

*The Directorate for Public Governance*



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# Mission and Organisation within the OECD

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## Our Programme of Work

Governments are facing multiple policy challenges in a context of increasing complexity and uncertainty. Challenges include the impact of the digital economy, robotics and other disruptive technologies, climate change, flows of refugees and migrants, widening inequalities, erosion of trust in government, tax base erosion and ageing populations, to name just a few. Against this backdrop, our programme of work sets out to consider the implications, examine the evidence and put forward ways of addressing the public governance-related dimensions of these challenges.

## How we work

We support policy makers in both OECD member and partner countries, by providing a forum for policy dialogue and the creation of common standards and principles. We provide policy reviews and practical recommendations targeted to the reform priorities of each government. We provide comparative international data and analysis, to support public sector innovation and reform. Our networks include government officials as well as experts from the private sector, civil society organisations and trade unions.



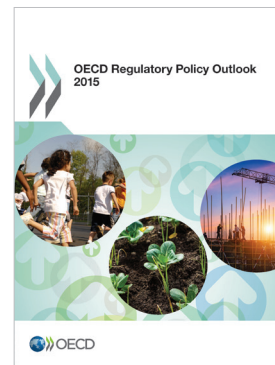
*We help governments design and implement strategic, evidence-based policies to strengthen public governance, respond to diverse and disruptive challenges and deliver on government's commitments to citizens.*

The work programme is decided and monitored by two committees made up of senior government officials from every OECD member country and some partner countries: the Public Governance Committee and the Regulatory Policy Committee. These Committees also draw on specialised practitioner networks, such as:

- Senior Budget Officials
- Public Employment and Management
- Senior Public Integrity Officials
- Senior Digital Government Officials
- Senior Officials from Centres of Government
- Global Network of Schools of Government
- High-level Risk Forum
- Network of Economic Regulators

## Publications

We publish our findings in key “flagship” publications such as *Government at a Glance* and the *Regulatory Policy Outlook*; in country-specific policy reviews on topics such as public governance, regulatory reform, integrity, human resources management, e-government and budgeting; and in cross-cutting thematic reports.



# Rebuilding Trust in Government

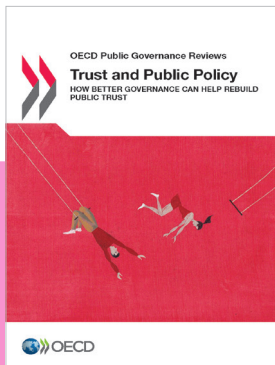
The global financial crisis strained the relationship between government and citizens. Today, only around 40% of citizens in OECD countries say they trust their government. Dissatisfaction with the performance of public actors and institutions has led to some citizens questioning the notion of the state as the careful and competent steward of the public interest. Trust is a key determinant of policy effectiveness, reducing uncertainty and lowering transaction costs. In the current context, marked by unpredictability and tense relations among economic actors, trust plays a growing and critical role in

economic and social outcomes. Citizens and businesses are less likely to support ambitious, reform-minded policies in situations of low trust; similarly, low trust affects compliance with regulation and tax obligations.

OECD has wide experience analysing public trust through its work on strategic policy making at the centre of government, risk management, public sector integrity, regulatory policy and open government.

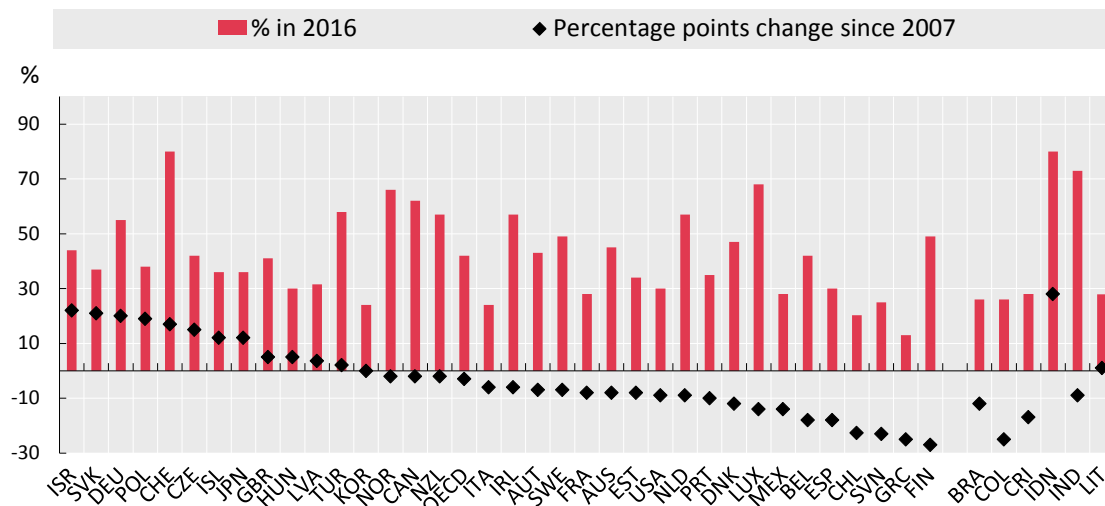
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*Trust is now recognised as a key determinant of policy effectiveness, reduction of uncertainty and lower transaction costs.*

Confidence in national government in 2016 and its change since 2007



Source: Gallup World Poll, in OECD Government at a Glance, 2017

# Sustainable Development Goals



In September 2015, world leaders adopted an ambitious, 15-year blueprint for a better world. The goals are broad, universal and potentially transformative. They envision nothing less than saving our planet for future generations, ending extreme poverty and hunger, and creating a healthier, safer, more inclusive world.

The SDGs provide a solid foundation for supporting resilient societies, dealing with humanitarian emergencies, and reducing risks of instability and shocks – even in the most difficult places.

The success of these goals depends to a large extent on the coordination of

implementation efforts through good public governance. The OECD is working with countries to deepen the understanding of the institutional arrangements that are effective in delivering on the SDGs.

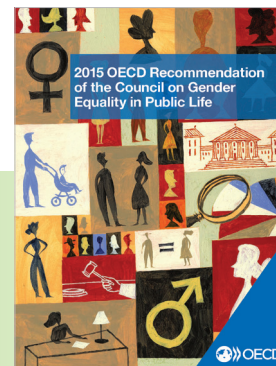
The multi-dimensional nature of the SDGs requires linkages across policy areas. The OECD addresses the multi-dimensional nature of diverse issues through a variety of horizontal projects and international initiatives. Its Policy Coherence for Sustainable Development Framework helps to identify synergies and trade-offs among economic, social and environmental policy areas.

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# Women in Government

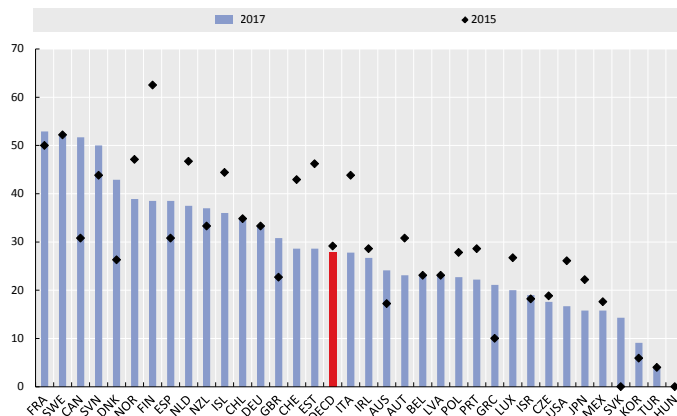


Ensuring that governments reflect the diversity of the societies they represent enables an inclusive approach to policy making and service delivery. There are

major structural, legal and social barriers to women's empowerment in public life. A lack of visibility and uneven work-life balance arrangements make it especially

hard for women to be active in economic and political life. Advancing the role of women in government requires a whole-of-government approach. Holistic policy making will help bring more women into the public light and will ensure that gender considerations are more systematically embedded in all policies. We contribute to promoting gender equality by helping to feed and stir the public policy debate with evidence-based analysis, and generate benchmarks that member countries may use. OECD work in this area is part of an ongoing process of identifying good practices, building databases, and providing opportunities for policy dialogue on global and regional levels.

Share of Women Ministers, 2015, 2017



Source: Inter-Parliamentary Union (IPU) and UN Women "Women in Politics" in OECD Government at a Glance, 2017

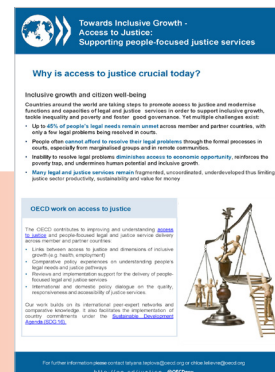
# Access to Justice

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With up to 45% of people's legal needs remaining unmet across OECD members and partner countries, access to justice is a fundamental policy issue. Justice plays a pervasive role in the lives of citizens and businesses and sound justice institutions affect inclusive growth, inequality, poverty, citizen well-being and a robust business and investment environment. Providing access to effective justice services is also a first step in empowering vulnerable groups, such as victims of gender-based violence, indigenous communities, youth, and SMEs.

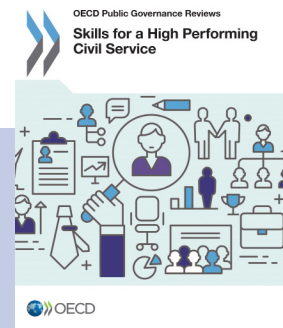
The OECD helps countries develop user-focused legal and justice services, based on an in-depth understanding of the experience and legal needs of



people and businesses. The approach encompasses the full spectrum of legal and justice services from access to legal information, aid and representation, to law enforcement, prosecution and court services, as well as alternative dispute resolution mechanisms. The work is structured along three main streams: Measuring access to justice; What works; and Inclusive growth.

Key partners include: The European Union, The Council of Europe (CEPEJ), The Open Society Foundations, The World Bank and The United Nations.

# Public Employment



The OECD's work on Public Employment and Management helps governments understand and shape the changing nature of work in the public sector and generate value for society through skilled, committed, and trusted public workforces.

OECD Member countries invest a lot in public workforces – an average of 23.1% of all government spending and 9.5% of GDP goes toward their compensation. Historically, this investment has helped to support economic growth and stability, and ensure better public services. However, the context of work in the public sector is changing rapidly, and the capabilities of public servants and those who lead them are constantly required to adjust.

To get the most from this investment, governments look for new ways to attract, develop and retain people with the right skills; increase responsiveness of public employment systems to address fast-changing challenges; and develop accountable cadres of public leaders with the right skills and values to engage employees and lead public sector innovation.

The OECD supports countries to achieve this by setting standards for public sector people management, conducting research on emerging trends and promising practices, and by providing a forum for dialogue.

The OECD's recently-developed Recommendation on Public Service Leadership and Capability can help guide governments' efforts to develop a fit-for-pur-

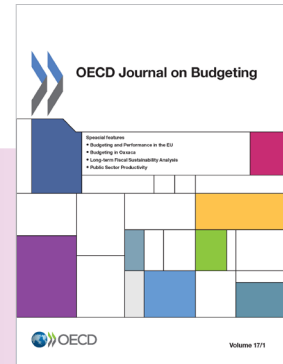
pose civil service and the OECD can support countries through reviews and tailor-made collaborative projects.

The OECD's recently-developed Recommendation on Public Service Leadership and Capability can help guide governments' efforts to develop a fit-for-purpose civil service and the OECD can support countries through reviews and tailor-made collaborative projects.

# Sound Public Finances

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The public budget is one of the key levers that governments have to generate change and allocate resources where they are most needed. Through its network of Senior Budget Officials (SBO), the Directorate for Public Governance supports governments in achieving sound and sustainable fiscal management through objective analysis of policies and data. The OECD promotes greater budget transparency on the part of governments, as the best way to retain crucial public support and international confidence.

OECD also promotes innovative approaches to using the budget to support broader societal goals, such as gender

budgeting and green budgeting. In these areas, OECD plays a pioneering role in developing new concepts and promoting good practice. The OECD Network of Parliamentary Budget Officials and Independent Fiscal Institutions (PBO) contributes to transparency efforts and promotes better budget oversight.

OECD Joint Network on Fiscal Sustainability of Health Systems, a joint venture comprised of the SBO and OECD's Health Committee, looks at how to rein in costs while delivering improvements in access, service quality, and capacity for innovation.

# Digital Government

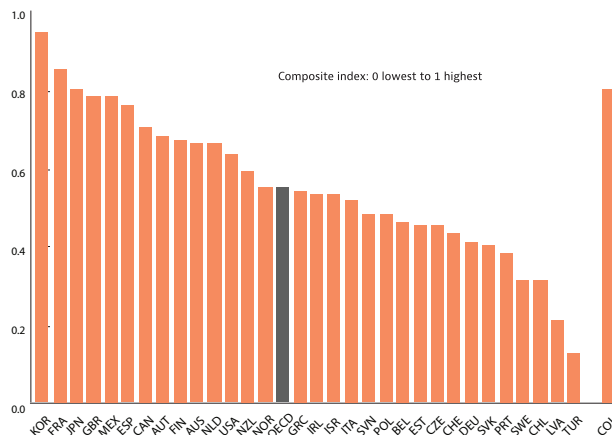


The digital transformation holds many promises for all countries to improve user experience through customised service delivery. Yet governments face many

challenges to reap the full dividend of going digital given existing policy siloes, traditional ways to run core government functions such as procurement, and the

division of responsibilities between national and local governments. As governments experiment in using emerging technologies and data to foster partnerships to co-create services, ensuring enhanced access to, and sharing of, government data becomes a key requirement to deliver public value.

OECD *OURdata Index*  
Open, Useful, Reusable  
Government Data, 2017



Source: OECD Government at a Glance, 2017

Our work on digital government looks at how to maximise the benefit of the digital transformation and ways to unlock the power and wealth of open government data. OECD is also exploring the implications of disruptive technologies such as blockchain and artificial intelligence for the public sector.

# Public Procurement



The Directorate for Public Governance's work on public procurement provides countries with evidence-based policy options covering the entire procurement cycle. To support the implementation of infrastructure projects, a multidisciplinary approach is used, integrating governance, procurement, integrity, risk management, relationships with stakeholders and other dimensions.

As a key economic activity, public procurement represents approximately 12% of GDP and 29% of government expenditure in OECD countries, amounting to EUR 6.4 trillion per year. It therefore has a high potential to boost productivity, economic development and growth, and can be used to contribute to greater efficiency, enhanced well-being, public

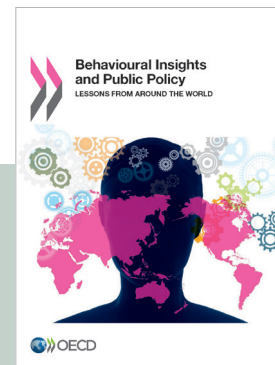
trust, and more prosperous and inclusive societies. Responding to fiscal pressure, governments are developing and adopting new technologies and tools to better manage public spending and ensure value for money. They are increasingly using public procurement to pursue broader policy objectives while delivering the goods, works and services necessary to accomplish their missions in a timely, economical and efficient manner. These broader objectives can include environmental, economic and social challenges.

Complex interaction between the public and private sectors exposes public procurement to risks of waste, mismanagement and corruption. Countries should take measures to safeguard the integrity of the system to maintain citizens' trust.

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# Better Regulation



OECD work on regulatory policy addresses problems in regulatory systems, including the weakness of regulatory bodies, the misalignment of incentives, and the lack of adequate enforcement and compliance. High-quality regulation creates certainty and promotes the rule of law, but also has important economic effects such as levelling the playing field for businesses. The OECD has created a list of principles for good regulation - calling, for example, for consultation and impact assessments in the early stages of the policy process.

At the same time, reducing “red tape” and excessive regulation is also important. The OECD has studied the successful administrative simplification programmes of the Netherlands and Portugal, and continues to monitor this theme actively.

There is an acute need to understand the links between good regulatory quality and sustainable growth. The Directorate for Public Governance has organised a series of roundtables on the theme of Regulatory Reform for Growth, including the role of various actors of change across governments and their unexplored potential for furthering growth. The roundtables have also taken stock of pro-growth regulatory measures in times of crisis.

One of the most exciting new areas in regulation is the use of behavioural economics. If done well, insights from behavioural economics can improve outcomes without using traditional command-and-control mechanisms, allowing citizens and businesses to make choices, by gently nudging them in a particular direction. The key phrase is “choice architecture”: a structure that changes behaviour without diminishing choice.

# Governance of Infrastructure and PPPs



Public sector governance standards, practices and capacities largely determine the success of a country in delivering quality infrastructure for its citizens. Most commentators agree that there is a gap between infrastructure needs and current levels of investment. Data suggest that from now to 2040, global infrastructure needs are around USD 94 trillion, with a forecast 16% investment gap (Global Infrastructure Hub, 2017). This shortfall is due, in part, to the challenge of attracting private investment, particularly for certain types of assets and in certain countries or regions. However, the shortfall is also largely a function of the quality of governance. Even when a project is good, suitable financing will follow only within an enabling policy and business environment.

OECD argues that poor governance contributes to many problems that undermine successful delivery of infrastructure. Improving governance to deliver quality infrastructure requires concerted action across several closely interconnected dimensions.

If used well, Public Private Partnerships (PPPs) can be a cost-efficient way to deliver public services and meet infrastructure demands. The 2012 Principles for Public Governance of PPPs provide road tested guidance on how to ensure that a PPP provides social returns and is the most cost efficient mode of delivery (value for money), is affordable for users and the public budget, and that any fiscal risks stemming from PPPs are managed prudently and transparently.

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# Managing Risk

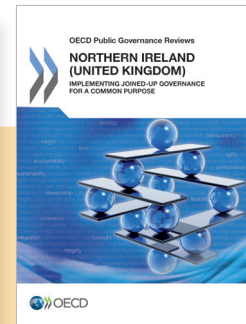
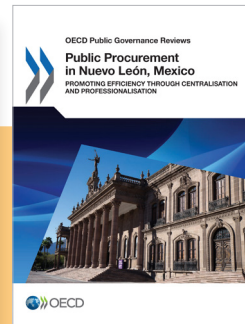


Meeting of the OECD  
Council at Ministerial Level

The High-Level Risk Forum was set up in 2011 to look at how to increase society's resilience to global threats. The Forum, which brings together senior national policy makers, examines a broad range of potential hazards including natural disasters and pandemics, financial crises, terrorism and cyber attacks. It has produced practical tools to fight the global threat of corruption, which destroys local economies by reducing legitimate business revenues, fuelling conflict and eroding social conditions. The Forum works with the OECD's Insurance and Private Pension Committee and the G20 on disaster risk management, including risk assessment and financing strategies.

OECD has set out Principles for Country Risk Management - policy recommendations that cover the full risk management cycle, starting with risk assessment and moving on to mitigation, crisis management and communication and, finally, recovery. They are designed to inform and support country practices and to help develop systematic checklists in the public sector, increasing preparedness for major risks.

# Public Governance Reviews



How can public policy help achieve positive outcomes for citizens and businesses? How can governments steer implementation of public policies efficiently and effectively?

OECD Public Governance Reviews provide governments with a 360-degree perspective on their performance, and show where improvement is required to strengthen a country's potential for sustainable and inclusive growth. The Reviews have helped strengthen public governance and leadership, and facilitate positive change in OECD member and partner countries. They highlight interactions between key building blocks of good governance in the context of the countries' priorities and reform

plans. They can address specific sectors or policies and their governance framework.

Supported by peer reviewers and experts, based on partnerships with requesting countries and tailored to their needs, the Reviews involve all relevant actors within and outside governments. They offer strategic, diagnostic and actionable recommendations, as well as capacity building and implementation support.

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# SIGMA



An effective public administration helps provide citizens with high-quality public services. The Support for Improvement in Governance and Management (SIGMA) programme works with 19 countries, largely OECD non-members, to assist reforms that will support their aspirations for democracy and the rule of law.

SIGMA provides advice and support in five professional areas of public governance, as well as evidence-based reviews of progress to identify areas for further improvement.

These areas can include:

- Civil service and public administration organisation and functioning
- Policy making
- Public finance and audit
- Public procurement
- Strategies for public administration reforms

While facilitating international co-operation with countries, SIGMA encourages partner countries to take ownership of the implementation of reforms, and to build their planning and monitoring capacities.

*A joint initiative of the OECD and the European Union, SIGMA works to build the capacities of the public sector, enhance horizontal governance, and improve the design and implementation of public administration reforms.*

# Open Government



Citizens in OECD countries are calling on governments to be more open about the way they design and deliver policies, and expect their views to be taken into account when policies are designed. The OECD Guiding Principles for Open and Inclusive Policy Making are based on the conviction that open government produces better and more equitable outcomes. The guiding principles include clarity, commitment and time—public consultation and active participation should be undertaken as early as possible. This will allow a greater range of policy solutions to emerge, boosting the chances of successful implementation.

Countries are moving forward with the implementation of open government policies. These efforts have resulted in an international movement, the Open

Government Partnership, in which OECD member and partner countries have made commitments. The OECD supports several of these countries, for instance, the MENA-OECD Open Government Project assists the governments of Morocco, Tunisia, Jordan and Libya in reviewing and assessing their institutions, policies and practices, supporting the implementation of open government principles at central and local levels.

The project also co-ordinates mechanisms across levels of government and with national civil society. It contributes to improving open government policies and practices and to meeting the OGP eligibility criteria, helping countries to prepare and implement the required action plans through ad-hoc support and capacity building.

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# Public Sector Integrity



Integrity is one of the key pillars of political, economic and social structures and thus essential to the well-being and prosperity of individuals and societies. Integrity is essential for building strong institutions and assures citizens that the government is working in their interest, not just for the select few.

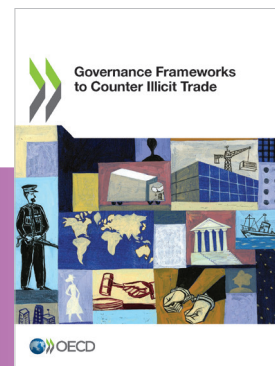
Beyond the ethical dimension, integrity is about making economies more productive, public sectors more efficient, and societies and economies more inclusive. It is about restoring trust, not just trust in government, but trust in public institutions, regulators, banks and corporations.

Through its Recommendation on Public Integrity, the OECD helps policy makers evolve from ad hoc integrity policies to a context-dependent, behavioural, risk-based approach, emphasising the cultivation of a culture of integrity across the whole of society.

To achieve this, the OECD undertakes comparative analyses of public integrity and conducts public integrity reviews of individual countries. These reviews consist of data-driven assessments that focus on citizen trust and confidence, anti-corruption measures, institutional co-ordination, codes of conduct, whistleblower protection and integrity risk management, among others.

In addition to these studies, the Global Anti-Corruption and Integrity Forum has become the premium event on integrity and anti-corruption worldwide, bringing together government leaders, policy communities, the private sector, civil society organisations and academia.

# Countering Illicit Trade



The OECD Task Force on Countering Illicit Trade (TF-CIT) works with governments, industry, academia and multilateral organisations to better understand the risks posed by all sectors of illicit trade including trade in counterfeits, narcotics, tobacco smuggling, wildlife trafficking and human trafficking.

Illicit trade has damaging effects on economic stability, innovation, social welfare, public health, public safety and the environment. The TF-CIT focuses on evidence-based quantitative and qualitative research and advanced analytics to assist policy makers in mapping illicit trade, and understanding the vulnerabilities it both exploits and creates. This research has produced a series of publications that analyse various sectors of illicit trade and document its damaging impact on

economies, including Trade in Counterfeit and Pirated Goods: Mapping the Economic Impact (2016) and Illicit Trade: Converging Criminal Networks (2016).

By providing evidence-based analysis and drawing attention to the scope of illicit markets and the interconnections among them, the TF-CIT can also help governments co-ordinate enforcement efforts and build capacity, to drive criminal entrepreneurs and illicit networks out of business. Based on the rich stock of evidence gathered through the TF-CIT, the OECD has begun a process helping its member countries take actions that will reduce and deter this global scourge. The overall goal is to develop clear guidelines for countering illicit trade that would increase transparency and promote clean, fair trade.

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# *Innovative Public Sectors*



Across the OECD, the public sector faces a dilemma: how to meet increasingly diverse demands with shrinking resources. Finding better ways to do more with less is one answer. The Observatory of Public Sector Innovation collects, analyses and shares innovative practices from across the public sector, via an online interactive database.

Policy makers are seeking evidence of their performance relative to other countries. *Government at a Glance*, one of the Directorate for Public Governance's flagship publications, provides indicators on an increasing range of subjects as diverse as e-government, human resources and freedom of information. These indicators show, for example, which countries have the largest public sectors, which government workers take the least sick leave, and which member countries have the highest and lowest teachers' salaries.

Digital government offers crucial tools for improving the efficiency of government and its responsiveness to its citizen clients. *Mobile Technologies for Responsive Governments and Connected Societies* looks at how mobile Internet devices can sustain public sector innovation and transform public service delivery.



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