



BUILDING BRIDGES BETWEEN THE STATE & THE PEOPLE

An Overview of UNDP's Recent and Current Interventions in
Public Administration and Local Governance
in EUROPE & the COMMONWEALTH OF INDEPENDENT STATES

August 2010

United Nations Development Programme

DEMOCRATIC GOVERNANCE



CONTENTS

INTRODUCTION	3
OVERVIEW OF MAIN CHALLENGES.....	5
REGIONAL INITIATIVES.....	7
Bratislava Regional Centre	7
MAIN AREAS OF INTERVENTION	9
Public Administration & Civil Service Reform	9
Support to the Centre of Government & Strategic Policy-Making	11
Local Governance & Decentralization.....	12
Accountability, Transparency & Integrity in Public Administration	16
Public Financial Management	17
Aid Effectiveness	17
E-government, Information & Communication Technologies (ICTs)	19
Institutional Development of Specific Government Ministries & Agencies.....	21
Access to Information	22
Streamlining Regulations & Procedures.....	22
Gender & Public Administration.....	23
CONCLUSION	25
Acknowledgments	27

INTRODUCTION

This paper is part of a series of regional monographs prepared by the *Responsive Institutions Cluster* within the Democratic Governance Group (DGG), Bureau for Development Policy (BDP). The regional papers aim to capture the volume and nature of UNDP's recent and current work on public administration and local governance.

The five regional stock-takings were prepared on the basis of desk reviews of existing project documents, project briefs, UNDP websites, project databases of individual Country Offices, Regional Centres, the Democratic Governance Trust Fund (DGTTF) database and Atlas; complemented with additional inputs from the field. The monographs focus on UNDP's current and most recent interventions, and provide an overview of what UNDP is currently doing in these service lines. The purpose of these papers is not to evaluate the quality of the outputs or the outcome of UNDP's work in public administration and local governance in specific countries or regions. Such evaluations are undertaken by the UNDP Evaluation Office.

In addition to compiling information on all ongoing civil service reform, local governance and decentralization projects, the regional papers also include information on initiatives in other service lines that touch directly on the public administration at the national and sub-national levels, such as:

- Projects that support strategic policy-making at the centre of government;
- Institutional strengthening projects focused on specific agencies or ministries;
- Anti-corruption projects that include initiatives to address the accountability, transparency and integrity of the public administration and local governments;
- Institutional and capacity development projects, focusing on the public sector;
- Aid coordination and aid effectiveness initiatives that deal directly with budget policy and co-ordination;
- Projects that support E-government development and ICTs;
- Access to information projects essentially dealing with the supply of government information;
- Projects that support the streamlining of regulations and administrative procedures; and
- Initiatives that address gender policies in public administration and local governments.

The five regional monographs on public administration and local governance constitute one component of a broader corporate initiative aimed at providing direction and support to meet the increasing demand from the field in these two service lines. The relevance and impact of our work in public administration and local governance will not only be of critical importance for the achievement of the MDGs, it is also central to building and sustaining peaceful, inclusive and tolerant societies, and communities.

Geraldine Fraser-Moleketi
Practice Director
Democratic Governance Group
Bureau for Development Policy

OVERVIEW OF MAIN CHALLENGES

The Europe and the Commonwealth of Independent States (ECIS) Region has been historically bound together by its 20 years of transition from single party regimes and centrally planned economies to market-based democracies, and the challenges of state and nation-building in the successor states of the dissolved Soviet Union and Yugoslavia. This transition has been characterized by sharp contrasts between the comparatively high human development levels inherited from the socialist period and the relative underdevelopment accompanying its young democratic and market institutions.

The region remains highly diversified, and continues to face a varied set of challenges. Although efforts to strengthen national capacities have been underway since the 1990s, sizeable challenges remain, exacerbated by the unfolding global financial, economic and climate change crises:

- The first relates to the provision of public services that are still of insufficient quality, non-transparent financial frameworks; as well as enduring corruption in many parts of the region.
- The second is rooted in the excessive politicization of institutions and processes at both national and local levels, which often results in politically motivated appointments of poorly trained staff, accompanied by losses in training and professional development investments due to frequent turnover in administrations.
- The third challenge relates to the weak institutional capacities for evidence-based and inclusive strategic policy-making and coordination, which prevents the establishment of a common development platform.
- Finally, marginalised groups still face discrimination and social and political exclusion, with many countries in the Western Balkans, Central Asia, and the

Caucasus still facing post-conflict development challenges.

The “transition momentum” that inspired an unprecedented wave of democratic reforms in the 1990s has largely stalled, underscoring the need for greater focus on detailed tuning and sequencing of policy measures, as well as to the choice of implementation modalities; and for nurturing the internal drivers of change. The focus on state capacity, as an integral part of the broader realm of national capacities continues to be relevant due to the critical role of public institutions in making informed policy choices and investment decisions, effectively access and manage resources required to deliver on the MDGs and achieve sustainable development results, and address both the triggers of, and solutions to, conflict and tensions within their societies. The measure of an effective state manifests itself in how national policies are made, how services are delivered, how markets are developed, justice and security provided, how the rights of all people are protected and the legitimate claims of certain groups in society are voiced and addressed.

The nature of institutional and individual capacity development challenges differs widely across the region. But the reinforcement of state capacity is needed both in low income countries with fragile state institutions (to better distribute the dividends of economic growth), in middle income countries and the new EU states where state capacity is high in certain sectors, but gaps and regional and social disparities persist in others.

In a number of countries in the region, the prospect for EU membership is generally acknowledged to have played an important role as an anchor for comprehensive state reforms, including public administration and local governance reforms. In Central Europe in particular, EU accession has been a powerful driver for state modernization and has helped to soften the political

and social cost (or resistance) of reforms. The European Union's eastern expansion in 2004 and 2007 has increased the political momentum for public sector reforms. In the Western Balkans the political criteria emanating from the EU accession process has underpinned comprehensive institutional reforms and reinforced governments' focus on improving the capacity of state administrations for quality policy-making, social inclusion, poverty reduction and improved institutional capacity to confront and reduce corruption in the public sector. Other countries in Western CIS and the Caucasus, although they do not have an official candidate status for EU accession, are nevertheless using the partnerships with the EU – under the European Neighbourhood Policy – to implement certain EU-oriented reforms. In other parts of the region, the current set-up does not often favour a separation of powers as implied in the EU-oriented transition models; the main challenge of the political establishment in these countries is achieving higher economic and social standards while avoiding the destabilization of the existing power structure.

Although most countries undertook a process of decentralization of service delivery functions to sub-national self-governments and administrations¹, questions related to the new role of the state administration and intra-governmental relations in a decentralized system often remain unresolved. The region features serious gaps between the capital cities and the small

towns. Rural areas and ethnic minority groups are particularly lagging behind, thus aggravating poverty and inequality. One critical aspect is the need to build a more inclusive and participatory policy process, from the development of strategic plans and individual policies, down to their implementation through national or sub-national administrations.

The decentralization processes in the countries of the region are taking place in different forms and advance at varying speed. But a common feature shared by many countries is the limited capacity to design, implement and monitor decentralization policies, exacerbated by local government institutions and local stakeholders' lack of preparation for operating in a reformed environment. Considerable support continues to be needed both at the central and local levels to ensure that decentralization and local government reform are translated into sustainable local development results. In the context of local governance, the major focus continues to be on promoting inclusive local economic development, improved living standards and better public services, particularly for the poorest and most vulnerable groups.

Despite limited core resources and strong involvement of the European Union, UNDP's work in the region offers interesting experiences in public administration reform and local governance, both in terms of regional and country office initiatives.

¹ The Congress of Local and Regional Authorities of the Council of Europe has played an important role in supporting legislative developments.

REGIONAL INITIATIVES

Bratislava Regional Centre

In 2005, the Bratislava Regional Centre (BRC) launched a regional community of practice (CoP), to draw together all practitioners involved in the provision of policy advice and development assistance to European and CIS national governments and other country partners in the fields of public administration (PA) and anti-corruption (AC); review existing situations and challenges concerning PA and AC in the ECIS region, take stock of accomplishments and lessons learned through the implementation of programmes and projects on PA and AC; and identify knowledge and capacity gaps, as well as the actions and knowledge products needed to enhance the quality of UNDP development assistance for PA and AC in the region. The main outcomes that the CoP expects to achieve within the next five years are: (i) improved strategic policy-making and co-ordination at central government level; (ii) increased administrative effectiveness and efficiency in the implementation of these policies through innovative approaches such as performance-based management; and (iii) enhanced national systems and processes to reduce corruption.

Several sub-regional initiatives have mushroomed since the establishment of the CoP. The Bosnia and Herzegovina (BiH) country office launched sub-regional initiatives on “Civil Service Reform in the Western Balkans”² and “E-leadership”. UNDP Croatia serves as a sub-regional knowledge hub on local governance with the purpose of: (i) facilitating the codification of knowledge and best practices; (ii) supporting knowledge management amongst UNDP country offices and local governments in the Western Balkans;

and (iii) facilitating the transfer of knowledge amongst local government practitioners. The country office in FYR Macedonia has led the development of a joint strategy on anti-corruption programming amongst country offices in the Western Balkans. UNDP’s country office for the Russian Federation developed a joint initiative with Ukraine and Kazakhstan to share experiences on introducing performance-based budgeting in sub-national entities.

The BRC also hosts four other regional initiatives. In 2006, the centre entered into a partnership with the government of Greece (through the Ministry of Interior, Public Administration and Decentralization), which after a preparatory phase in 2008, evolved into a five-year regional PAR programme³. The programme has established an on-line resource centre on PAR in the region, a vibrant community of practitioners and experts, and supports demand-driven multi-country activities in four thematic areas of PAR: (i) policy-making and coordination; (ii) public finance management; (iii) organization and staffing in public sector; and (iv) public service delivery.

The regional project on “Ex-Ante Policy Impact Assessment”⁴, implemented in 2007-2009, helped strengthen capacities for ex-ante policy impact assessment with particular focus on vulnerable groups, by developing specialized knowledge products, delivering regional training to selected policy development practitioners, and facilitating an interactive professional network. The project was developed by BRC in partnership with the Open Society Institute (OSI), and involved four countries in the region: Bosnia and Herzegovina, Croatia, Moldova and Serbia. Building on the successes and lessons learned from the first phase, a new stage of the project is currently being

² This initiative supports networking of public administration practitioners from the sub-region to consult and learn from each other about civil service models, human resources policies and training, particularly focusing on EU accession.

³ Further information is available on: www.rcpar.org.

⁴ <http://europeandcis.undp.org/pia>.

designed and discussed with OSI and other potential partners, focusing on: (i) supporting country initiatives to conduct specific Policy Impact Assessments (PIA), while improving the existing methodologies, and quality assurance and monitoring processes; (ii) developing tailor-made PIA manuals and guidelines for specific vulnerable groups; (iii) piloting the vulnerability-centred PIAs either at country, multi-country or sub-national levels; (iv) establishing of a Community of Practice of PIA experts, professionals and civil servants; and (v) conducting in-depth thematic research on the impact on vulnerable groups of the policy responses to the economic crises being implemented by countries in the region.

On Local Governance, the BRC has developed key partnerships with the Council of Europe and with the Local Governance and Public Sector Reform Initiative (LGI). In recent years, it has focused its regional programmatic activities on developing capacities for Inter-Municipal Cooperation (IMC), offering training of both central and local authorities, and developing a toolkit.

The Anti-corruption Practitioners Network (ACPN)⁵ created in 2005 is an important tool which brings together practitioners in Eastern European and CIS countries to address specific legal and operational problems faced by anti-corruption institutions in the region and share information and technical advice.

⁵ <http://europeandcis.undp.org/anticorruption>.

MAIN AREAS OF INTERVENTION

Public Administration & Civil Service Reform

The main initiative in this area was UNDP **Ukraine's** "Support to Civil Service Reform" project (2006-2009, € 1 million), which assisted the government with their reform programme for a more transparent and efficient public administration, guided by EU principles. The project, implemented by the Main Department of Civil Service (MDCS), focused on: (i) the adoption of new legislation and administrative regulations supporting the new policy developments; (ii) building the capacity of the MDCS to fulfil its mandate; (iii) sensitize selected Ukrainian civil servants and political decision-makers on the new legislation; (iv) providing the MDCS with the necessary tools in terms of analysis, expert advice and monitoring functions; and (v) developing MDCS' capacity to design supporting training modules.

In **Azerbaijan**, the "Good Governance through Civil Service Reform" project (US\$ 1.3 million) supported the operational development of the new Civil Service Commission⁶ through robust capacity-building initiatives and key civil service reforms, including the improvement of legal acts related to the civil service, establishment of competitive civil service entrance exams, introduction of modern HRM concepts, procedures and practices across ministries and state agencies, and effective awareness raising, monitoring

and evaluation in support of the achievement of MDG9, Azerbaijan's additional MDG on good governance. These outputs also helped the government to align its civil service system with EU norms and standards.

In **Bosnia and Herzegovina (BiH)**, UNDP supports the Civil Service Agency in effective public administration reform implementation (US\$ 400,000). The project aims to modernise human resources management functions through the introduction of modern concepts, procedures and practices across all government structures, and introducing HR Information Software, to improve the efficiency, transparency and professionalism of the Civil Service. The project is inspired by the need for a more merit-based and performance oriented approach to HR management.

In **Serbia**, the "Support to the Serbian Public Administration Reform Strategy – Phase II" project (2007-2009, US\$ 1.9 million), supported the development of an efficient, accountable and citizen oriented public sector. The project assisted the Ministry for Public Administration and Local Self-Government in: (i) designing and implementing a PAR Strategy and Action Plan; (ii) improving the efficiency of PA bodies, including through functional reviews and enhanced inter-ministerial coordination; and (iii) increasing the staff and wider public's understanding of PAR processes through, for example, providing training in responsive journalism to the local media.

Capacity-Building Funds (CBF) in support of a variety of government reform processes are characteristic of this region, and usually centre around the provision of technical assistance in the form of international and local experts identified from custom made rosters. Al-

⁶ The new Civil Service Commission was established in January 2005, and managed to rapidly introduce a competitive process for entry to the civil service in an ever-increasing number of government bodies (40 by the end of 2009). The Azerbaijani civil service is gradually being familiarized with modern approaches to civil service management, through a mixture of study tours for staff of the Civil Service Commission and Human Resources managers of ministries and state agencies, and hands-on training provided in-country by practitioners from other states in transition. Gender based statistics were also introduced for the first time. Political commitment to civil service reform by the president was an important factor that contributed to early progress. Yet, many challenges remain, amongst others, the need to extend the Commission's still limited jurisdiction to more ministries and state agencies.

though first established in Serbia⁷, the two largest funds currently in operation are intended for **Kosovo**: the “Capacity-Building Facility for Kosovo” (2005-present day, US\$ 3 million) aims to address leadership and reform management deficiencies in government ministries, agencies, and municipalities through a combination of on-the-job coaching and advisory services for senior and middle managers in the civil service. It operates on a demand basis only, and is implemented by the Kosovo Foundation for Open Society. Professionals recruited as coaches and advisors are drawn mainly from amongst talented Kosovars, regional experts and the Kosovar Diaspora. During the initial phase, support was only provided to a selected group of ministries/agencies (20 coaches during the pilot phase). The “Capacity-Building for European Integration (CBEI)” fund for Kosovo (2006-2008, US\$ 5 million), focused on promoting an effective public administration underpinned by a coherent and interconnected body of law, capable of: (i) meeting citizens’ demands in a transparent and accountable manner; and (ii) fostering the participation of Kosovo in the Stabilisation and Association Process. The CBEI responded to requests for short and medium term support delivered by experts in EU matters, and for the necessary equipment for assistance delivery under this project.

UNDP **Albania** implemented the “Brain Gain Programme” (2006-2009, US\$ 1 million) in collaboration with the national government, to address capacity gaps in the public sector, and support the elaboration of a policy framework for engaging the Diaspora with Albania’s socio-economic development⁸. The project, implemented by the Council of Ministers, with the involvement of the Department of Public Administration⁹,

included: (i) the development of an enabling legal and regulatory environment for the inclusion of overseas graduates in the Albanian civil service; and (ii) supported the return of more than 78 Albanian graduates, and their employment in public administration, public and private universities.

In **Georgia**, the “Capacity-Building Fund” (Phase 2: 2007-2009, US\$ 1.5 million) supported the Georgian government by: (i) administering salary supplements and managing anti-corruption actions through the “Development and Reform Fund” under the responsibility of the President; and (ii) assisting with institution and capacity-building through the provision of policy advice and technical expertise.

In **Montenegro**, the “Capacity Development Programme (CDP)”¹⁰ (Phase 2: 2007-2009, US\$ 1.9 million), focused on strengthening administrative capacities for the implementation of the “Stabilisation and Association Agreement”, and introducing new co-ordination mechanisms and personnel at the centre of government. More specifically, it provided support to: (i) the newly established Secretariat for European Integration and Deputy Prime Minister’s Office for European Integration as well as the new coordination structures: the Commission for European Integration and Groups for European Integration; (ii) the Ministry of Foreign Affairs, in regards to national priorities for European integration; (iii) the Parliamentary Committees for International Cooperation and European Integration and for Constitutional Issues and Legislation in the context of the implementation of Stabilization and Association Agreement; and (iv) Montenegro’s Public Relations Bureau of Government, in order to communicate reforms and progress on the European Integration process to the media and general public. In addition, CDP supported the: (v) reform of state examinations for public sector employees; (vi) establishment of an appropriate system of governance indicators to monitor the political criteria for European Integration; and (vii) a series of institutional and functional reviews.

In order to respond to the economic crisis and pursue EU integration, the new government of **Moldova**

⁷ The 2000 regime change in Yugoslavia created the need to fundamentally reform the system of state administration. In response, UNDP, the Open Society Initiative and the Federal and Serbian Governments created a Capacity-Building Fund (2001-2004) to act as a short-to-medium term facility to pool and co-ordinate multi-donor support, and as a catalyst for institutional reform. While the CBF was initially designed to support public sector reform through capacity-building, it became perceived by the government as a means for recruiting local and Diaspora national experts, which resulted in counterproductive capacity substitution. For further information, please read the [Overview of CBF Experiences](#) (drawing heavily on Serbia’s case), or visit: [RBEC](#).

⁸ According to Albanian census figures, one out of five Albanians emigrated between 1990 and 2001, the highest rate of emigration in the world.

⁹ <http://www.braingain.gov.al>.

¹⁰ <http://www.undp.org/me/ijr/projects/CDP/index.html>.

requested UNDP support to establish a CDP, building on the existing experience in the region. In response, UNDP has developed a project that provides incentives and training to attract and retain skilled professionals in the civil service. The initiative is designed to mesh with longer-term plans for public administration reform, and pave the way for a comprehensive institution-building initiative that the EU will launch in mid-2011¹¹.

UNDP's project in support of the "Training of Managers in the Public Sector through the Romanian Government's Special Scholarships (RGSS)", was an effort to accelerate the transformation of Romania's public sector into a modern administration aligned with EU standards. The RGSS programme endeavoured to build tomorrow's leaders by awarding grants to bright young Romanian nationals to pursue undergraduate, graduate and doctoral studies at renowned international universities, in fields ranging from public administration, to public health policy and business administration. With a total funding of € 5.6 million from the Romanian government, the programme was perceived as a much-needed vehicle for promoting new standards of efficiency, transparency and accountability in Romania's public administration¹², and contributed to the accelerated reform process in preparation for Romania's integration into the European family. Both the legislation on government-sponsored scholarships for civil servants and the creation of the public manager category within the civil service were direct interventions to support the establishment of a highly-qualified corps of elite civil servants.

In **Russia**, UNDP supports the Academy of the Public Service (under the President of the Russian Federation), in developing and implementing a systemic set of measures to promote effective governance in accordance with the provisions of the UN conventions ratified by the Russian Federation. The project (2008-2010, US\$ 350,000), helps to improve the effective-

ness of government services by incorporating inputs and contributions from civil society at all levels of the political decision-making process, and incorporates gender mainstreaming in legislation and gender budgeting. It also involves strengthening partnerships with education institutions that provide professional training for government services.

Support to the Centre of Government & Strategic Policy-Making

In **BiH**, UNDP's "Support to the Council of Ministers" E-government project (2006-2008, US\$ 1.3 million) focused on: (i) developing a comprehensive E-government system; (ii) developing and implementing a Grant Resources Management System at the state level and Ministry of Finance; (iii) improving the Council of Ministers' business processes; (iv) enhancing communication and coordination amongst government departments; and (v) establishing a system for registering and reporting grants available to the public sector. These aid effectiveness components also supported the public financial management system's reform process towards more accountable and transparent resource planning, management, auditing, reporting, and coordination. Currently, UNDP is implementing the "Strengthening Capacities for Strategic Planning and Policy Development" project (2007-2010, US\$ 2.5 million). The project aims to: (i) build capacities for strategic planning and policy development; (ii) improve the linkages between planning and budgeting in line ministries at the State and Entity levels; (iii) develop a course and train relevant staff in support of the aid coordination agenda, in collaboration with the Committee for the Coordination of International Aid.

In **Uzbekistan**, UNDP initiated the "Building Capacity for Economic Forecasting and Planning at National and Local Levels" project (2009-2011, US\$ 500,000), in collaboration with the Institute of Forecasting and

¹¹ In order to achieve this, UNDP's programme needs political support within the EU so that it is seen as a bridge to other emerging efforts of institutional capacity-building.

¹² The Government Strategy for the Acceleration of Public Administration Reform (2004-2006) had three main components: (i) civil service reform; (ii) local public administration reform through continuation of de-centralization and de-concentration; and (iii) reform in public policy formulation.

Macroeconomic Research¹³. The project's principal objective is to enhance the government's capacity for medium-term policy analysis and formulation at national and local levels, and encourage public discussion on key development challenges. The earlier "Support to Reform Processes" project (2005-2009, US\$ 2.7 million), was developed in response to the government's commitment to depart from highly centralized decision-making and policy processes and create a platform for nationwide debates on social and economic issues. The project focused on strengthening the government's capacity for cross-sectoral policy analysis and formulation, and encouraged the piloting and incorporation of new ideas, concepts, and policy monitoring and evaluation practices. Thematically, the initiatives for strengthening policy dialogue with non-state actors included land reform, human development, ICTs, decentralization and governance issues.

Local Governance & Decentralization

UNDP's largest project in local governance and decentralization in the region is currently being implemented in **Moldova**. The "Integrated Local Development Programme" (2008-2011, US\$ 13.5 million) provides knowledge-based policy advice to the State Chancellery in order to improve its policy framework, administrative systems, and procedures for efficient transfer of competencies to local public administration. This strategic support is coupled with a scaled up community-level intervention that aims to strengthen local authorities' capacities in inclusive planning, implementation and monitoring of regional and community level development processes. The project addresses the serious gaps between the capital and the rest of the country, and lays the foundation for regional and community-led development in Moldova. UNDP also intends to build the capacity of local public administration to plan and implement programmes, streamline local administrative procedures and systems, improve public service

delivery and local infrastructure (in particular water supply and health), and monitor their impact through greater citizen participation. With support from the Democratic Governance Thematic Trust Fund, a performance based budgeting (PBB) concept was piloted in five towns, supporting as well LGs leadership in implementation. By piloting PBB in local public administration, the country's local governance development agenda gained a new qualitative dimension (as all local public administrations will have to include PBB elements in their budgeting processes by 2012) and makes a step forward in advancing the decentralization process in the country. The initiative's main partners include the State Chancellery, the Academy of Public Administration and local governments. The "Chisinau Municipality Development" project (2008-2009, US\$ 2 million), aimed to assist the municipality's local public authorities with the process of strengthening their institutional and financial management capacity for the achievement of long-term development goals and improved service delivery. The project included three components: (i) institutional development and increased transparency, responsiveness and involvement of the citizenry in municipal governance; (ii) municipal public finance management; and (iii) improvements in planning, infrastructure rehabilitation and service delivery. The project was financed by UNDP, the Open Society Institute and Soros Foundation's Local Governance Initiative.

In **Albania**, UNDP's "Integrated Support to Decentralization" project (US\$ 7.6 million) contributes to the harmonization of national efforts and building of individual and institutional capacities for regional development, in compliance with the national cross-cutting Strategy for Regional Development and the EU's regional development and cohesion policies and instruments. The project entails the development of a policy framework on regional development, the roles and interaction of various institutions and stakeholders, as well as the mobilization of stronger political commitment to implement such a policy. Subsequently, the project will provide technical and legal advice in drafting the Law on Regional Development, which will pave the way for the establishment of a National Agency for Regional Development (NARD). The project is implemented in partnership with the Ministry of Economy,

¹³ The Institute, under the Cabinet of Ministers, was created with a view to developing proposals for structural responses to development challenges, and provides multiple policy scenarios and options to the government.

Trade and Energy and the Ministry of European Integration. The ART Gold 2 initiative (2009-2011, US\$ 2.5 million), supports the Albanian government in implementing its national policies and strategies to achieve the MDGs, and meet the requirements for EU accession through the promotion of a territorial approach to development, particularly at the county and municipal levels. Key objectives include: (i) supporting Albanian counties in defining and implementing their Strategic Plans; (ii) enhancing the government's capacity to support decentralization and local strategic planning processes, share information and best practices and implement training initiatives; and (iii) expand the capacity of national and local actors through international partnerships of decentralized cooperation.

In **BiH**, the “Training System for Local Government” project (2007-2010, US\$ 2.2 million) aims to facilitate the development of a competent and professional local administration through the establishment of a sustainable municipal training system, which will help to ensure that training provided by various local and international organizations corresponds to the real needs of local authorities, and meets established quality standards common to all training programs and providers throughout the country. The three-year project is implemented by the Ministry of Justice, Civil Service Agency and the Ministry of Administration and Local Self Government. UNDP also supported the Ministry of Human Rights and Refugees and the municipal governments in improving the delivery of vital services to returning refugees and displaced persons (2006-2009, US\$ 8.5 million). The main purpose of this project was to provide local communities in Bosnia and Herzegovina with the tools to articulate and implement return and reintegration projects in a joint effort between government, civil society and business, laying the foundation for broader development activities in the future.

UNDP **Georgia** supports the “Strengthening Regional Governance in Kvemo Kvartili” project (US\$ 1.2 million), which aims to enhance the capacities of the region and its seven new districts to improve government and the delivery of services to the full spectrum of citizens, thus counteracting poverty and inequality in the region. The project is implemented by the Administration of the President, and supports the establishment

of a model Regional Development Council, as well as the development of locally elected officials and staff capacity to competently perform their new roles. Furthermore, information and remote service access will be enhanced through establishment of ten E-info points. The “Support to Effective Governance Systems and Territorial Arrangements” project (2006-2008, US\$ 316,000) supported the Centre of the State Commission – the main body responsible for the decentralization process – in: (i) establishing its internal operations; (ii) developing a decentralization strategy; (iii) drafting decentralization related legislation; and (iv) preparing a strategy for coordinating the decentralization process. The project also collaborated with the National Association of Local Authorities, and the Association of Cities of Georgia.

In **Kosovo**, UNDP's “Support to Decentralization” project (2009-2010, US\$ 500,000) aims to assist the Government and the Ministry of Local Government Administration to create the necessary conditions for implementing decentralization and effective local government, through: (i) setting up a fully functional inter-ministerial working group on decentralization; (ii) developing regulations on different inter-municipal cooperation modalities; (iii) establishing short to mid-term municipal development plans for new municipalities; and (iv) establishing municipal aid-coordination mechanisms. Through the “Support to Kosovo Information Technology (SKIT)” project (US\$ 3 million), UNDP helped connect all 30 municipalities to a common network and establish a municipal intranet system for tracking citizens' requests for increased efficiency and transparency. As a result, the municipalities are now ready to extend the use of ICTs and provide online services to its citizens.

In **Kyrgyzstan**, UNDP's “Local Self Governance” project (2006-2007, US\$ 136,000), implemented by the Presidential Administration, promoted transparent budgetary and financial procedures at the local level. The political decentralization process brought substantial imbalances and perverse incentives into local affairs due to a lack of financial autonomy and accountability. The project supported fiscal decentralization and capacity-building of local governments through mentoring and consultation services on new budget processes, and through increased local self

government capacities for revenue collection, tax administration and resource management. The project also aimed to strengthen local accountability frameworks and improve service delivery (including through report cards). The “Transparent Municipal Finances through Improved Local Statistics” project (2007, US\$ 230,000) aimed to increase the capacity of Central Government and Local Governments to better guide policy development and allocation of resources towards the most vulnerable groups and least developed areas at municipal and regional levels. UNDP worked with the State Statistical Agency to improve local statistics and the quality of data collection. The project was timely as Kyrgyzstan was going to roll out its fiscal reform in 2008. UNDP Kyrgyzstan also supports the capacity of local governments for disaster preparedness (€ 300,000), which involves training modules for local self-governments.

In **fYR Macedonia**, UNDP’s “Financing Equitable Service Project” funded by the DGTTF (2008-2009, US\$ 265,000), assisted the government in re-defining a policy proposal for financing decentralized social services, towards a model that incorporates national and local disparities and differing capacities, in order to contribute to reducing the gap between rich and poor municipalities. The project assisted the Ministry of Finance in undertaking individualized fiscal capacity assessments of municipalities, detailed appraisals of expenditure needs for provision of local services, and develop scenarios for allocation of intergovernmental transfers. In parallel, the capacity development component of the project focused on enhancing capacities and analytical skills of central and local government officials in financial management. The “Inter-Municipal Cooperation (IMC) for Efficient Service Delivery” project¹⁴ (2009-2010, US\$ 1.3 million), aims to promote models and mechanisms of inter-municipal cooperation as an effective approach to improve the efficiency of public service delivery, and thus support good governance for development. Different modalities of inter-municipal cooperation (outsourcing, joint administration, joint public enterprises, etc.) have been identified as an in-

novative solution to alleviate some of the impediments resulting from small municipalities’ limited capacities. The project aims to: (i) build critical knowledge and capacities, and support the establishment of IMC for local public service delivery; (ii) establish and institutionalize financial mechanisms for fostering IMC; (iii) establish a knowledge management system that collects, systematizes and disseminates information on IMC; and (iv) facilitate the ongoing dialogue between the central government, local authorities, financial institutions and private sector in the efforts to design national policies conducive to IMC. One of the major policy contributions of this project is development of an IMC Law. Also in fYR Macedonia, the “Capacity-building at the Local and National Level for MDG-Based Planning” project (2007-2009, US\$ 200,000), focused on building local governments and development stakeholders’ capacities to use the MDG-based development concept in analysing their socio-economic environment, planning policies and strategies, implementing programmes and projects and monitoring and analysing results. Implemented by the Ministry of Local Self Government, the project, in partnership with the Netherlands Development Organization SNV, facilitated a bottom-up approach to public policy planning and the integration of local interests and priorities into national level planning. Project outputs included: (i) capacity development for Local Leadership Groups and local administrations for MDG-based strategies and plans; (ii) seven MDG-based strategies prepared and adopted by municipal councils; and (iii) establishment of a mechanism for inter-municipal and bottom-up knowledge sharing. UNDP is also implementing the “Policy Support and Capacity-building for Regional Development” project (2009-2010, US\$ 100,000), which supports the newly adopted Law and National Strategy on Balanced Regional Development by providing policy and capacity-building support to the Ministry of Local Self-Government, the National Bureau for Regional Development, and two Regional Centres. More specifically, the project will assist the national authorities to: (i) establish monitoring and evaluation mechanisms for implementation of regional development policy; (ii) improve the coordination between sectoral policies and establish transparent policy procedures for allocation of public funds and programming of EU-IPA funds; (iii) enhance the capacities

¹⁴ The project builds on the successful pilot phase which supported partnerships between 10 municipalities, and aims to create the necessary human and institutional capacities for IMC implementation, and develop a financing mechanism that will enable implementation on a national scale.

of Development Councils and Centres for Regional Development; and (iv) enhance capacities of local stakeholders in project identification, and design and implementation of programmes funded through the National or IPA funding facilities.

In **Serbia**, the “Capacity Development for the Standing Conference of Towns and Municipalities” project (Phase II: 2006-2009, US\$ 650,000), supported: (i) the implementation of the National Public Administration Strategy and the decentralization process; and (ii) the institutional development and functional strengthening of the Standing Conference of Towns and Municipalities, through the development of a strategy and business plan for improving service delivery to member municipalities, including the establishment of a municipal training centre. The “Municipal Development in South West Serbia Project” (Phase II: 2007-2009, US\$ 600,000), focused on strengthening local governments’ capacities to pursue good governance practices, facilitate socio-economic development, and improve the living standard of population of the South West. The project provided support to six municipalities to: (i) improve their organizational effectiveness and capacities to fulfil assigned competencies; (ii) enhance the local administration’s capacities to implement sustainable development strategies at the municipal level; (iii) implement small scale projects based on identified socio-economic priorities; and (iv) support inter-municipal cooperation and initiate the establishment of regional development agencies.

In **Slovakia**, the “Support to Local Partnerships in the Kosice Region” project funded by UNDP’s DGTTF (US\$ 100,000), aimed to: (i) improve access to public services; (ii) increase the flexibility of procedures to liaise with the Kosice Regional Authority; (iii) take an active role in development processes; and (iv) identify and fund sustainable regional development projects in the area. The project, implemented in partnership with the Kosice Regional Authority, targeted the Kosice region which is heavily populated by disadvantaged communities (Roma). Partnerships relied on an information technology-based platform that enabled easy communication between the region and its citizens, and increased access to information related to regionally provided public services. However, since the decentralization process was still ongoing at the time of

the project’s implementation, initiatives had to focus on a selected group of services for which the centre of responsibility was clearly specified. Thus, the initiative may have been somewhat premature as the legal framework within which the E-government developments had to take place, was not yet fully operational.

UNDP **Tajikistan** implemented the DFID-funded “Zeravshan Valley Initiative” (2006-2009, US\$ 10 million), which provided an integrated package of development assistance to district governments and civil society, focusing on building national capacities for implementation of poverty reduction strategies, and on planning, budgeting and coordination processes at the district level. With the overall objective of promoting pro-poor economic growth and improving the living standards of the 270,000 inhabitants of the districts of Ayni, Panjakent, and Kuhistony Mastchoh, the project focused on providing the incentives, tools, and means to build and revive the local economy, fostering strong social integration and supportive social services, maintaining good governance, and building communities around people’s needs. Key outputs included: (i) setting up adequate information systems for planning, identifying priorities and coordinating development; (ii) improving public services through the efficient management of scarce resources; and (iii) enhancing livelihoods and employment opportunities.

Turkey is currently undertaking a comprehensive reform of its public administration, focusing on streamlining, modernizing and decentralizing the system. The Law on Public Financial Management and Control (also applicable to local administration), and new laws on municipalities, special provincial administrations and unions of local authorities, provide a normative framework for transferring administrative and financial competencies. They also presented a challenge in regards to developing the institutional and professional capacities necessary for implementing the reforms. To respond to the pressing needs of the Ministry of the Interior and sub-national authorities, and building on the experience of the first phase, UNDP has launched the “Local Administration Reform” programme (Phase II: 2009-2011, € 4 million) funded by the EU. The overall objective of the project is to ensure effective, transparent, inclusive and participatory local government in Turkey, focusing on: (i) capacity-building of elected

representatives, professional managers and local authority staff members on service delivery (performance, quality, standardization), gender mainstreaming, environmental protection, strategic planning, multi-year budgeting, investment planning, and financial management; (ii) capacity-building for improved institutional communication amongst the unions of local authorities and between the unions and other relevant national and international organizations; (iii) strengthening the capacity of urban councils and other participatory mechanisms to foster democracy, transparency, accountability and citizens' involvement in local administration; (iv) improving and broadening the scope of municipal coordination and cooperation and twinning arrangements both amongst Turkish municipalities and between Turkish and European municipalities, including cooperation in the management of local public services; and (v) enhancing the capacity of the Ministry of the Interior through the improvement of staff's qualifications, technological systems and infrastructure, working environment and procedures at the General Directorate of Local Authorities. In **Turkmenistan**, UNDP's "Local Self-Government Programme" (2007-2009, US\$ 300,000) included five inter-related and mutually complementing components: (i) support to the improvement of legal and policy frameworks for self-governance through the provision of international expertise; (ii) institution and capacity-building; (iii) participatory local development planning; (iv) social mobilization and partnerships for quality service delivery; and (v) scaling up through advocacy and communication. The project was implemented in collaboration with the Mejlis (Parliament) of Turkmenistan, which was responsible for the implementation of the strategy on local governance in the country. Having started from the pilot implementation to test strategies in three pilot regions (Ahal, Balkan and Lebap velayats) and two local councils in each region, it will be further scaled-up throughout the country.

In **Ukraine**, UNDP's "Municipal Governance and Sustainable Development Programme" (US\$ 856,000), provides training and seed capital to strengthen the institutional capacity of local partners from the public and private sectors, enabling them to make practical local sustainable development plans, apply a participatory approach to their implementation, raise public

awareness on the agenda of sustainable development and integrate the principles of sustainable development in the local/national policy/legal framework based on experience from the ground. The municipalities and the private sector also contribute resources.

Accountability, Transparency & Integrity in Public Administration

The **Kosovo** "Transparency Initiative" (2006-2007 and 2008, US\$ 500,000) supported the Kosovo Anti-Corruption Agency (KACA) in the implementation of the Plan for Kosovo which stipulated the adoption of an anti-corruption strategy. This resulted in a multitude of new laws and institutions that, while existing on paper, were not backed by sufficient capacity. The projects promoted and enhanced capacities for greater institutional accountability, transparency and integrity, through active involvement of government institutions, civil society and the media, to build trust in local institutions, and increase the levels of participation in the process of building and developing democratic and functional institutions and strengthening the rule of law. One of the components of the project involved strengthening civil service training and career development in the field of anti-corruption.

In **fYR Macedonia**, the "Fighting Corruption to Improve Governance" project (2006-2009, US\$ 900,000), promoted accountability and transparency as indispensable pillars of local democratic governance. The project supported the State Commission for the Prevention of Corruption and Association of Local Self Governments in addressing the root causes and consequences of non-transparent practices, starting, on a pilot basis, by assisting four municipalities in identifying procedural bottlenecks and standardizing administrative procedures for improved service delivery and reducing the opportunities for corruption. At the national level, the project supported the development of a Code of Ethics for local government officials, and the development and implementation of a methodology for measuring the Index on Responsibility, Transparency, Accountability and local Governments. The "Civil Society and

Media” programme focused on harnessing the potential of non-state actors for addressing corruption challenges, developing a hub of ideas for civil society’s involvement in diminishing the risk of corrupt administrations, building effective external mechanisms for civic monitoring, and changing cultural tolerance towards corruption. In addition, by engaging top notch experts, UNDP helped develop the media’s capacity for investigative journalism.

Corruption in the public sector in **Montenegro** has various roots, including excessive bureaucratic bottlenecks in, for example, issuing business licenses and permits. UNDP supports the “Implementation of the National Action Plan against Corruption and Organized Crime”, which aims to develop the capacities of government agencies through concrete project activities, awareness raising, and understanding of zero tolerance policies towards corruption. Anti-corruption initiatives address capacity gaps and weaknesses in government institutions mandated to fight corruption, particularly the Directorate on Anti-Corruption Initiatives (DACI) as well as the Ministry of the Interior and Ministry of Justice, Directorate for Prevention of Money Laundering and the Agency for the Determination of Conflict of Interest.

In **Tajikistan**, the “State Enhancement for Improved Governance (SEIG)” project (2008-2011, US\$ 2.3 million) aims to enhance the capacity of the Agency of State Financial Control and Fight against Corruption by focusing on: (i) transparency and accountability; (ii) human rights (including effective public complaint mechanisms); and (iii) judicial reform. Key outputs include the comprehensive review of corruption in the security environment; conducting Integrity Risk Assessments for each service offered and development of Integrity Risk Management Plans; implementation of the UN Convention against Corruption; and raising awareness on corruption and anticorruption issues.

Public Financial Management

In **Albania**, the “E-accounting” project (US\$ 750,000), under the guidance of the Ministry of Finance, focuses

on three components: (i) migration to International Public Sector Accounting Standards; (ii) provision of technical assistance on drafting a new Public Accounting Law; and (iii) implementation of an E-accounting pilot project.

UNDP **Azerbaijan** supported the State Customs Committee through the “Modernization of Customs Services” project (2006-2009, US\$ 1.7 million). This initiative focused on upgrading customs legislation and procedures to bring them in line with EU legislation and international standards. It also included the development of an IT strategy and the strengthening of the technological capacity of the Committee. Key outputs included: (i) drafting a Customs Code; (ii) training customs officers, at national and local levels, in the new legislation and technology; and (iii) conducting study tours to Belgium, Estonia and Sweden.

In **Uzbekistan**, the “Public Finance Reform Programme” (2007-2009, US\$ 1.2 million) provided technical assistance to the government for: (i) adopting and implementing the New Revision of the Tax Code; (ii) organizing and conducting research to improve tax, accounting and budget policies; and (iii) introducing, on a pilot basis, new forms of public finance administration. The project was implemented by the State Tax Committee in the Ministry of Finance, and included the development of training programs to accompany the new Tax Code.

Aid Effectiveness

In the region, several projects on aid coordination directly involve public administration reform. In **Albania**, for example, the “National Strategy for Development and Integration (NSDI)” (2007-2013) is based on a number of sector and crosscutting strategies related to the process of integration, consolidation of the democratic state, and the government’s economic, fiscal and social policies. Support to NSDI implementation and the monitoring of the Paris Declaration represent an important contribution of UNDP to capacity development. Through the “Support to the Integrated Planning System (IPS)” project (US\$ 670,000), UNDP has provided support to the government of Albania in

strengthening its capacity for programming, budgeting, monitoring and evaluation processes, aid coordination, and increasing aid effectiveness in line with the Paris Declaration. As part of this project, UNDP supported the government in establishing the Department for Strategy and Donor Coordination (DSDC) under the Council of Ministers. This included the formulation of the External Assistance Orientation Document, drafting of the organizational structure and staff TOR, training of staff and provision of long-term technical assistance in liaising with the Donor Technical Secretariat (DTS)¹⁵. Through the recently launched “Support to the Implementation of the Paris Declaration” project (US\$ 260,000), UNDP will continue to deepen its support to the implementation of the Paris Agenda, including through continued support to the DSDC, the establishment of monitoring indicators for the NSDI, and promoting the increased use of national systems including assessment of the procurement and finance systems and development of national capacity development plans. Overall support to the DSDC has been highly effective in creating a strong government institution which has taken a clear leading role in coordinating donor activities and international support to Albania¹⁶.

In **Belarus**, the “Enhancing International Technical Cooperation” project (US\$ 68,000) aims to optimize the interaction between international donors and government bodies responsible for coordination and regulation of international technical assistance, in order to increase its effectiveness and introduce the principles of the Paris Declaration. The project also aims to set up a system of collection, processing and dissemination of data on international cooperation, and improve the skills and knowledge of representatives of government bodies and local executive committees (and NGOs) on aid effectiveness issues.

UNDP has been providing long-standing support to the government of **BiH** in the management and coordination of development resources, and its efforts to strengthen national capacities for aid coordination and aid effectiveness. Back in 2001 aid coordination inter-

ventions helped public authorities to effectively mobilize and coordinate complementary external resources provided to the country to facilitate its transition from recovery and reconstruction to sustainable development. The Cabinet of Ministers was supported to redesign and streamline the aid coordination architecture. Through the complementary “Grants Resource Management System” project (2006-2009), UNDP supported the Ministry of Finance and Treasury (MOFT), and its jurisdictions, in establishing a public grants management system for enhanced tracking of existing resources and reporting of achieved results. The latest phase of the “Aid Coordination and Effectiveness Programme” (2008-2009), focused on embedding good aid coordination practices through the newly established Sector for Coordination of International Aid (SCIA)¹⁷. UNDP is also providing technical assistance to the MOFT, in support of the ongoing implementation and development of the Donor Mapping Exercise and the monitoring of adherence to the Paris Declaration. As part of the “Strengthening Capacities for Strategic Planning and Policy Development” project (2009-2010), UNDP also supports line ministries in public resource management and improved strategic planning of national and external resources.

In **fYR Macedonia**, the “Aid Coordination” project (Phase IV: 2009-2010; US\$ 540,000) focuses on consolidating the institutional structure for aid coordination, aligning government capacities for managing EU-IPA funds and other development assistance, and introducing a programme-based approach to planning and implementation of development assistance. In parallel, the programme aims to enhance the capacities of the Secretariat for European Affairs and line ministries in strategic planning, monitoring and evaluation and reporting on Aid Effectiveness Indicators. Related initiatives include the “Support to the Council of Ministers” and the “Strengthening Capacities for Strategic Planning and Policy Development” projects in Bosnia and Herzegovina¹⁸.

A significant aid-coordination effort was made by the

¹⁵ The DTS, of which UNDP is a member, serves as a donor coordination group and advisory body to help the government to better align donor assistance with national priorities.

¹⁶ More information is available at: <http://www.aidharmonisation.org.al>.

¹⁷ As of 2009, the BiH Ministry of Finance and Treasury (MOFT) / Sector for Coordination of International Aid (SCIA) assumed responsibility for both the Donor Coordination Forum Secretariat and the Donor Mapping Exercise.

¹⁸ See the [Support to the Centre of Government and Strategic Policy-making](#) sub-section.

UN in **Moldova**, with strong UNDP facilitation and support, including assistance to map donor interventions against national priorities, identify the financial envelope breakdown, streamline government procedures, and build capacities for aid coordination within relevant government units. In March 2010, this effort culminated with the signing of the “Development Partnership Principles” between nearly 30 partners¹⁹ and the government. In line with this, the government is setting up Sector Coordination Councils and designating lead donors for each sector. Donors have pledged an impressive US\$ 2.6 billion to Moldova at a Consultative Group (CG) meeting in March 2010. The meeting was co-organized by the EU and the World Bank, with the UN/UNDP playing a prominent role as lead speaker on aid effectiveness. To further strengthen the current aid coordination mechanism and ensure effective coordination, UNDP, in collaboration with the World Bank and SIDA, is currently supporting the development of the Moldova Joint Assistance Strategy (JAS) which will provide a framework for cooperation in line with the Development Partnership Principles.

Some of the more developed countries, like Croatia and Romania, are now building their own agencies for international development. In **Croatia**, the “Support to National Capacities for Development and Cooperation” project aims to assist the Ministry of Foreign Affairs and European Integration in the preparation and subsequent implementation of a national development cooperation strategy. On joining the EU in 2007, **Romania** became a member of the family of donor communities, and required assistance to train officials of the Ministry of Foreign Affairs, exchange experiences with other UN member states, and raise public awareness of Romania’s objectives in international cooperation. In response, UNDP supported a project to “Strengthen the National Institutional and Educational Capacity to carry out ODA Programmes and Projects” (2007-2009, US\$ 1.4 million), focused on strengthening the institutional and administrative capacity to carry out ODA programmes in partner countries, in line with the National Strategy of Cooperation for Development.

In **Tajikistan**, UNDP’s “Support to Effective National Aid Coordination and Investment Promotion” project

(2009-2011, US\$ 1.3 million) focuses on strengthening Tajikistan’s aid coordination architecture and promoting investment through building the capacity of the State Committee on Investment and State Property Management (SCISPM) and other relevant government bodies. The project is implemented by SCISPM in close collaboration with relevant government structures and is co-funded by DFID. Key goals include: (i) provision of core information services on aid flows to the government, donors and implementing organizations; (ii) improvement of aid coordination and effectiveness to support national ownership and ensure alignment of donors’ support on national development strategies; (iii) provision of policy advice and ensuring proper coordination on investment, and promotion of international economic cooperation with countries with good practices in the area; and (iv) development of strategies/programmes to promote FDI and provide regulatory and methodological support to the investment policy of selected regions and industries.

E-government, Information & Communication Technologies (ICTs)

Most projects in this area are aimed at the national level, focusing primarily on building the national systems to support ICT networks, E-knowledge sharing and E-training. The sub-regional project for “Promotion of E-governance in the Western Balkans” (2008-2009, US\$ 120,000) based in **Estonia** is implemented in partnership with the **Bratislava Regional Centre**, UNDP **Albania** and UNDP **Montenegro**. The project aims to promote and share Estonia’s transition experiences as its comparative advantage, enhancing the territorial and programmatic outreach of Estonian best practices and experience in E-governance.

In **Albania**, development of ICTs is an area that has received a lot of government attention. UNDP’s “Electronic Government Network – GovNet” project (US\$ 250,000) focuses on the expansion of electronic coverage amongst government institutions, establishment of an Intranet system for the entire government, introduction of Voice over Internet Phone (VoIP) service to

¹⁹ Including the UN, EU, World Bank, IMF, and the US.

main government institutions, and provision of ICT services and staff training for institutions that will be added to GovNet. The “Support to the National Agency of Information (NAIS)” project (US\$ 200,000) assists with the overall improvement of knowledge and skills of key NAIS staff in line with European best practices in the field of E-government and ICT-driven service delivery, thus increasing public administration effectiveness through the deployment of E-services and system modernization. Additionally, UNDP’s support to E-schools has successfully assisted the government in equipping Albanian schools with modern laboratories and access to internet. Technical support is also being provided to the National Agency for Information Society.

The largest E-governance project in the region is in **Azerbaijan**, where ICT development is a national priority. The “National E-governance Network Initiative” (2004-2010, US\$ 11.3 million) focuses on creating a National Internet Infrastructure and E-government Network to provide robust, affordable, accessible and secure connectivity to government institutions at all levels, and be scalable to include other clients, such as the education sector. Other key outputs include: (i) development of a Civil Service Code of Practice to address the security of government information systems; (ii) establishment of a government web portal; (iii) piloting of 6 public access info kiosks; and (iv) development of a National Transmission Network to enable high-speed connectivity between Baku and the regions. The project is implemented by the Ministry of Communications and Information Technologies. Another important ICT project in Azerbaijan aims at the modernization of customs services²⁰.

The “E-leadership Programme for the Western Balkans - E-LEAD” (2008-2010, US\$ 660,000) is a sub-regional E-governance programme managed by UNDP **BiH**. E-LEAD aims to introduce a series of important innovations to enable South Eastern Europe to capitalize on the benefits of using ICTs in governance processes. It strives to nurture a pool of E-leaders who will champion the use of ICTs in the public administration, assists in developing tailor-made E-training packages for central and municipal government officials, and pro-

motes government transparency through ICTs. UNDP **BiH** is also producing the 2nd Edition of the E-governance and ICT Usage Report for South East Europe, covering Albania, Bosnia and Herzegovina, Croatia, fYR Macedonia, Moldova, Montenegro, Romania, Serbia and UNMIK/Kosovo during the 2009-2010 period. The report will provide a comparative analysis of the current status of the ICT sector and the implementation of E-governance strategies in South Eastern Europe. It will also provide strategic support to policy and decision makers and serve as an advocacy paper for the E-governance development agenda in light of the EU integration process, and the implementation of the regional action plan for E-governance and ICT development: “eSEE Agenda Plus” (2007-2012).

In **Bulgaria**, the “State Administration IT Training / E-government Project” (2006-2008, US\$ 1.6 million) focused on training civil servants, training of trainers, and re-qualification of unemployed and other vulnerable groups. In collaboration with the Ministry of State Administration and Administrative Reform (MSAAR), the project used the existing national network of telecentres to establish a network of training locations in all of the country’s 28 districts.

In **Moldova**, UNDP’s “Building E-governance” project (2008-2011, US\$ 1.5 million) aims at introducing policies for ICT development, the provision of on-line public services, training public servants in the use of ICTs, and promoting E-governance practices. The project works with the government on establishing an E-government implementation centre, with the Ministry of Information and Communication Technologies on policy-making, the Ministries of Finance and Health on E-services, and the Academy of Public Administration on training of civil servants. The project is funded by UNDP, the SOROS Foundation and the Government of Moldova.

In **fYR Macedonia**, the “E-accounting Programme” (2005-2010, US\$ 1 million) supports the Ministry of Finance and Public Revenue Office with the establishment of a sound tax revenue system to provide electronic services to business and national financial institutions, thus contributing to improved tax collection and a more efficient administration system. The initiative focuses on: (i) infrastructure and process review;

²⁰ See the [Public Financial Management](#) sub-section.

(ii) ICT infrastructure development; and (iii) capacity-development and IT skills for improved processes.

UNDP **Turkey** has been a long-standing partner of the Ministry of Foreign Affairs (MFA), supporting, since the late 1980s, a range of activities to strengthen the Ministry's human resources and ICT infrastructure. As a result of this long term cooperation, the Ministry has attained close to a paperless office. The overall objective of the current "Dissemination of an E-consulate Module for Increased Efficiency in Service Delivery" project (2006-2010, US\$ 1.2 million) is to strengthen the MFA's infrastructure and service delivery capacity through the implementation of a web based electronic governance module, to be used by Turkish citizens living abroad. The project intends to develop and expand both technical and human resource capacities of MFA missions abroad in the areas of electronic governance and management. Furthermore, it envisages a number of promotion and training activities for the transfer of experiences and expertise, acting as a model for replication in other public-service agencies.

UNDP **Uzbekistan** implemented the "Strengthening Decision-Making Processes" project (2005-2009, US\$ 300,000), designed to strengthen the Ministry of the Economy's capacity, increase its efficiency and effectiveness through the introduction of E-government tools at central and regional levels, and enhance the conceptualization and implementation of ICT reforms. Key outputs included: (i) development of ICT infrastructure; (ii) capacity-building and training; (3) capacity-building for improved ICT policy development (internal processes and procedures, guidelines for coordination and data-sharing between departments).

Institutional Development of Specific Government Ministries & Agencies

A number of projects support the institutional development of individual ministries or departments in various areas. In addition to the ones listed below, there are projects in the area of environment monitoring, disaster preparedness, land management, trade and

economic development, etc. Not all these projects have been taken into account as they go beyond the scope of this paper.

UNDP is supporting the Ministry of Foreign Affairs (MFA) of several countries. In **Azerbaijan**, where UNDP has been collaborating with the Ministry since the year 2000, the "Support to the Ministry of Foreign Affairs" project (2005-2010) is assisting the MFA with: (i) initiating a Foreign Service training programme; (ii) introducing a modern human resource development and management system; (iii) making professional resources available to its staff through a Reference and Resource Centre; (iv) improving its organizational structure and business processes; (v) establishing a corporate management information system (MIS); (vi) improving the quality and security of internal communication; (vii) properly equipping and automating its offices; (viii) developing its official website; and (ix) strengthening its IT Department. In **Moldova**, the "Building the Institutional Capacity of the Ministry of Foreign Affairs and European Integration (MFAEI)" project (2008-2011, US\$ 3 million), is part of the public administration's reform process. The project assists the Ministry in conducting negotiations for a new Association Agreement with the EU, and provides training to communicate with partners and the public in a transparent and open manner on EU integration issues (through publications, regular updates on the website, media briefings, etc.). With the project's support, Moldova's MFA has launched a new service for its citizen: a call centre that helps Moldovans abroad and those who plan to travel. The project, co-funded by SIDA, the Austrian Development Cooperation, the Norwegian and Estonian Governments, also provides support to increase the impact of Moldova's participation in regional cooperation processes. In **Montenegro**, the "Enhancing the Capacity of the Ministry of Foreign Affairs to Better Respond to Montenegro's National Priorities for European Integration" project (2007-2008, US\$ 274,000) focused on strengthening the MFA's capacity to establish adequate institutional arrangements, human resources, as well as technological and knowledge platforms for a comprehensive, insightful and timely provision of foreign policy in line with Montenegro's national priorities for European integration. In **Tajikistan**, the "Strengthening the Ministry

of Foreign Affairs and National Foreign Policy” project (2008-2011, US\$ 300,000) aims to enhance the Ministry’s technological, human and institutional capacities as well as establishing a knowledge platform that will enable the provision of discerning and timely foreign policy responses in line with national priorities. In **Uzbekistan**, the “Support to the Ministry of Foreign Affairs” project (2005-2009, US\$ 1.1 million) focused on strengthening the MFA’s capacity through the enhancement of its human resources, technology, institutions, and knowledge platforms. The project involved organisational development, procedural reforms, policy dialogue and the introduction of ICTs.

In **Bulgaria**, UNDP supported the “Programme and Projects Management Directorate” (2006-2008, US\$ 410,000) at the Ministry of State Administration and Administrative Reform (MSAAR). Key outputs included: (i) improving the capacity of the Directorate as the managing authority of Operational Programme Administrative Capacity (OPAC), and of the Institute of Public Administration and European Integration; (ii) enhancing beneficiaries’ capacity to absorb EU Structural Funds; (iii) aligning the OPAC with EC recommendations; (iv) strengthening the capacity of OPAC Managing Authority; and (v) capacity building for MSAAR Directorates involved in the programme implementation. In 2007, Bulgaria became a beneficiary of the EU Structural and Cohesion Funds. In order to effectively use these funds towards achieving higher levels of human development, the project included the review of the functions and organisational structure of the OPAC, development of procedures and manuals, and capacity development for MSAAR staff involved in programme implementation.

In **Georgia**, the “Civil Registry Reform Project” (US\$ 2.8 million), focuses on enhancing capacities in order to build a transparent and effective civil registry system. The reform encompasses the entire spectrum of civil acts (births, deaths, divorce, marriage, etc.), the administration and issuance of identity cards and passports, and its underpinning legal framework. UNDP’s support is contributing to the development of the legal framework, the digitalisation of archives, improvement of the IT systems, networks and software, the allocation of new office space and increased public awareness.

Access to Information

In **Bulgaria**, UNDP implemented the DGTTF-funded “Increasing Government Transparency and Accountability through Electronic Access to Information” project (2007-2008, US\$ 125,000). The Bulgaria Access to Public Information Act was adopted in 2000, prior to the adoption of the Council of Europe Recommendation on Access to Official Documents, which introduced the minimum Freedom of Information (FOI) standards for member states. Opinion polls in 2006 highlighted that there was insufficient awareness of freedom of information rights. In response, the project aimed to demonstrate innovative uses of ICT for strengthening the implementation of the FOI Act, and looked at the central, district and municipal levels of government to provide public information, build the capacity of civil servants, organise public awareness campaigns and make recommendations for the improvement of the existing Access to Information Act²¹.

The DGTTF-funded “Transparency and Access to Information” project in **Kazakhstan** (2009-2010, US\$ 440,000) aims to: (i) establish a legislative framework regulating access to information; (ii) pilot implementation of the legislation in one region; (iii) encourage the use of community-based access points and mobile technologies, particularly targeting vulnerable groups. UNDP will also work to raise awareness amongst the population, and encourage them to exercise their right to information, and promote capacity strengthening, networking and coordination of efforts of public institutions to supply information²².

Streamlining Regulations & Procedures

In **Belarus**, the “Promoting the Administrative Procedures Reform” project (2007-2009, US\$ 150,000),

²¹ Recommendations included higher sanctions for public servants who fail to comply with the law and the mandatory appointment of civil servants responsible for providing public information and opening public information reading rooms in public institutions.

²² Despite being a fundamental right in the Constitution, Kazakhstan does not yet have a law on Access to Information.

promoted a coherent and efficient reform of administrative procedures, and the principles of transparency and accountability for government structures. This two year project used best practices to elaborate a draft law for the reform of administrative procedures based on human rights principles. The project also focused on building the capacity of key institutions to enable them to carry out the review of procedures, and assisted with advocacy measures to increase the public's awareness on their legal rights.

Within the framework of the anti-corruption programme, UNDP **fYR Macedonia**, invested heavily on streamlining and upgrading administrative procedures. For example, municipalities were assisted in complying with ISO standards (International EU standards for effective, efficient and transparent management). The ISO certification process resulted from a thorough mapping of the situation at local level, and the development of the necessary institutional and human capacities for improving municipal performance. The four pilot municipalities were amongst the first to adopt ISO quality management standard in fYR Macedonia, and have become potential centres of excellence and providers of knowledge and good practices to other municipal administrations.

Gender & Public Administration

In the **Kyrgyz Republic**, UNDP implemented the "Promotion of Women to Civil Service" project (2007-2009, US\$ 459,031), with the objective of supporting the implementation of the national gender policy set forth in the Presidential Decree on the Measures for Improvement of Gender Policy, as well as the National Action Plan for Gender Equality (2007-2010). Following the recommendation of the UN Committee on the Elimination of Discrimination against Women, the government has taken decisive action towards improving gender balance in politics, and is committed to increase the number of women in decision making positions through the introduction of 30% quotas for women. UNDP's project supported the political empowerment of Kyrgyz women through a number of ac-

tivities aimed at engendering public policies, civil service and political parties' structures. The main outputs included: (i) promotion of an enabling environment and implementation of mechanisms to provide equal employment and career opportunities for women in civil service; (ii) enhancement of civil/municipal servants' capacities on issues related to gender sensitive management and gender balanced civil service; (iii) strengthening political parties' capacities for engendering the necessary management structures, policies, political programmes and communication to promote women, including young women; (iv) strengthening and expanding cooperation networks of women – including members of political parties, young women, youth organizations, and media and other entities committed to promoting women's representation at the decision making levels; (v) increasing the visibility of women in the news and raising awareness on gender topics through the local media; and (vi) increasing the capacity of journalists and media executives on engendered journalism. The project was implemented in partnership with the Parliament of the Kyrgyz Republic, the Presidential Administration, the Government Office of the Kyrgyz Republic, and the Civil Service Agency.

In **fYR Macedonia**, UNDP supports the Ministry of Labour and Social Policies, as well as local government authorities, in their efforts to enhance the Local Government Equal Opportunities Commissions' (EOC)²³ capacities. The "Women and Men Equal Opportunities" project (2009-2010, US\$ 269,211) was a nation-wide programme aimed at providing substantive support to the gender machinery at the local level, assisting EOCs in clarifying and implementing their mandates, enhancing their capacity and authority for effective coordination of gender equality policies, and improving the understanding and implementation of the concept of gender equality and gender mainstreaming in local policy-making processes. Key outputs included: (i) conducting a Capacity and Training Needs Assessment; (ii) training municipal equal opportunities coordinators; (iii) enhancing the capacities of local councillors, members of the EOCs, and other relevant stakeholders on gender issues; (iv) developing a Local

²³ The Local Government Equal Opportunities Commissions (EOC) have been mandated by the recently adopted Law on Equal Opportunities to promote gender equality policy at the local level.

Gender Equality Action Plan; and (v) developing the Gender Mainstreaming web-based portal as a tool for horizontal and vertical inter-institutional networking and knowledge exchange forum.

In the Human Development Report of 2006, **Turkey** ranked 72nd out of the 75 countries for which the relevant Gender Empowerment Measure (GEM) statistics are available. In the National MDG report, the government of Turkey has set the target for women's representation in Parliament to rise to 17% by 2015, while recognizing that increasing women's participation in politics remains a major challenge. The "Enhancing Women's Participation in Politics and Decision Making" project (2008-2010, US\$ 307,727) aims to promote

women's participation in local decision making through voting, advocacy, activism and membership of political parties. The project focuses on two set of issues: (i) empowerment of women to become candidates at local elections, raising awareness of men and women from political parties, promoting women's involvement in the decision-making arena at the local level, and developing the necessary skills for policymaking; and (ii) raising awareness and educating women and men on their rights and obligations as active voters and responsible citizens. Project activities target five provinces (Aegean region-Izmir, Black-Sea region-Trabzon, Central Anatolia region-Eskisehir, Southeastern Anatolia region-Sanliurfa and Mediterranean region-Adana).

CONCLUSION

The shared heritage of single-party political regimes and centrally planned economies means that the transition countries of Eastern Europe and the CIS face some common systemic problems in public administration. However, the region's countries vary considerably in their development profiles, rendering redundant any uniform approach to public administration reform.

As a result, variations on the leading reform themes are evident across the region. One such area reflects the desire to modernise public administration so that it is responsive to the market economy, oriented to the idea of serving citizens and imbued with the idea of improving performance. Unfortunately, the inherited bureaucracies of the former centralized state have perpetuated, to a greater or lesser extent, the dysfunctions of the previous order, and government leaders now appreciate the restraints this legacy can impose on national development. The modernization of central government is frequently attempted through the revision of laws and regulations, training and coaching, updating human resource management practices, and strengthening civil service commissions and kindred organizations.

E-governance in support of bureaucratic modernization is also strongly supported by UNDP. Many of the region's countries have capitalized on the gains made possible by the use of ICTs. These gains cover a broad spectrum and include giving citizens' voice, improving accountability, and enhancing government efficiency and effectiveness. There is even a sharing initiative whereby knowledge and expertise are transferred from the wealthier and more technologically advanced nations to those less endowed in these fields. Indeed, cooperation in public administration reform in general has been vigorously promoted by UNDP through the Bratislava Regional Centre.

The second leading theme in public administration reform in the region concerns local governance. National leaders have become increasingly aware of the importance of equitable development, and the disparity between the sizeable developmental gains made by leading cities and those of small settlements and rural areas. Consequently, UNDP has supported a range of local governance initiatives, ranging from upgrading skills of subnational governments to promoting inter-municipal cooperation or managing the reintegration of refugees. All these projects address the spatial imbalances that currently characterize the majority of countries in the region, whether through area specific initiatives or tackling central governments' support to decentralized governance

Other UNDP-sponsored public administration reform initiatives in the region include accountability and anti-corruption projects, an area which continues to be very much in demand and sometimes overlaps with a few initiatives in public financial management. Further overlapping is also in evidence between modernization initiatives and institutional strengthening projects of individual government agencies. Lastly, aid coordination and effectiveness has recently attracted interest in several countries. There is certainly no shortage of opportunities for UNDP involvement in public administration reform in Eastern Europe and the CIS. There is also no doubt that, especially in the less developed countries, there will continue to be a strong demand for UNDP assistance in addressing the multiple challenges presented by public administration

Acknowledgments

This paper is part of a series of regional studies on UNDP's current interventions in public administration and local governance reforms prepared by the Responsive Institutions team in the Democratic Governance Group: Patrick Keuleers (Senior Advisor on Governance and Public Administration), Krenar Loshi (ARR Kosovo, seconded to DGG), Vesna Dzuteska-Bisheva (ARR FYR Macedonia, seconded to DGG), Diana Delamer (Knowledge Management Specialist) and Orjada Tare (Intern). Research support was provided by Ewa Wojkowska, Pauline Cadeac and Pablo Gago.

The initial draft was based on a desk review of existing project documents, project briefs, UNDP websites and databases. The draft was reviewed by colleagues in the regional bureau for Eastern Europe and the CIS and in the Regional Centre in Bratislava. The final version also benefited from inputs provided by several colleagues in the UNDP Country Offices in the region.

We are grateful to the following UNDP colleagues who responded to the call for comments and additional inputs to the paper: Moises Venancio (RBEC), Annie Demirjan, Dan Dionisie and Zhanna Pilving (Bratislava Regional Centre), Arben Rama and Nils Taxell (UNDP Albania), Verena Linneweber (UNDP Azerbaijan), Lucia Desigis (UNDP Bosnia and Herzegovina), Mihaela Stojkoska (UNDP FYR Macedonia), Vitalie Vremis (UNDP Moldova), Kibriyo Jumaeva (UNDP Tajikistan), and Lurdes Gomez (UNDP – ART Geneva).

For comments and inquiries, please contact:

Patrick Keuleers

Senior Policy Advisor

Democratic Governance Group

Bureau for Development Policy

patrick.keuleers@undp.org



United Nations Development Programme

Bureau for Development Policy

Democratic Governance Group

304 East 45th Street, 10th Floor

New York, NY 10017 USA

www.undp.org/governance