibility of the civil service. This sub principle in particular, should make clear that the empowering of managers is achieved by ministers delegating operational management decision making. There is also no recognition within these principles that delegation empowers civil servants to take decisions. All decision taking involves the making of judgements and consequently, an element of risk. The regulations governing the employment of civil servants including inspection and penalty arrangements should recognise the implications of this. The Principles do not appear to do so.</p>	<p>c) yes, the Principles do not explain how political accountability should be achieved, leaving it to the national legislations. However, it should be clear that the political accountability is in place.</p> <p>Statement of internal control can be found in the sub-principles on coordination of Internal Control and on management and control systems in individual organisations (P.27 and 28). At the level of indicators we mention self-assessments (to feed the annual IC report) and the obligation for managers to evaluate financial management and control systems, at least annually.</p> <p>This specific model of pyramid is one of possible options and is not common enough to make it a requirement for other countries.</p> <p>We agree with the ideas, and we believe we cover it sufficiently under P.12f: Top managers in public administration have sufficient professional and managerial autonomy, enabling them to assume responsibility for the management of staff, resources and work.</p> <p>No, there is no reference to inspection and penalty arrangements and the way they should take into account making judgements and risks. We do refer to adequate disciplinary procedures for civil servants, but this element is not there either.</p>
<p>Principle 15. The organisation and management of public administration foster accountability, effectiveness and efficiency.</p>	<p>Principle 15: this is an essential tool to elevation the public administrations which must be highlighted and put a good monitoring process on it.</p>	<p>We agree, a comprehensive framework for monitoring the implementation of P15 is under construction now.</p>

Principle	Comment	SIGMA's response
<p>Principle 15. The organisation and management of public administration foster accountability, effectiveness and efficiency.</p>	<p>Principle 15: The wording needs to embed the leadership and not only the managerial perspective and also enriched with words like self-leading, personal mastery, emotional intelligence, transversal skills and capacities.</p> <p>Principle 15 i: New wording is suggested: "Organisational learning, including knowledge management, accelerate accountability, effectiveness and efficiency."</p>	<p>Thank you. We agree, but believe these qualities can be found in effective leadership concept (P12) while organisational learning is under P14, where broader concepts of learnign are used.</p>
<p>Principle 15. The organisation and management of public administration foster accountability, effectiveness and efficiency.</p>	<p>Under B. please add ex-post evaluation as we are speaking for public bodies to be terminated or merged. Eg.on sound ex-ante or ex- post analysis. Under H please consider adding budget. Eg Public administration operateson objective, performance indicators and budget. We are constantly phasing institutions that have more operational costs than programme costs and they are not able to deliver with that budget, no matter if they have clear objectives or indicators. Due to financial and energetic crises this is becoming even more serious problem.</p>	<p>Ad b) Ex ante analysis refers to the decision of organizational changes. Ex-post analysis will not drive such decisions, unless we mean ex-post analysis of programmes/projects run by an institution which is subject to organizational changes. But then it is just one of many factors to be taken into account in the ex-ante analysis.</p> <p>Ad h) the entire Principle 27 is devoted to the way public entities manage their budgets (in an effective and compliant manner to achieve their objectives.) If we added "budget" here, we should also add other resources "HR", "assets", etc., but the purpose of this sub-principle was different – to say that budget is not sufficient to justify existence and functioning of a public body.</p>
<p>Principle 15. The organisation and management of public administration foster accountability, effectiveness and efficiency.</p>	<p>15 - sub-principle e: The status of regulatory bodies should be carefully reviewed, in cooperation with experts in the field of regulation. Regarding Communication Regulatory Agency some other recommendations exist for example: https://www.osce.org/files/f/documents/2/a/94102.pdf Additionally, or ERGA opinions from 2022 about independence both of the Board and the national regulatory authorities. sub-principle g: it should and probably will be explained in MF. In some cases VRI is not constitutional body (even it should be). Formulation suggest that SIGMA will look at constitutional bodies only. sub-principle k: It is unclear what will be measured in this case (Law framework or praxis, or both and in that case defition are needed).</p>	<p>Ad e) Draft Principles are in line with the EU <i>acquis</i>, as presented in SIGMA Paper on organization of government, including agencies: https://www.oecd-ilibrary.org/governance/organisation-of-public-administration_07316cc3-en We are aware of sometimes contradictory guidance provided by different donors, but the minimum required by the acqui (acquis?) legislation was taken into account while drafting this sub-principle. Ad g) The Framework covers all types of bodies and the requirement for constitutional bodies and oversight institutions are that they are accountable to the Parliament and enjoy independence. Unclear what should be explained in the Methodological Framework. Ad k) Work on the Methodological Framework is underway, but Principles exist and provide guidance even without a methodology to measure them</p>
<p>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.</p>	<p>Complementary to Principle 33 - North Macedonia is currently planning and will shortly adopt a new PAR Strategy 2023-2030. While efforts were made to integrate and branch out to the area of local self-government operations, my impression is that we have not fully incorporated the spirit of the sub-principles that you propose under Principles 16 and 33. Will this be a problem once you start measuring or would you be open to assessing policies, standards and mechanisms that exist and/or will be developed beyond the scope of the new PAR Strategy?</p>	<p>The principle is relatively open and draws on international standards, in particular on the European charter of Local Self-government which North Macedonia has ratified. Countries should design their reform strategies based on the main problems defined and priorities of the government. International standards and frameworks are helpful for shaping the discussion and providing some comparison between countries but these should not be the only sources that define national strategies in most areas.</p>
<p>Principle 17. Public administration is transparent and open.</p>	<p>Principle 17b : Principle 17: Public administration is transparent and open</p> <p>b. "Individuals, including non-residents, and legal persons have the legal right to access public information without justifying their request."</p> <p>With regard to Regulation (EC) 1049/2001 regarding public access to European Parliament, Council and Commission documents (Article 2), the principle 17/b is suggested to be revised as follows:</p> <p>Proposal: "Natural and legal persons residing or having its registered office in a State have the legal right to access public information without justifying their request</p>	<p>Based on Tromso Convention explanatory note we include non-residents too, although this is not specifically requested by the EU.</p>
<p>Principle 17. Public administration is transparent and open.</p>	<p>Specific, clear and straight forward indicator on Official Gazette - to be open, free of charge and timely available.</p>	<p>It is a valid comment. Principle 6i already covers this specifically: 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.</p>

Principle	Comment	SIGMA's response
<p>Principle 17. Public administration is transparent and open.</p>	<p>17 f: List is modest. Maybe it will be good to add PP documentation in order to ensure visibility of the flow of public funds,</p>	<p>There is no need to list the “public procurement documents” in principle 17, since the Principle of transparency is an underlying fundamental principle of every (EU, WTO/GPA, etc) public procurement system; and pro-active disclosure of procurement documents (procurement- related information) is already (explicitly or indirectly) required by (several instances of) the SIGMA PAR Principles in the public procurement section:</p> <ul style="list-style-type: none"> - Principle 29 (a-c) requires compliance of national procurement legislation with the EU public procurement directives, which provide for mandatory publication of procurement notices - Principle 29 (g) requires the central public procurement institutions to publish (consolidated) data on public procurement operations (including both contract award and contract performance), - Principle 30 (a) requires publication of (annual and multiannual) procurement plans - Principle 30 d) indicates electronic procurement as the basic tool for conducting procurement operations - Principle 30 (k) explicitly mentions the right of civil society organisations to be granted adequate and timely access to information in each phase of the public procurement process including planning and contract performance - Principle 31 (g) provides for mandatory publication of information on the review procedures, including all decisions of the review body, with full rationale
<p>Principle 17. Public administration is transparent and open.</p>	<ul style="list-style-type: none"> • You might want to consider adding a recommendation to develop comparable indicators in collaboration with stakeholders to measure progresses, outputs and impact of the transparency and openness policy 	<p>This might be a good practice, but not yet common enough to raise it to the level of Principles.</p>
<p>Principle 18. The parliament, ombudsman, supreme audit institution, media and civil society effectively scrutinise public administration.</p>	<p>Ombdusman = ombduspersion (gender language)</p>	<p>Thank you. We have been debating this at length (and we are aware of many such discussions in countries). The term is derived from Swedish, where the suffix -man is not always gender specific. There is a European Network of Ombudsmen (ENO) and the European Ombudsman. The words ombud, ombuds, ombudsperson, and ombudswoman have been coined to remedy the perceived gender-specificity of ombudsman in English.</p> <p>We will change the term to "ombudsperson".</p>
<p>Principle 19. The right to good administration is upheld through administrative procedure, judicial review and public liability.</p>	<p>sub-principle d Written in this way, the sub-principle suggests that it is not necessary to have an appeals mechanism. That raises the question of why measure the effectiveness of something that doesn't have to exist. Maybe "if it exists" is redundant, and through MF it is possible to define exactly which mechanisms are being observed.</p>	<p>Thank you. Indeed, it is not necessary to have administrative appeal mechanisms in place for every administrative procedure and direct access to court for legal remedies can also be an option. The solution, whether to establish internal appeal mechanisms or not depends on the actual procedure, the body conducting it and the superior administrative authority, the number of appeals or complaints to the court, among other things. Therefore the Principles do not prescribe that appeal mechanisms have to be in place for all administrative procedures, but where they have been established they have to be effective</p>
<p>Principle 20. Corruption risks are minimised through a coherent and comprehensive public sector integrity system.</p>	<p>Principles 20: The wording needs to motivate and reflect the values and improve the understanding of integrity before going into corruption etc. Principles need to show the way.</p>	<p>We agree, The OECD Council Recommendation on Public Integrity is the overarching normative framework that sets the direction for Principle 20. The Principle does not exclusively focus on acts of corruption and criminalization of corrupt acts, but covers integrity violations more broadly. Newer integrity threats such as undue influence are also included. We did chose to begin with “Corruption risks” in the formulation of the Principle, to make it clear that anti-corruption frameworks are included here.</p>

Principle	Comment	SIGMA's response
<p>Principle 20. Corruption risks are minimised through a coherent and comprehensive public sector integrity system.</p>	<p>Subprinciple e - Most legal frameworks differentiate between internal and external whistleblowing procedures, so it should be made clear which procedures is this subprinciple referring to.</p> <p>Subprinciple h - The subprinciple is formulated in a way which almost suggests that SIGMA will assess the activities of lobbyists rather than how the administration deals with lobbying. We would suggest rephrasing: Lobbying and influence activities are regulated and their implementation carefully monitored, in order to ensure their transparency and integrity.</p>	<p>In our framework the external whistleblowing system is captured in sub-principle e. Internal complaints mechanisms are addressed in sub-principle d. We purposefully differentiate between "whistleblowing" and "complaints". See the OECD Council Recommendation on Public Integrity, Principle 4, and the Public Integrity Handbook.</p> <p>On sub-principle h, we want to move beyond a focus on lobbying regulations and activities of the administration. Regulations matter and activities should be monitored (this will be monitoring, as part of the indicators). However, we should also care about how lobbyists act. So rest assured that we will capture both, and this is reflected in the formulation of the sub-principle.</p>
<p>Principle 20. Corruption risks are minimised through a coherent and comprehensive public sector integrity system.</p>	<ul style="list-style-type: none"> You might want to consider adding a suggestion to involve civil society in the preparation of anti-corruption strategies You might want to consider adding a suggestion for the introduction of awareness raising and education activities on this topic You might want to consider adding a suggestion to ensure the registration and disclosure of beneficial ownership of legal entities in line with international standards <p>Concerning point e. on whistleblower protection:</p> <ul style="list-style-type: none"> You might want to consider adding a suggestion to ensure the implementation of financial and psychological support to whistleblowers <p>Concerning point h. on lobbies:</p> <ul style="list-style-type: none"> You might want to consider adding a suggestion to enable stakeholders – including civil society organisations, businesses, the medias and the general public – to scrutinize lobbying activities 	<p>Involvement of civil society in the preparation of strategies is recommended for all areas, not just anti-corruption. We have not repeated it in all sub-principles dealing with strategy, but it will be part of the monitoring framework.</p> <p>Awareness raising and education activities are part of sub-principle c "Rules and public sector values for ethical conduct are established throughout the public sector and are effectively communicated and enforced." and to some extent k "public is informed about the outcome of cases". We will not prescribe specific awareness raising campaigns as the evidence for their effectiveness is weak, and depends on context.</p> <p>On whistleblowing, we will keep in line with the Directive, and add specifics at the criteria-level.</p> <p>On lobbying, sub-principle h, we emphasize that activities need to be "transparent" to allow for scrutiny. This is in line with the OECD Council Recommendation on Transparency and Integrity in Lobbying. The crucial role of media is covered in Principle 18.k.</p>
<p>Principle 21. Users are at the centre of administrative services design and delivery.</p>	<p>Sub-Principle 21.f. The government establishes standards, defines them with users, communicates them to users, and regularly updates them to reflect changing circumstances and expectations. We presume that more specific wording might be useful when it comes to "standards", to make it easier to understand: perhaps the "standards" refer to the "delivery standards" as stipulated in the 21.g.</p>	<p>good point indeed. We have added delivery standards also in f.</p>
<p>Principle 21. Users are at the centre of administrative services design and delivery.</p>	<p>Sub-principles c, d and e - For the purpose of correct monitoring, please elaborate what will be proof of implementation, only consultations or perhaps redesigned services with proof of participation (c.), proposed amended acts (d.) or RIA or another formal assessment (e.).</p>	<p>indeed these 'proofs' are part of the Measurement Framework under construction.</p>
<p>Principle 21. Users are at the centre of administrative services design and delivery.</p>	<p>I would add the provision of adequate and accessible customer support related to the service delivery, through various communication channels (establishing Contact Center). User-centric service delivery - Principle 21: Users are at the centre of administrative services design and delivery;</p>	<p>This is indeed included.</p>
<p>Principle 21. Users are at the centre of administrative services design and delivery.</p>	<p>I have a few comments with regard to this principle. While I agree with general requirement for a multi-channel service delivery (online and offline), especially of services intended for citizens, I believe that mandatory online services for businesses are acceptable if necessary exceptions are recognized and alternative procedure in place. For example, in Serbia a procedure for the registration in the central registry of compulsory social insurance is mandatory online, yet in Article 15 of the Law on Central Registry of Compulsory Social Insurance alternative procedure has been defined for rare exceptions.</p> <p>Under the point b. it is defined that public administration should use one or several "recognized" quality management tools - I wonder what toolset is considered "recognized"? Perhaps, tools usually recognized and used by quality management practitioners in general, or is there a specific toolset suggested?</p> <p>When it comes to standards (point f.), in some cases users cannot really influence standards - standards (ETSI, ISO, IETF...) are sometimes set out by legislation and a service in order to be recognized has to be conformant to these. Example of such services are eID and qualified trust services - there are international standards set out by our legislation as mandatory. However, it doesn't mean that in case of some of these services users cannot influence some part of the design.</p>	<p>In the monitoring framework the quality tools and instruments will be listed indeed.</p>

Principle	Comment	SIGMA's response
<p>Principle 22. Streamlined and high quality services are delivered to users.</p>	<p>As discussed during the online consultation meeting, local level services will be included in the assessment of the specific services subject of monitoring. Please also elaborate whether some of the general questions (not referring to specific services) will refer to local level services also.</p>	<p>Although local level is indeed not specifically targeted within the scope of the assessment, within the seamless service delivery the connection and the part delivered at local level will be included.</p>
<p>Principle 22. Streamlined and high quality services are delivered to users.</p>	<p>"Life event" approach should certainly be applied whenever relevant, and in most cases it is relevant, but not all.</p>	<p>The life-event cases will be specified in the Methodological Framework.</p>
<p>Principle 23. Administrative services are easily accessible online and offline to all users, taking into account different needs.</p>	<p>During the previous assessment there were debates and different interpretation of "institutional contacts" (whether only the same premises, different counters, if private companies, such as for insurance, will be counted as institutional contacts...), so please define these more precisely if possible.</p>	<p>Indeed the indicators and methodology will specify these elements very clearly .</p>
<p>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.</p>	<p>It would be appropriate to make the following additions to the 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". "Governments has to implement performance budgeting (or other forms of performance budgeting - program budgeting, result-based budgeting etc.). Performance budgeting aims to improve the efficiency and effectiveness of public expenditures".</p>	<p>Thank you for the comment. SIGMA agrees that a form of performance bugeting has value added for the PFM system. In the framework, we incorporate the integration of performance information in the budgeting system as part of sub-principle in 24.6. However, we are not looking to be very prescriptive about the form of budgeting.</p>
<p>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.</p>	<p>Subprinciple d states: First-level budget organisations are line ministries and constitutional entities only, and line ministries co-ordinate the budget preparation within their sectors. The sub-principles should make clear that second level organisations should submit their budget proposals to the first level organisation and should not make a direct submission to the ministry of finance, as occurs in some countries. The only exceptions to this should be the budgets for the state auditor, and judicial bodies. Subprinciple g states: 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. The Principles should also specify that the financial allocations contained in the budget are consistent with the objectives and performance standards expected to be delivered by the operational management of a ministry. Without that the objectives and performance standards have no effective meaning. Subprinciple h states: 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. The Principles should make clear that fiscal risks and maintenance costs may be incurred in periods which extend beyond the time horizon of the MTEF but should not be ignored for that reason. Ministries should coordinate their assessments of fiscal risks and maintenance costs with the ministry of finance. Nothing is contained within these Principles which requires that neither ministers nor operational management officials enter into commitments which could cause the ministry to get into financial difficulty in the future. In other words, the Principles should require a ministry to engage in long term financial planning taking into account those factors which could affect the level of the future financial requirements of the ministry. Those factors could include demographic changes, environmental changes, the introduction of 'green policies', future international regulatory requirements such as those of the European Commission or the World Health Organisation, and changes in technology. Long term financial planning would extend well beyond the periods envisaged in an MTEF forecast.</p>	<p>Thank you for your observations. Looking at each point in turn - Sub-principle d: We agree with your comment and this will be included in the definition of 'first-level budget user in the measurement framework - Sub-principle g: the comment relates to the element of performance information. We are not being prescriptive about the form of budgeting. Therefore we have not emphasized performance budgeting, although we clearly see the value added of including performance information as a requirement. - Sub-principle h: We agree with your comment, but as a sub-principle we think that the maintenance costs will need to be included when the applicable MTEF is prepared. With regard to long-term fiscal planning, we think it is important and good to have, but not part of the fundamental principles on top of the medium term approach.</p>
<p>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.</p>	<p>Principle 24 is about budget preparation, which is good. But none of the sub-principles refer to the legal basis of all the components of the budget preparation. Without a legal basis in for example in an Organic Budget Law, the Minister of Finance cannot issue a budget calendar annually.</p>	<p>Thank you for the observation which we taken into account in the sub-principles with a reference to the legislation now included But just to note though the Principles are value-based. and under each principle the legal basis is considered implicit.</p>

Principle	Comment	SIGMA's response
<p>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.</p>	<p>- Sub-principle d is in our opinion too prescriptive, as in addition to ministries and constitutional bodies, there are other central administration bodies which would be appropriate as first-level budget organisations e.g., CoG bodies. This sub-principle should at least allow for justifiable exceptions to the rule - Sub-principle G, to potentially retitle administrative classification as organizational, it is more conventional.</p>	<p>Thank you for your observations. For sub-principle d. we reformulated into 'ministries' and deleted 'line-ministries'. As a principle, we maintain the formulation as there is no clear justification for exceptions. However, in the measurement framework there is some flexibility for a small number of exceptions (if justified). For sub-principle g. we believe the administrative classification is appropriate in line with the definitions of various standards.</p>
<p>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.</p>	<p>Concerning point j. on citizen engagement: • You might want to consider adding a suggestion to establish an ombudsman which defends citizens' rights against their tax administration</p>	<p>Thank you for the comment. We see that the right of citizens to contest against individual tax decisions is addressed in the accountability pillar under the administrative court system and we do not consider it an Ombudsman issue.</p>
<p>Principle 25. Budget implementation and service delivery is supported by cash availability in the short and medium-term.</p>	<p>Sub-principle 'a' reads 'Revenues are collected in an efficient and effective manner'. Apparently, the organisation of revenue collection is assessed; not the completeness of the collected revenues. But which revenues and which organisations are involved? The scope of the assessment will have to be defined. That can be done in the assessment methodology but preferably in the formulation of the sub-article, which seems currently be too broad.</p>	<p>Thank you for observation. The sub-principle has been amended with a second now added, with further detail defined in the measurement framework. However, the scope of measurement has to balance resource needs against the value added of having a complete picture on government revenues.</p>
<p>Principle 26. The budget is executed in line with estimates and reported in a comprehensive and transparent manner allowing for timely scrutiny.</p>	<p>Principle 26: The budget is executed in line with estimates and reported in a comprehensive and transparent manner allowing for timely scrutiny. d. The national standards for financial reporting and accounting are defined and are aligned with the minimum requirements in place for EU member countries and enable the provision of data compliant with European system of accounts ESA2010 and International Monetary Fund Government Finance Statistics 2014.</p>	<p>Thank for the comment. The European GFS is based on the concepts and definitions set out in the ESA 2010. We are looking at this from the EU perspective and as a result we consider the current text sufficient and we don't need to mention IMF GFS.</p>
<p>Principle 26. The budget is executed in line with estimates and reported in a comprehensive and transparent manner allowing for timely scrutiny.</p>	<p>Subprinciple e states: The annual financial report of the government is comprehensive, is based on an appropriate financial reporting framework, 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. An annual financial report should include information about the performance of the public organisation and ideally ought to be designed to meet the needs and interests of the user to enhance transparency. This should include information about objectives and performance standards and whether they have been met. However, there is no reference in this sub-principle to 'objectives'. Objectives as well as performance information are referred to elsewhere in these Principles and the wording should be consistent throughout. An important feature of these Principles is the need for transparency and improvements in accountability. A single financial report alone for a government does not promote transparency or accountability. To overcome this, individual ministries and other public organisations whose financial activities would be incorporated into the single financial report for a government should be required to publish their own financial statements and annual reports all of which should be audited by the state auditor. This would also facilitate performance reporting. The same publication requirements should apply to the 'statement of internal control' referred to earlier in these comments.</p>	<p>Thank for the comment, however we think that the sub-principle addresses the issues around performance information, with requiring results to be compared with the targets established. The measurement framework will also explore this in more detail.</p>
<p>Principle 26. The budget is executed in line with estimates and reported in a comprehensive and transparent manner allowing for timely scrutiny.</p>	<p>Principle 26: to integrate digitalization aspect in the principle and other relevant PFM principles.</p>	<p>Thank you for the comment and we agree that digitalisation is important. The policy aspect has been broadly addressed as a strategic issues under SFPAR area. Within the PFM area we have focused on the values around good PFM and have seen digitalisation as a tool to support the effective PFM. As a result in the Measurement Framework appropriate tools have been considered as part of the criteria, but we do not think we need to address this specifically in the PFM Principles</p>
<p>Principle 26. The budget is executed in line with estimates and reported in a comprehensive and transparent manner allowing for timely scrutiny.</p>	<p>Sub-principle b - It would be good to include more detailed and useful categorisation on what comprehensive reporting means. Principle 26, general - There is no sub-principle on publishing mid-year review/report. Is this on purpose or omission?</p>	<p>Thank you for the comment and yes we agree it is important and this is dealt with in the measurement framework where criteria are developed on what comprehensive reporting is considered to be. Similarly there is no sub-principle on mid-year reporting is on purpose, with this again being dealt with as a criteria in the Measurement Framework</p>

Principle	Comment	SIGMA's response
<p>Principle 27. Public entities manage budgets in an effective and compliant manner to achieve their objectives.</p>	<p>Subprinciple b states: 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.</p> <p>It should not be up to each public organisation to issue an internal regulation governing internal control. Rather, each public organisation should act in accordance with a regulation covering all public organisations issued by the single ministry responsible for the implementation of public internal financial control. (Normally this would be the ministry of finance.)</p> <p>Subprinciple d states: 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.</p> <p>This sub principle should make clear that the public managers referred to here are the operational managers and not political managers and that the overall responsibility for the introduction and quality of internal control lies with the top operational manager of a public organisation. Internal control should be defined in these Principles as covering both input and out controls. Internal control applies to both input and output controls.</p> <p>Subprinciple e states: 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.</p> <p>The Principles should make clear, and this has been referred to previously in these comments, that the initial delegation of responsibility is that from the political head of the organisation for operational management. This subprinciple should then refer to the need for the top operational manager to develop an organisational structure and to provide for the delegation of responsibilities within that structure.</p> <p>Subprinciple f states: Each organisation produces comprehensive, timely and accurate information for managers on performance and budget execution, including on major investment projects.</p> <p>This sub principle should also refer to the need for the availability to managers of detailed budgetary information so that each manager is aware of the available budget and how that budget has been compiled. That budget should also be consistent with the objectives and performance standards the manager is expected to achieve. Very often the budgetary information available to managers is either non-existent or limited to only a few headings such as procurement. This does not facilitate the development of effective delegated operational management.</p> <p>Subprinciple h states: 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. This subprinciple should apply to agencies and other subordinate organisations and not just to enterprises.</p> <p>A significant omission from Principle 27 is any reference to efficiency and effectiveness in the management and delivery of public services. This is an important requirement in improving the quality of public expenditure and is a responsibility of management. To deliver efficiency and effectiveness there must be a strong financial input into the management process and therefore the Principles should include a need for the development of financial management. That would include a capability to analyse financial information from budgets to accounting information over cost centres and cost drivers. Financial management is about much more than budgetary and financial control and securing observance to financial regulations. Managers require financial advice, be financially literate and should have a high degree of financial awareness. In the private sector and particularly in those companies to which the COSO standards were originally addressed, the leader of most finance teams is the chief financial officer and this official usually reports directly to the chief executive. Countries seeking to join the European Union and neighbourhood countries have not in general recognised the significance of the role of the chief financial officer apart from that element of the role which could be described as that of 'financial controller'. If COSO is to be properly introduced the wider role of the chief financial officer should be fully recognised and that also means a recognition of the chief financial officer status within an organisation. He/she should be expected to be suitably qualified and should be required to report directly to the head of operational management. Either Principle 27 should be expanded to incorporate a statement about public financial management or a new Principle should be introduced. This role is much more important than that of the head of internal audit. A full description of the role is provided by the Chartered Institute of Public Finance and Accountancy (CIPFA). The head of finance should also be appropriately qualified.</p>	<p>Thank you for these useful comments; we have already included some of your suggestions. This is the case of subprinciple b, entity's regulation of IC, which we have modified and included in the sub-principle 'Adequacy and effectiveness of management and control systems in place', and it will not refer to the need for an internal regulation in the specific organisations, but to internal procedures. The rest of comments will be dealt with in the measurement framework supporting the principles, which will also included detailed definitions of key terms.</p>

Principle	Comment	SIGMA's response
<p>Principle 27. Public entities manage budgets in an effective and compliant manner to achieve their objectives.</p>	<p>Principle 27</p> <p>Point (i). The financial management and control system provides the development of the necessary instruments for implementation by public units within the framework of the protection of public funds and the prevention of cases of misuse, embezzlement or corruption. The implementation of these instruments ensures the realization of ex-ante controls in order to guarantee the legality and regularity of financial decisions. These instruments must be applied in all phases of the institution's activity, before making decisions on the use of public funds. Meanwhile, the coordination for the detection, reporting and monitoring of irregularities is carried out by other structures within and outside the Ministry of Finance and Economy (e.g. internal audit service, financial inspection, NAO office, External audit)</p> <p>Regarding point (j), it is worth noting that currently the management and control system for using EU funds, is carried out by other structures, e.g NAO office. Meanwhile, CHU manages the implementation of financial management and control system in all public units and monitors the system for using of public funds.</p> <p>Regarding point (b), it is worth noting that the FMC law determines determines the obligation of all public units to implement an effective internal control system with all its constituent elements. Also, in the legal and sub-legal framework of the field, are defined the instruments necessary for the creation and operation of the internal control system, which are implemented by public units during the realization of the activity for which the unit was created. The operation of this system is monitored every year by the Ministry of Finance and Economy.</p> <p>Regarding the definition of this sub-principle of creating an internal regulation committing to implementing internal control, we would like to be more clear about what these specific instruments are or what an internal regulation or a development plan should contain to determine the commitment of the public unit in the implementation of the internal control system.</p>	<p>Thank you for these useful comments; we have already included some of your suggestions. This is the case of sub-principle b, entity's regulation of IC, which we have modified and included in the sub-principle 'Adequacy and effectiveness of management and control systems in place', and it will not refer to the need for an internal regulation in the specific organisations, but to internal procedures. We will consider the rest of your comment in the development of the measurement framework. We would just like to underline that under Principle 27.i, on coordination, we are not just considering the MoF but the system as a whole.</p>
<p>Principle 27. Public entities manage budgets in an effective and compliant manner to achieve their objectives.</p>	<p>Sub-principle a. The need for conformity with COSO throughout the whole public sector seems to be an illusion; small state entities or municipalities cannot and should not conform with COSO model requirements, that would not be cost effective. The word 'preferably' could be added but better is too delete the COSO requirement. Simply because all principles embed the COSO principles, e.g. Principle 1 d and e, 10, 14 relate to COSO Pillar Control Environment, Principle 25 relate to the Pillar Control activities, Principle 8 and 26 relate to the pillars Communication and Information and Monitoring. The only (and very important) pillar Risk management is underrepresented in the Principles, only under principle 27C. Nothing about Risk Management in Policymaking principles. Risk Management should have a more prominent place in the principles. Achieving objectives and results is all about how the risks of non achievement are mitigated.</p> <p>Sub principle 27 e is superfluous. Managerial accountability for the WHOLE public entity is dealt with under Principle 15 (h, i, j) which is completely devoted to Accountability. The idea that Man. Acc. is a Financial Management issue, is wrong. The PIFC model of DG Budget requires that Financial Management should be based on Man.Acc. That's fine but that does not imply that DG Budget claims that only Fin. Management should be based on Man. Acc. Unfortunately, this is how het have been interpreted for 20 years. The introduction of Man Acc from the Financial Management angle has proven to be an illusion since 2002. Many PIFC twinning's and TA projects included awareness raising for Man Acc. It did not work. Man. Acc. is an organisational concept and it' s introduction should be tackled from that perspective. Moreover, the overlap between 27e and 15,h,i,j gives the impression that a horizontal review of the principles would be beneficial in order to harmonise them. Sub-principle 15j makes Man Acc facultative ('foster') while 27e makes it mandatory.</p> <p>Sub-principle-i reads 'Public management and control systems include procedures for preventing, detecting and reporting on irregularities and fraud' Does this include the set up and functioning of an ex-post financial inspection service? If, so the Principle 28 on Internal Audit should have a sub-principle that IA should not be hindered by the functioning of financial inspection.</p> <p>In general, except for sub-indicators f and g, all sub-indicators are about pre-requisites for managing the budget (design of the system). Whether complying with these pre-requisites also ensure that the budget is managed effectively (in title of the principle) remains to be seen. For instance complying with 27b (there is an internal regulation) does not mean that the regulation will be used in practice.</p>	<p>Thanks for the very relevant suggestions; we have considered and included some of them in the sub-principles. This is the case of 27.a, referring to the legal framework, where we will be making reference to 'international standards' and not COSO. On risk management in Policy making, the revised framework includes additional principles related to risk management as part of Principle 4- CoG, as well as in Principle 5 (policy document/sector strategy review). We will consider further development in the measurement framework. On 27.e: the horizontal review has been carried out and Principles 15 and 27e are now harmonised. On sub-principle i, FI service is not required, but we will follow your suggestion and include a subprinciple on 28, referring to FI as not overlapping or hindering the development of IA. On pre-requisites and implementation, we will try to balance them when developing the criteria under the Measurement Framework.</p>
<p>Principle 27. Public entities manage budgets in an effective and compliant manner to achieve their objectives.</p>	<p>Principle 27 d+g: Although risk management is part of the COSO framework, it should be although clearly stated that it is the responsibility of the management to establish an effective risk management function. Internal auditors provide insight and assurance as the third line.</p> <p>This would provide incentives to the top management to lead changes in risk management. Engaging top managers in risk managements has been identified as challenging by internal auditors.</p>	<p>Thanks for your comment which will be considered in the development of the Measurement Framework supporting the Principles.</p>

Principle	Comment	SIGMA's response
<p>Principle 27. Public entities manage budgets in an effective and compliant manner to achieve their objectives.</p>	<p>The subprinciple B seems to prescriptive as it requires that each entity issues an internal regulation. Is it really necessary to have internal regulation in each body if there is a legal requirement for establishing and implementing internal controls? Isn't it enough to say: Each public entity implements IC in line with general framework formally adopted and realistic plan for its development?</p>	<p>We thank you for this comment that we have taken into account. We have redefined subprinciple b, entity's regulation of IC, which we have modified and included in the subprinciple 'Adequacy and effectiveness of management and control systems in place', and it will not refer to the need for an internal regulation in the specific organisations, but to internal procedures..</p>
<p>Principle 27. Public entities manage budgets in an effective and compliant manner to achieve their objectives.</p>	<p>27.b) This sub-indicator is not clear enough. It is necessary to explain what exactly is meant by this 'committing to implementing internal control. We already have this obligation in the Law. If a certain obligation is prescribed by law, there is no need to make a separate statement about compliance with a certain law. 27.d) This sub-indicator is obligation that is already proscribed in the law. Probably, when we see the criteria it will be clearer.</p>	<p>Thank you for these useful comments; we have already taken into account your suggestion on sub-principle b, entity's regulation of IC, which we have modified and included in the sub-principle 'Adequacy and effectiveness of management and control systems in place', and it will not refer to the need for an internal regulation in the specific organisations, but to internal procedures. Comment on 27.d will be dealt with in the Methodological Framework supporting the Principles.</p>
<p>Principle 28. Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p>	<p>Subprinciple d states: Internal audit provides independent and objective assurance, reporting directly to the governing body of the organisation. This raises the question as to who is 'the governing body'? The Principles are silent on the definition of the 'governing body'. In practice this would be interpreted as reporting directly to the minister. This however is inconsistent with the idea of the delegation of operational management to the civil service. If the internal auditor reports directly to the minister this would draw the minister into decisions about operational management. And it is difficult to see how the minister could make decisions about the operational management, or indeed if the minister would have the time or inclination to become involved on the detail of internal audit reporting given the range of ministerial responsibilities. It is also doubtful if a minister could make effective decisions about the appropriateness of the internal audit budget, the staffing cohort or of the internal audit programme, especially given the size and complexity of many public organisations. Consequently, in the normal course of business activity this subprinciple should specify that the head of internal audit should report to the top operational management official and also agree the audit programme with that official. The top operational management official should also agree the budget for the internal audit activity. The subprinciple should also specify that the internal auditor should have a right to report directly to the minister where circumstances were exceptional, or to appeal to the minister where there is a significant disagreement between the head of internal audit and the top operational management official. Where an independent audit committee had been established different arrangements should be considered. This Principle refers to risk management. Risk management is a responsibility of operational management with the role of internal audit being to assess the quality of the risk management process. The approach of internal audit in many countries has been to focus upon systems risks and input control risks. What is ignored is risks that outputs will not be achieved. Either in the Principle of in Principle 27 although risk management is referred to in the COSO standards the responsibility of operational management for risk management should be emphasised with particular reference to output control risks because that is an area of significant omission by both operational management and internal auditors.</p>	<p>We thank you for these relevant comments, which will be dealt with in the Measurement Framework supporting the Principles; this framework will also include more detailed definitions of key terms.</p>
<p>Principle 28. Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p>	<p>Principle 28: Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p> <p>The followings are suggested to be included:</p> <ul style="list-style-type: none"> • All necessary measures and conditions for internal auditors to perform their duties independently are determined by top managers. • Internal auditors act in an impartial and unbiased manner and avoid any conflict of interest. 	<p>Thanks, Your suggestions will be dealt with in the Measurement Framework supporting the Principles.</p>
<p>Principle 28. Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p>	<p>As "reduces waste" is a novelty, please elaborate it further in the monitoring framework.</p>	<p>We thank you for this comment, which we will take into account. The Principle has been adjusted to make it consistent with IIA definitions</p>

Principle	Comment	SIGMA's response
<p>Principle 28. Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p>	<p>The formulation of the principle is unrealistic. It creates expectations internal audit cannot meet. Internal audit in itself cannot improve 'the governance, risk management and internal financial controls of public entities etc.' but only CONTRIBUTE to improving and reducing waste and irregularities.</p> <p>Sub-article- a reads 'Internal audit is implemented consistently throughout the public sector'. This is the only sub-clause about the mandate of internal audit. How is public sector defined? Is the auditing of EU funds included?</p> <p>Sub-article-c reads 'Internal audit charters and specific arrangements in line with the legal requirements etc.' Does this mean that a requirement that the charters and specific arrangements should have legal basis? If so, then the sub-article reads that the charters and arrangements should adapt the Internal function etc. However, internal Audit charters cannot adapt change and define criteria for establishment of IA functions. That can be arranged in the private sector. In public sector it should be defined in IA law or as part of monitoring budget execution in the OBL (which is included in sub-article a)</p> <p>Sub-principle-d reads 'Internal audit provides independent and objective assurance'. The sub-article is about the tasks of IA. However, the task of consulting services is missing.</p> <p>Sub-article-g reads 'The systematic follow-up ensures the implementation of internal audits recommendations etc'. However. Follow-up activities cannot ensure the implementation of recommendations, only contribute to it. Implementation depends of quality of recs and willing nees of managers.</p>	<p>We have considered and included most of your suggestions in the principle and sub-principles: - The Principle will refer to IA 'promoting' instead of 'improving'. - In sub-principle c), we have replaced the reference to 'IA charters and specific arrangements' with 'Organisational arrangements'. - On Subprinciple g), we have replaced the term 'ensures' with 'enhances'. - The rest of your suggestions will be addressed under the Methodological Framework, which will also include definitions of key terms. We would just like to underline that in sub-principle 28.c, the purpose is to verify objectivity and independence only in the role of IA to provide assurance, not in the advisory role of IA.</p>
<p>Principle 28. Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p>	<p>Principle 28: Principles 28 states that that "internal improves the governance, risk management, and internal financial controls"... The word "financial" should be omitted as according to the IIA, internal audit reviews and provides recommendations on governance, internal control, and risk management. Likewise, as stated in principle 33, internal auditors are not responsible for financial control.</p> <p>One of the biggest issues is that internal audit units across the region are small, and although internal auditors hold national or international certificate, many of them don't work as internal auditors. Principle 28 should focus on establishing fully-operational internal audit units, positioning and capacity development of internal auditors.</p>	<p>We have considered and included your suggestion in the text of the Principle and it will refer to 'internal control', instead of 'internal financial control'. We will deal with the issues related to full-operation, position and capacity under the Methodological Framework supporting the Principles.</p>
<p>Principle 28. Internal audit improves the governance, risk management and internal financial controls of public entities and reduces waste and irregularities.</p>	<p>having attended a workshop with several countries harmonisations units it appears that this area is extremely complex and the opportunity to run an effective internal audit function also linked to the maturity of the financial regulations. If they are instruction driven it is hard to apply risk, governance and management principles.</p>	<p>Thanks for your comment, which we will consider in the development of the criteria Measurement Framework supporting the Principles (where we will try to find a balance between legal/operational framework and implementation)</p>
<p>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. Strong central procurement institutions effectively support, steer and coordinate implementation, enforcement and monitoring of the public procurement system.</p>	<p>There is no single legislative system in Bosnia and Herzegovina that covers Public Procurement, Public-Private Partnership and Concessions, and that is why we propose that principle "29" applies only to the Public Procurement area, while Public-Private Partnership and Concessions shall be the subject of special principle.</p>	<p>In the EU the public procurement legislation covers both classical procurement and concessions for works and services and PPPs (as regulated by the Directive 2014/23/EU on the award of concessions contracts), therefore the PAR Principles include both classical procurement and concessions and PPPs. However, given the fact that in most countries classical procurement and concessions & PPPs are regulated by separate legal acts and the institutional responsibility is usually also separated - the two areas (classical procurement vs concessions & PPPs) will be clearly separated in the methodology for assessment (indicators/criteria).</p>

Principle	Comment	SIGMA's response
<p>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. Strong central procurement institutions effectively support, steer and coordinate implementation, enforcement and monitoring of the public procurement system</p>	<ul style="list-style-type: none"> • You might want to consider adding a suggestion to ensure the visibility of the flow of public funds, from the beginning of the budgeting process throughout the public procurement cycle • You might want to consider adding a suggestion for the creation of a web-based public procurement platform allowing for greater transparency and easier monitoring 	<p>Transparency of the procurement process (pro-active disclosure of procurement documents (procurement-related information)) is already (explicitly or indirectly) required by (several instances of) the SIGMA PAR Principles in the public procurement section:</p> <ul style="list-style-type: none"> - Principle 29 (a-c) requires compliance of national procurement legislation with the EU public procurement directives, which provide for mandatory publication of procurement notices - Principle 29 (g) requires the central public procurement institutions to publish (consolidated) data on public procurement operations (including both contract award and contract performance), - Principle 30 (a) requires publication of (annual and multiannual) procurement plans - Principle 30 d) indicates electronic procurement as the basic tool for conducting procurement operations - Principle 30 (k) explicitly mentions the right of civil society organisations to be granted adequate and timely access to information in each phase of the public procurement process including planning and contract performance - Principle 31 (g) provides for mandatory publication of information on the review procedures, including all decisions of the review body, with full rationale
<p>Principle 30. Public procurement operations (including public-private partnerships and concessions) are conducted efficiently and economically.</p>	<p>"There is no single legislative system in Bosnia and Herzegovina that covers Public Procurement, Public-Private Partnership and Concessions, and that is why we propose that principle "30" applies only to the Public Procurement area, while Public-Private Partnership and Concessions shall be the subject of special principle."</p>	<p>In the EU the public procurement legislation covers both classical procurement and concessions for works and services and PPPs (as regulated by the Directive 2014/23/EU on the award of concessions contracts), therefore the PAR Principles include both classical procurement and concessions and PPPs. However, given the fact that in most countries classical procurement and concessions & PPPs are regulated by separate legal acts and the institutional responsibility is usually also separated - the two areas (classical procurement vs concessions & PPPs) will be clearly separated in the methodology for assessment (indicators/criteria).</p>
<p>Principle 31. Independent procurement review system ensures effective, rapid and competent handling of complaints submitted by dissatisfied economic operators .</p>	<p>"There is no single legislative system in Bosnia and Herzegovina that covers Public Procurement, Public-Private Partnership and Concessions, and that is why we propose that principle "31" applies only to the Public Procurement area, while Public-Private Partnership and Concessions shall be the subject of special principle."</p>	<p>In the EU the public procurement legislation covers both classical procurement and concessions for works and services and PPPs (as regulated by the Directive 2014/23/EU on the award of concessions contracts), therefore the PAR Principles include both classical procurement and concessions and PPPs. However, given the fact that in most countries classical procurement and concessions & PPPs are regulated by separate legal acts and the institutional responsibility is usually also separated - the two areas (classical procurement vs concessions & PPPs) will be clearly separated in the methodology for assessment (indicators/criteria).</p>
<p>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.</p>	<p>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":</p> <p>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. Supreme Audit Institutions shall be provided with the financial means to enable them to accomplish their tasks.</p> <p>c. All public funds are audited periodically by the SAI or other professional, independent auditors in accordance with international audit standards (INTOSAI Principles, Standards and Guidance), through financial, compliance and performance audits.</p> <p>f. In accordance with the provisions reflected in the INTOSAI Principles, Standards and Guidance. The SAI maintains procedures for quality control and ethics on an organizational level.</p> <p>g. Supreme Audit Institutions should promote through their audits a clearly defined budget classification (on the bases International Monetary Fund Government Finance Statistics and national budget classifications) and accounting systems which are as simple and clear as possible.</p> <p>In order to cover the related issues of INTOSAI-P1: The Lima Declaration (Section 11) and INTOSAI-P12: The Value and Benefits of Supreme Audit Institutions - making a difference to the lives of citizens (Sections 3, 7, 11) we suggest the following additions to Principle 32:</p> <p>-SAI enables those charged with public sector governance to discharge their responsibilities in responding to audit findings and recommendations and taking appropriate corrective action, and without compromising their independence, provide advice on how their audit findings and opinions might be used to the greatest effect.</p> <p>-Being a model organization SAI is credible source of independent and objective insight and guidance to support beneficial change in the public sector and strives for service excellence and quality.</p>	<p>Thank you for your suggestion. Looking at each point in turn:</p> <p>a. Sub-principle addresses all aspects of independence and financial independence is specifically addressed in the measurements framework criteria that will be used to assess independence.</p> <p>c. The sub-principle intentionally refers to international standards, but through the measurement framework there is clear reference to IFFP.</p> <p>f. We have now included reference to international standards in this sub-principle and also now refer to quality management rather than quality control</p> <p>g. The suggestion made for this sub-principle is very specific and may be considered something SAI wants to do, but it is not an generally expected requirement so it is not something we want to address specifically</p> <p>With respect to your additional suggestions your</p> <ul style="list-style-type: none"> - the sub-principles on reporting, follow-up and audit recommendations provide clear values we expect to see from reporting etc. in line with the IFFP. The related measurement framework criteria address the requirements of auditees and parliament to discharge their responsibilities. - a number of the sub-principles together address the issue of being a model organisation. Sub-principle e. has been specifically included in the revised framework to address gaps on this in the previous framework.

Principle	Comment	SIGMA's response
<p>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.</p>	<p>update, regarding principle 32, in point i. it should be removed "existing mechanism"...thus, ..."Parliament and its committees, regularly consider SAI reports, take decisions based on them and follow up on them"...</p> <p>This is more appropriate and coherent.</p>	<p>Thank you for the suggestion but we consider that there is an expectation that this should be based on some sort of formal arrangement/mechanisms</p>
<p>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.</p>	<p>Sub-article-b reads ' The SAI's mandate covers all public funds and policies, including environment, climate protection and Sustainability Development Goals'. Does this mandate also include the authority auditing EU funds up to the final beneficiary (like in member States)? The SAI could then assist the European Court of Auditors in its audits on site and also will give the SAI the possibility to review the work of Audit Authority and Internal Auditors.</p>	<p>The Principles and the related Measurement Framework do not specifically address this matter but there is a criteria that all public operations are under their mandate and subject to audit, therefore EU funds are implicitly covered but it is not an area we would want to be specific about as it is dependent on the country arrangements.</p>
<p>Principle 33: Regional and local governments have fiscal autonomy with diversified revenues and financial control to foster responsible financial management.</p>	<p>Subprinciple c states: 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.</p> <p>Financial control is a responsibility of the chief operational management official of a public organisation and is not a function of an auditor. Any other arrangement would compromise the independence of the auditor.</p> <p>The reference to effective use of finances is incorrect and it should refer to efficient use of finances. Preventing financial imbalances is a function of financial management and the implication is that regional and local governments should employ a head of finance and ensure that a financial management capability exists throughout the organisation. (See comments on other Principles above.)</p>	<p>We agree that the term financial control is misleading in this context and will adjust this to express better the different oversight and external control options that governments use in this context.</p>
<p>General _PFM</p>	<p>1. This document serves as a fiscal diagnostic or Public Finance Management (PFM) tool. In such a case, how is its interaction with other diagnostic tools regulated. Other diagnostic tools are PFM prepared by the PEFA secretariat (Stocktake of PFM Diagnostic tools 2016, page 13) and reflected in the following link https://www.pefa.org/resources/stocktake-pfm-diagnostic-tools-2016 means tools.</p> <p>Among these tools are included Public Expenditure and Financial Accountability (PEFA), Fiscal Transparency Code of the International Monetary Fund, Principles of the Global Initiative on Fiscal Transparency (GIFT Principles), World Bank Public Debt Management Performance Assessment (DeMPA), International Monetary Fund Tax Administration Diagnostic Assessment Tool (TADAT), IDI SAI Performance Assessment System (IDI SAI PMF).</p>	<p>Thank you for the question. The Principles are supported by the Measurement Framework which together form a standalone diagnostic tool focused on the requirements for good public administration in line with expectations of international standards (where they are defined) and good European practice. In the PFM area they are aligned to or consistent with other tools, although some of these other tools may be more detailed due to their specialised nature</p>