Trends and Challenges in Public Administration Reform in Asia and the Pacific

United Nations Development Programme

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Foreword

For more than four decades, the United Nations Development Programme (UNDP) has been a leading provider of technical advice in Public Administration and Civil Service Reform, with 90 Country Offices reporting activities in this area in 2004/5. The recent focus on achieving the Millennium Development Goals (MDGs) calls for renewed interest in the role of the State and for increased attention to the quality of public sector management, and emphasizes the need for an effective and efficient public administration that is responsive, transparent and accountable, capable of providing quality services to the population and ensuring the broad participation of citizens in decision-making.

A study of UNDP's governance work in the region, undertaken by the Regional Bureau for Asia and the Pacific (RBAP) in October 2003, indicated that other agencies, particularly the World Bank and the Asian Development Bank (ADB), were becoming increasingly involved in areas where UNDP previously enjoyed an advantage. Public Administration Reform (PAR) was one such area.

In 1999, 11 UNDP Country Offices in the region reported activities grouped under "Promotion of an efficient and accountable public sector", while in 2003 that number had decreased to eight. Further, with only one PAR proposal from the region submitted to the Thematic Trust Fund in 2003, and no PAR proposals submitted in 2004, there were indications that UNDP was gradually shifting its focus to more recently popularized service lines such as Decentralization and Local Governance, Access to Justice, and Human Rights.

In 2005, by contrast, five out of the 18 expressions of interest for the Thematic Trust Fund in the Asia-Pacific region were in the area of PAR and anti-corruption, while three others were closely related to this service line. Several of the expressions of interest in the area of decentralization also contained elements of PAR. Further, in several countries where UNDP had pulled out of PAR, governments have now made requests for renewed UNDP support in this area (e.g., Bangladesh, Bhutan, Mongolia, the Philippines and Sri Lanka).

This renewed interest reflects a change in approach with PAR now being addressed from the new entry points of accountability, transparency and performance management. Further impetus for reform and improvement to public administration will be provided by the implementation of the United Nations Convention Against Corruption (UNCAC), which, once ratified by the required number of countries, will require substantive donor inputs and support.

These trends call for a more in-depth analysis of PAR experiences in the region, and of UNDP's involvement in national PAR programmes in particular, in order to understand UNDP's contribution to this large area of demand, and to assist UNDP in making well-informed decisions on the allocation of regional and domestic advisory services and resources to the PAR service line.

This regional study is a follow-up to the RBAP survey on governance in the region, and aims to:

i)   increase our knowledge and understanding of PAR in the Asia-Pacific;

ii) address trends and challenges in PAR; and

iii) identify how UNDP can reflect and respond to these changes.

The study is not meant to be an in-depth evaluation of UNDP's projects and activities in the area of PAR. Such an evaluation would involve impact assessments which are not feasible within the scope of this report.

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Acronyms and abbreviations

ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
BPATC	Bangladesh Public Administration Training Centre
CAR	Council for Administrative Reform
CDCU	Capacity Development and Coordination Unit
CIABOC	Commission for the Investigation of Allegations of Bribery and Corruption
CPRGS	Comprehensive Poverty Reduction and Growth Strategy of Viet Nam
CSO	Civil Society Organization
DFID	United Kingdom Department for International Development
EROPA	Eastern Regional Association for Public Administration
GAP	Governance Action Plan
GDP	Gross Domestic Product
GPAR	Governance and Public Administration Reform Programme
HRD	Human Resource Development
HRM	Human Resource Management
IARCSC	Independent Administrative Reform and Civil Service Commission
ICT	Information Communication Technology
IMF	International Monetary Fund
LDC	Least Developed Country
MAMPU	Malaysian Administrative Modernization and Management Unit
MDG	Millennium Development Goals
NGO	Non-Governmental Organization
NIP	National Integrity Plan
NPAR	National Programme for Administrative Reform
NPM	New Public Management
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PAR	Public Administration Reform
PMG	Priority Mission Group
PPP	Purchasing Power Parity
PRR	Priority Reform and Reconstruction Programme
PRSP	Poverty Reduction Strategy Paper
RBAP	Regional Bureau for Asia and the Pacific
RCB	Regional Centre in Bangkok
SCOPSR	State Commission Office for Public Sector Reform
TOR	Terms of Reference
UN	United Nations
UNCAC	United Nations Convention against Corruption
UNCDF	United Nations Capacity Development Fund
UNDP	United Nations Development Programme
UNMISET	United Nations Mission of Support for East Timor
UNTAET	United Nations Transitional Administration in East Timor
VAT	Value Added Tax
WTO	World Trade Organization

Building on the past

The Asia-Pacific countries have had a long and diverse experience with Public Administration Reform (PAR). In China, experimentation and innovation in the bureaucratic arms of the State can be traced back more than two millennia. In 19th century Thailand, King Chulalongkorn imported new administrative forms to facilitate his policy of state modernization. In colonial India, the British created "a unified central administration based on the emerging principles of a modern bureaucracy" (Kochanek as quoted in Heady 1984, 372). This mid-19th century reorganization provided lessons incorporated into the Northcote-Trevelyan reforms in Britain. However, in some Asia-Pacific countries bureaucracy is more recent. In Papua New Guinea, bureaucratic forms of organization did not penetrate the populous Highlands region until the mid-20th century. Yet, whatever the origin, at some stage, all governments in the Asia-Pacific have adopted bureaucratic forms of state administration. They have all subsequently also engaged in reform of these bureaucracies. In the present day, in the Asia-Pacific it is now *de rigueur* for all countries to have a programme of public sector reform and many of these programmes have substantial PAR components.

The importance of PAR in developing countries was first recognized by the United Nations (UN) in 1951 with the establishment of a Special Committee on Public Administration Problems. Newly independent countries such as India, Malaysia and the Philippines, wanted to establish administrative arrangements which would facilitate national development and sought technical assistance in public administration. A decade later, the demand had increased to such a degree that the UN published *A Handbook of Public Administration* to guide reforms. The publication not only provided a blueprint for reform, it also emphasized that "administrative improvement is the *sine qua non* in the implementation of programmes of national development" (UN 1961, 1). Some of the Handbook's observations still retain relevance over four decades later (see Box 1).

Box 1: Relevant or redundant? The UN's view of PAR from the past

The increase in the variety, number and complexity of functions that have to be performed by the modern State has resulted in an administrative lag. A serious imbalance exists between aspirations and performance, between the needs to be met and the adequacy of the administrative machinery to carry them out. This imbalance constitutes a major obstacle to national development. To meet even a part of its growing responsibilities, the modern service State must develop the administrative capacity to implement its programmes of economic and social progress. Public administration is the machinery used by the service State to place itself in a position to make plans and programmes that can be carried out, and to carry out the plans and programmes it has made. To an ever-increasing degree, the effective utilization of national resources depends on the sound economic and social programmes, whose success in turn depends upon an effective public service.

To build a good administration is a long and painful task. Quick and easy results are not to be expected. Even for advanced countries with a long history of administrative progress the task was not easy, nor is it ever finished. For the developing countries, where sudden demands on government are often greatest, the task of administrative improvement presents special problems whose solution requires a new sense of direction and a determination to overcome many obstacles. Administrative reform requires a high standard of leadership, sustained and continuous attention and a sizable commitment in terms of men, money and material.

United Nations (1961). A Handbook of Public Administration, New York: United Nations.

While the importance of public administration was championed in some development agencies and by some academics, it did not assume a central position in the development discourse or in aid funding. Getting policies right, building infrastructure, industrialization and boosting agricultural productivity were seen as higher priorities. However, the disappointments of development in the 1980s led to a rethink of the significance of public administration in the development process. In 1983, the World Bank in its annual *World Development Report* asserted the importance of public administration for development. Efficient and effective public administration was seen to be an essential component of development success. Studies of so-called economic 'miracles' in countries such as Japan, the Republic of Korea (South Korea), Singapore and Taiwan found good public administration to be a contributory factor (World Bank 1993). It helped to fashion, and was simultaneously part of, the enabling environment for economic growth and led directly to the improvement of human welfare.

PAR received another boost with the vigorous promotion of 'good governance' by the World Bank, Asian Development Bank (ADB), the United Nations Development Programme (UNDP), and bilateral donors. Public administration and its reform featured in all definitions of good governance. In its 1997 publication, *Good Governance and Sustainable Human Development,* UNDP identified governance as the means for promoting human development and public administration as one of the three 'legs' of governance. The others were political and economic governance. Heavy responsibilities were placed on the administrative leg, including responsibility for the provision of effective and accountable public services and contributing to an enabling environment for sustainable human development (UNDP 1997).

The need to remedy public sector deficiencies was amplified with the adoption of the UN Millennium Declaration, calling for additional efforts to create the capacity to plan and steer the achievement of the Millennium Development Goals (MDGs) and related targets.

Public administration is currently one of the seven service lines within UNDP's democratic governance practice and one of the sub-goals in the new strategic results framework in the Multi-Year Funding Framework 2004-2007. Affirmation of the importance of good governance has been provided by Kofi Annan, Secretary-General of the UN, who has emphasized that, "good governance [of which PAR is an important component] is perhaps the single most important factor in eradicating poverty and promoting development" (UNDP 2001). The importance of a well-performing public administration was also reiterated in General Assembly Resolution 57/277 *Public Administration and Development,* which states that, "an efficient, accountable, effective and transparent public administration, at both the national and international levels, has a key role to play in the implementation of internationally agreed goals, including the MDGs".

UNDP has further noted that, "an efficient, responsive, transparent and accountable public administration is not only of paramount importance for the proper functioning of a nation; it is also one of the main vehicles through which the relationship between the State and civil society and the private sector is realized and the basic means through which government strategies to achieve the MDGs can be implemented" (UNDP, *Public Administration Reform Practice Note*).

What is public administration reform in the Asia-Pacific

As a first step in describing and analysing PAR experiences in the Asia-Pacific it is necessary to consider what is meant by public administration, what initiatives are covered by the concept of PAR and what contingencies influence the design and implementation of PAR.

Public administration refers to (UNDP *PAR Practice Note*):

- The **aggregate machinery** (policies, rules, procedures, systems, organizational structures, personnel, etc.) funded by the state budget and in charge of the management and direction of the affairs of the executive government, and its inter-action with other stakeholders in the state, society and external environment.

- The **management** and implementation of the whole set of government activities dealing with the implementation of laws, regulations and decisions of government and the management related to the provision of public services.

Within the broad framework of democratic governance, the public administration component thus embodies the aspects most closely associated with the functions of 'government'.

According to the UNDP *Practice Note*, PAR relates to a government-initiated process to improve the effectiveness, efficiency, responsiveness, transparency and accountability of specific components of the public sector. PAR can be comprehensive and include process changes in areas such as organizational structures, decentralization, personnel management, public finance, results-based management, and regulatory reforms. It can also refer to targeted reforms such as the revision of civil service statutes.

A simple but useful definition of PAR is that it, "consists of deliberate changes to the structures and processes of public sector organizations with the objective of getting them (in some sense) to run better" (Pollitt and Bouckaert 2000, 8).

At first sight this definition appears vague, using the ambiguous term 'to run better'. As indeterminate as it seems however, the phrase begs the important question of better for whom? A government bureaucrat's perspective may differ substantially from that of a poor person and from that of UNDP, the World Bank or a bilateral donor. This definition forces us to consider the views of multiple stakeholders rather than simply asserting that there is a single view of what should be considered improvements in public administration. For UNDP, the concept of 'better' requires consideration of the wishes of the recipient government, as well as the quality and quantity of service delivery in the eyes of citizens. There is also the strong imperative to demonstrate progress towards the achievement of the MDGs.

Simply embarking on a reform programme does not guarantee success. Developing countries are full of PAR failures and indifferent results (see Box 2). Thus, our basic definition requires some further qualifications to reflect the practical realities of public sector reform in the Asia-Pacific and other regions of the world. A range of these considerations are listed below:

- Reforms are based on sets of **ideas or ideologies** that make assumptions about results. There are varying degrees of uncertainty about whether particular actions will work, especially in uncertain environments. Thus, "success in getting things to run better should be tested rather than assumed" (ibid., 17);

> **Box 2: Successes and failures in PAR**
>
> Polidano identifies three important conditions for PAR success:
>
> - Keeping the scope of change narrow;
> - Limiting the role of aid donors; and
> - Giving reform firm leadership while allowing for line management discretion.
>
> He identifies a number of reasons for PAR failures including:
>
> - Over-ambition;
> - Lack of local ownership;
> - Little political commitment to reform;
> - Weak coordination of reform;
> - Failure of reforms to connect central offices with street-level operations; and
> - No accountability for results of reforms.
>
> Asia-Pacific countries have experienced these problems to a greater or lesser degree.
>
> *Polidano, C. (2001) 'Why civil service reforms fail',* Public Management Review *3(3) 345-62.*

- There are **multiple actors** engaged in trying to shape public sector reform both in policy formulation and implementation. They may have different ideas about the design, implementation, and desired results of the reform;

- There is likely to be **resistance** to PAR by those who feel threatened. Workers who fear redundancy or departmental heads that see their sphere of influence contracting may oppose reform. There may also be leaders and people in positions of authority who perceive no personal gain from good governance;

- **Local priorities, preferences and environmental conditions** mean that there is no one template for reform. What is feasible and acceptable will depend on the specifics of a situation. Unfortunately, while there appears to be consensus that there is no 'one-size fits all' remedy for PAR; inappropriate initiatives are still imported into Asia-Pacific countries;

- Reforms may **vary in scope** from system-wide to individual agencies, from improving existing practices to introducing entirely new processes, and from minor adaptations of guiding ideas to the import of new sets of ideas. Each type of reform carries risks; the degree of risk varies with the scope of the reform, the commitment of government to reform, and the capacity of government to implement it;

- Administrative improvement may mean **different things to different stakeholders,** which will be reflected in the politics of administrative reform;

- The introduction and maintenance of reform programmes requires **legitimization**. Acceptance and support of PAR is not automatic. In extreme cases, PAR may be perceived as a foreign imposition, in others as something that benefits elite officials. It will not have immediate popular appeal unless immediate benefits are evident; and most successful reform programmes are long-term and incremental; and

- Across the Asia-Pacific there is widespread familiarity with the **international vocabulary** of PAR. Officials and academics regularly employ terms such as 're-engineering', 'decentralization', 'managerialism', even 'reform'. These terms have been used and discussed for many years in forums provided by the Eastern Regional Association for Public Administration (EROPA), the Association of Southeast Asian Nations (ASEAN), and the annual meeting of heads of public services in the South Pacific. Consultants and academics are also disseminators of the international vocabulary of public administration. Yet, experience indicates that the terms used do not always have the same meaning for everybody (e.g., the concept of decentralization has a different political meaning in the Philippines than it does in Lao PDR or Viet Nam). Further, this discourse of reform may be employed to indicate such things as dynamism, improvement and progress when reality may suggest otherwise – that administrative reform can be more rhetoric than substance.

The growing importance of public administration reform in the Asia-Pacific

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What is notable today in the Asia-Pacific is the degree of urgency that has been attached to administrative reform. It is not a new phenomenon, yet increasingly over the last decade many stakeholders in the development process have awarded greater importance to PAR than in the past. The most notable proponents of the centrality of public administration in development are international donors and recipient governments. However, private sector organizations and civil society groups have also joined the chorus demanding PAR. The result has been that all countries in the Asia-Pacific are engaged in activities that can be considered to fall under the umbrella of PAR.

The reasons for this sense of urgency vary. Moreover, it is often the case that several reasons combine to provide the impetus for PAR. The first reason is that governments in countries such as Malaysia and Thailand make clear and explicit links between the need for **PAR and international competitiveness.** They consider the administrative apparatus of the State as an enabling device for economic development:

> As witnessed in a number of countries in the Asian region, an established public administration has been vital to economic development. The enormous economic success of the East Asian New Industrial Countries is not simply the triumph of the market but is also the result of strong state institutions considered the main instruments of effective governance.[1]

Governments also appreciate that inefficient and sometimes corrupt public administration can have an adverse impact on economic development. Even in poor countries such as Bhutan, Cambodia and Lao PDR there is recognition that in a globalizing world it is necessary for the national system of public administration to support and encourage economic development.

A second reason for the promotion of PAR is its perceived contribution to **sustainable human development**. Efficient and effective administration is causally related to the achievement of improved welfare indicators such as in education and health. The rationale is that with better-trained officials, greater decentralization of decision-making, more transparent and simpler administrative processes, and more attractive career structures the organization and delivery of services can be greatly improved. The focus on sustainable human development is linked to the MDGs for development, especially the primary goal – the eradication of extreme poverty and hunger. Further, the prospects for achieving the other MDGs, such as universal primary education and combating HIV/AIDS, malaria and other diseases also relies in great part on more effective and efficient public administration. Consequently, most of the Poverty Reduction Strategy Papers (PRSPs) have (explicitly or implicitly) included PAR interventions in the range of measures that need to be taken to achieve stated poverty reduction targets.[2] Further, while aid has so far targeted management performance in the public sector, there is now a greater focus on strengthening the capacities for policy formulation, monitoring and evaluation. Moreover, with the availability of universally agreed MDG indicators, the orientation of public sector performance is now shifting from an input-orientation to an outcome and impact approach.

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[1] UNDP Keynote speech at the National Conference on Public Administration Reform and the MDGs, Manila 18 October 2004.
[2] E.g., Mongolia's Economic Growth and Poverty Reduction Strategy aims not only to reduce unemployment, but also to achieve public sector management reforms and improvements in the access and delivery of basic services. The Strategy includes specific steps required to strengthen civil service efficiency, accountability and capacity over the medium term.

A third factor promoting the urgency of public administration is the need to address the **breakdown or weakening of administrative systems.** In the Solomon Islands, the bureaucracy's capacity to deliver services has been undermined by a combination of inter-ethnic conflict, the State's incapacity to maintain law and order, corruption, and state bankruptcy. In Papua New Guinea, there has been an incremental decline in the capability of the bureaucracy to perform functions to the required levels. In the post-conflict situations of Afghanistan, Cambodia and Timor-Leste it has been necessary to rebuild bureaucracies out of the ruins of war. In all these cases, properly functioning bureaucracies are required as essential foundations for the security of the population and the pursuit of socio-economic development. In all three countries, the issue of wages and incentives is one of the main challenges faced in building up a national civil service.

Another factor has been **democratization.** The concept of democratic governance has been vigorously promoted by UNDP and its partners and today, "over 120 nations with two-thirds of the world's population, are engaged in building democratic societies".[3] Public administration's role in this democratic revolution is to become responsive, transparent and accountable. This often requires a major reorientation of bureaucratic culture and the bureaucracy's relations with society. Public administrative reform in a context of democratization entails popular empowerment and the recognition of human rights. A range of participatory instruments ensures popular involvement with governance. Often, democratization is associated with political decentralization and thus necessitates consideration of inter-governmental relations and changed human resource management (HRM) practices. Both are of central concern to PAR. Democratic practices can also have a positive impact on the efficiency and effectiveness of administration. This occurs especially as a result of concern over popular accountability, access to information and involvement in decision-making.

Lastly, and most importantly, the introduction of good governance as the new development paradigm has had important implications on the role of the public administration, which is now a key player within a governance network of public, private and civil society stakeholders. In addition to the traditional efficiency requirements, core principles like responsiveness, accountability, transparency, predictability and participation have now become core values on which public performance is measured.

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[3]   *UNDP,* Fast Facts: UNDP's Support to Democratic Governance *(www.undp.org).*

The challenge of public administration reform in the Asia-Pacific[4]

Diversity is the leading characteristic of the Asia-Pacific. The region's countries have features and environments that vary enormously. This makes generalization about PAR in the Asia-Pacific difficult and dangerous. There may be groups of countries with similar problems or situations but even amongst these groups there is still variation. Appreciation of this diversity is important for policy-makers and international donors as it emphasizes the need for careful consideration of the options for PAR, especially those whose origin is in countries with quite different socio-economic, institutional and political profiles.

The Asia-Pacific region contains the **most and least populous countries** of the world. At one extreme are China and India with populations in excess of one billion people; at the other end are the microstates of the South Pacific such as Niue with just 2,100 people, Tuvalu with 10,500 or Samoa with 178,000. There are land-locked and mountainous countries such as Bhutan and Nepal, as well as South Pacific territories such as Kiribati that are comprised entirely of small atolls barely rising above sea-level. Population density can also vary widely, from 273 persons per square kilometre in the Philippines to 2 persons per square kilometre in Mongolia. **Population growth** is generally slowing across the region, and expected to dip below 2.0 percent in most Southeast and East Asian countries in the period 2001-2015. In some cases, such as China and Thailand, the growth rates are predicted to become less than one percent. In South Asia, the transitional economies of Southeast Asia, and the Pacific, the population growth rates are forecast to be higher, at 2 percent and over, but still represent a decline over the previous two decades[5]. The **level of urbanization** is another source of

contrast. In rapidly industrializing China, 36.1 percent of the population were urban residents in 2001, with this figure forecast to rise to 49.5 percent in 2015, the equivalent an additional 117 million people. In Bhutan, urban areas accounted for only 7.4 percent of the population in 2001, and the proportion is only expected to rise to 11.6 percent in 2015. However, as the growth will be concentrated in the capital, Thimpu, it is still expected to place strain on scarce government resources.

Health indicators show life expectancy to range from 73 years for Malaysia and 69.6 years for Fiji to only 54.3 years in Lao PDR and 57.4 years in Papua New Guinea. In war-ravaged Afghanistan, the figure is a dismal 43 years. Mortality rates for children under 5 years show massive variation from Malaysia with 8 deaths per thousand and Thailand with 28 compared to 107 in Pakistan and 138 in Cambodia. Health expenditure per capita also reveals different patterns, from US$ 345 per capita PPP (purchasing power parity) in Malaysia and US$ 263 in Maldives to only US$ 63 in Nepal and US$ 58 in Bangladesh.

Adult literacy is another area of considerable contrast. Many East and Southeast Asian and South Pacific countries have high rates of adult literacy, such as 98.7 percent in Samoa and 90.3 percent in Viet Nam, while some South Asian countries including Bangladesh, Bhutan, Nepal and Pakistan have poor records, all with rates of less than 50 percent adult literacy, and as low as 41 percent in Pakistan and Nepal. Completion of **primary education** can be as low as 59 percent in Pakistan and as high as 100 percent in Viet Nam. Pupil-teacher ratios in primary education ranges from 53 in Cambodia to 18 in Malaysia. Governments also place different levels of

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[4] *The statistics in this section are drawn from UNDP, 2005:* Human Development Report 2005, *New York, Oxford University Press;* World Bank, 2005: World Development Report 2006, *New York, Oxford University Press; UNDP (2003a)* Human Development Report. *New York: Oxford University Press, and World Bank (2004b)* World Development Report 2004. *New York: Oxford University Press. Economic and Social Commission for Asia and the Pacific (2003),* Promoting the Millennium Development Goals in Asia and the Pacific – Meeting the Challenges of Poverty Reduction, *United Nations, New York, 2003.*
[5] *Timor-Leste has among the highest population growth rates in the world (over 3% or 7.8 children per woman of child-bearing age).*

importance on spending on education. For example, Thailand allocates 31 percent of total public spending to education, the Philippines 20.6 percent, while Lao PDR and Pakistan invest only 10.6 percent and 7.8 percent respectively.

The Asia-Pacific region embraces **countries from all World Bank income classifications.** There are the High Income countries of Japan, the Republic of Korea and Singapore that lie outside of the scope of this study. The Upper Middle Income category is represented by Malaysia and a few Micronesian states. A large group of Southeast Asian and South Pacific countries plus China are accommodated in the Lower Middle Income category. All South Asian countries with the exception of Iran, Maldives and Sri Lanka are found in the Low Income group along with the transitional economies of Southeast Asia, Papua New Guinea, Solomon Islands and Timor-Leste. Thus, **Gross Domestic Product (GDP) per capita shows enormous variation** whether measured as **purchasing power parity (PPP)** or not. For example, in 2003 Malaysia had a GDP at PPP of US$ 9,512 and Samoa's was US$ 5,854, while Bangladesh's and Nepal's were only US$ 1,770 and US$ 1,420. Economic growth records provide stark contrasts. China leads the way with GDP per capita increasing by an average of 8.6 percent each year between 1990 and 2002. Other high performing growth economies include Viet Nam with 5.9 percent and India with 4 percent economic growth. By contrast, very low annual growth rates over this period can be found in Pakistan with 1.1 percent, Papua New Guinea with 0.5 percent, Mongolia with 0.2 percent and Vanuatu with -0.1. **Aid dependency** can also characterize poor countries, especially those with small populations. Official Development Assistance (ODA) per capita to Lao PDR in 2003 was US$ 53, in Maldives it was US$ 88.9 (2002) and in Samoa it was a massive US$ 214.2 (2002). By contrast, the Philippines received US$ 9 per capita, Indonesia US$ 8, and China only received US$ 1.

There are also **contrasting political arrangements.** In transitional economies such as China, Lao PDR and Viet Nam there is one-party rule and little or no commitment to popular democratic elections. Authoritarian regimes still govern in Myanmar and Pakistan. Totalitarianism is found in the Democratic

People's Republic of Korea. Traditional monarchies rule in Bhutan[6] and Brunei. All other countries in the region have some form of democratically elected government. However, there are considerable variations in the institutions and practice of democracy. In Malaysia, there is one-party domination and policy consistency while in the Philippines, shifting coalitions of congressional representatives make policy-making a tortuous business. In Indonesia, democracy is recent and the military still influences political decision-making. Military coups have been mounted in countries as diverse as Fiji, Philippines, Pakistan and Thailand. There are ethnic separatist movements, communist insurgencies or fragile truces in Indonesia, Nepal[7], the Philippines and Sri Lanka, while sporadic armed hostilities continue in Afghanistan. Thailand is also facing politico-religious tensions in the southern provinces. Political decentralization has been introduced in some countries. The Philippines commenced democratic decentralization in the 1990s; Indonesia has now delegated most service delivery functions to elected regional governments while elected Commune Councils have been introduced recently in Cambodia.

There are **equity differences** between countries in the Asia-Pacific. In Malaysia and Thailand, less than 2 percent of the population lives on less than US$ 1 per day. Yet, in many Low Income and Lower Middle Income countries the figures are considerably higher. In Bangladesh, Cambodia, India, Lao PDR, Nepal, Pakistan and the Philippines figures range from 14.6 – 37.7 percent. Many Southeast Asian countries are ranked higher on the Gender Development Index than on the overall Human Development Index. Female **life expectancy** is longer than males in these countries while there are high rates of female representation in the professional and technical occupations – 62 percent in the Philippines and 45 percent in Malaysia. South Asia has less favourable figures for women. In Nepal and Pakistan, life expectancy for women is marginally lower than for men, while adult literacy figures reveal female rates to be only 53 percent and 43 percent of the male rate. China also has female literacy rates that are significantly lower than those for males.

Finally, it is also important to mention that, out of today's 50 Least Developed Countries (LDCs),

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[6]   The draft Constitution that was submitted to the Bhutanese people in March 2005 establishes a multi-party system. The proposal is that representation in the National assembly shall be by two parties established through a primary round of election in which all registered parties may participate (http://www.bhutantimes.com/draft_constitution.pdf).

[7]   On 1st February 2005, H.M. the King dismissed the Prime Minister and his Government, and assumed full executive powers. At the same time, a 6-month state of emergency was declared, and a number of the fundamental rights enshrined in the Covenant on Civil and Political Rights and the Constitution were suspended.

14 are from the Asia-Pacific region[8]. For more than three decades, these countries have continued their struggle for survival. Rather than pursuing rapid growth, the focus is now on achieving equitable and pro-poor economic growth.

Despite the different characteristics and environments in the countries of the Asia-Pacific all of their governments have declared a **commitment to PAR**, although the degree of that commitment varies in practice. At a high level of generalization, it is simple for governments to make statements about the desirable features they wish to see in their public administration systems. For example, all aim to have an efficient and transparent budgetary system oriented to the provision of positive development outcomes. All attempt to provide services that meet the needs of their populations, guarantee their security, and reduce the incidence of poverty.

However, agreement on how to achieve the vision of a well performing public sector must take into account variations in the cultural, economic, political and social context which will entail different priorities, opportunities and constraints in the details of PAR. **Priorities differ,** both in the relative importance of PAR in overall government policies and in the actual actions taken. Malaysia can prioritize e-Government and quality initiatives using ISO accreditation because it has the capability, administrative infrastructure, budget and political support. By contrast, in Sri Lanka, the Government's priority may be to secure lasting peace, while in Indonesia it might be to consolidate democracy. Once those objectives have been achieved PAR may become a more important policy priority. In Solomon Islands and Bougainville, the principal aim of government is to restore basic services, but its attainment is hampered by a scarcity of resources – financial, human, and physical. In Thailand, the introduction of accrual budgeting and an improved system of HRM are leading concerns, while neighbouring Cambodia grapples with the problem of low public service salaries that cannot support a family at subsistence-level.

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[8] *In 1971, there were six LDCs from Asia (Afghanistan, Bhutan, Lao PDR, Maldives, Nepal, and Samoa). Bangladesh joined in 1975, Vanuatu in 1985, Kiribati and Tuvalu in 1986, Myanmar in 1987. Cambodia and Solomon Islands joined in 1991. Timor-Leste joined in 2004. Maldives was to graduate from the ranks in 2005, but these plans were curtailed by the devastating impact of the Indian Ocean Tsunami on the country's economy (so far only Botswana, who graduated in 1984, has graduated since 1971).*

Country experiences in public administration reform

5

This section provides brief accounts of the reform experiences of individual developing countries in the Asia-Pacific where UNDP has a Country Office, followed by an analysis of current trends and challenges from which this study then draws conclusions regarding UNDP's role and positioning in the area of PAR in the region.

The country reviews are based on information obtained from web-based research, UNDP reports, and additional information obtained from Country Offices. However, there are provisions to this review. First, not all countries in the region are included. This is either due to lack of information on PAR (DPR Korea and Myanmar) or because countries are classified as High Income according to the World Bank.[9] Second, countries are dealt with in greater or lesser detail depending on information, the lessons of their reform programmes, and the level of PAR inputs from UNDP. Tables showing details of UNDP involvement in PAR in particular countries can be found in Appendices 1 and 2 at the end of this report. Third, all cases are only snapshots of what is often a complex business comprising multiple activities over many years. Fourth, in practice there are no precise boundaries delineating PAR from other related activities such as territorial decentralization, partnerships with the private sector and civil society, privatization, and anti-corruption. These initiatives will be noted where they are considered to have a significant interrelationship with core concerns of PAR.

5.1   Northeast and Southeast Asia
Cambodia

China

Indonesia

Lao PDR

Malaysia

Mongolia

Philippines

Thailand

Viet Nam

5.2   South Pacific
Papua New Guinea

South Pacific Island Countries

Timor-Leste

5.3   South Asia
Afghanistan

Bangladesh

Bhutan

India

Maldives

Nepal

Pakistan

Sri Lanka

[9]   Not included because of High Income status are Brunei, Japan, the Republic of Korea and Singapore.

5.1 Northeast and Southeast Asia

Cambodia

Public administration and its reform

In 1979, the genocidal Khmer Rouge regime was overthrown in Cambodia. Its legacy was a nation in ruins. Agricultural production could not sustain the population, poverty was ubiquitous, infrastructure was at best rudimentary, there was no education system, and health indicators were dismal. Further, the infrastructure necessary for a modern state had been completely destroyed and there were few educated people to staff the new institutions. Reconstituting the state bureaucracy was a high priority for the Cambodian Government as it struggled to assert control over its territory and provide some basic services to the predominantly rural population. However, "the reality of a State with a functioning modern public administration [being] only 10 years or so old" (UNDP 2003b, 2) is that progress has been slow.

The adverse circumstances under which public administration evolved have resulted in a number of problems in the bureaucracy. There is a shortage of adequately qualified public servants, accountability and transparency are poorly developed, corruption is widespread, there is a weak rule of law, popular participation is negligible, financial flows are unpredictable, and public service salaries are extremely low. These factors have contributed to the creation and maintenance of a system of public administration in which there are major problems of efficiency, effectiveness and responsiveness.

The Cambodian Government has recognized the importance of a well-functioning system of public administration for national development. As in neighbouring Lao PDR, it has taken some time to reach this conclusion and to determine a comprehensive policy for administrative reform. This policy has been set down in the National Programme for Administrative Reform (NPAR 1999) under the direction of the Council for Administrative Reform (CAR), a high-level group located in the Council of Ministers. NPAR

has been absorbed under a broad Governance Action Plan (GAP 2001), which straddles many areas of PAR. The GAP comprises crosscutting areas of reform that are considered crucial for Cambodia's development:

- Judicial and legal reform aiming at establishing basic rules of fairness and predictability;

- Public finance aiming at providing the financial underpinnings through which all governmental activities must take place;

- Public administration aiming at increasing the effectiveness of government and employees in carrying out public programmes;

- Anti-corruption aiming at establishing the framework of behavioural rules that set standards of probity in economic, social and political life; and

- Gender equity, which is critical to the Government's objectives of poverty alleviation and social justice.

The NPAR delineates four specific reform areas, some of which overlap or reiterate the GAP provisions:

- Strengthening the rule of law;

- Good governance for service provision;

- Enhancing the civil service management; and

- Management of changes.

These four areas of reform are being implemented in three phases:

- Phase 1: preliminary and priority activities which strengthen the foundation of the public sector;

- Phase 2: institutional restructuring, reorganization and corresponding staff deployment; and

- Phase 3: rationalization of structures and procedures at all levels of government, and development of competence,

responsibility and efficiency of civil servants through comprehensive capacity building.

Phase 1 has been completed and has involved such things as strengthening the CAR Secretariat. Attention has now moved to Phases 2 and 3, which involve far more substantial changes and as a result will face much greater challenges as plans are devised and implementation pursued to move the Government towards achieving its PAR policy goals. To accelerate the PAR process, UNDP (2002a) has suggested the need for greater openness and information exchange among stakeholders; establishing a 'win-win' environment for stakeholders; greater involvement of domestic stakeholders outside the state; greater innovation in public administration; improved communication skills in the public service leading to better understanding of PAR; and increased use of modern management tools.

There have been some notable advances in PAR recently. First, the Government has taken steps to address one of the fundamental problems of Cambodian public administration – low pay. The average monthly pay has been raised from US\$ 19.5 in October 2001 to US\$ 28.1 in May 2002 with the objective of eventually achieving average salaries of US\$ 51.5 in 2006. Second, the Government has embarked on a programme of decentralization involving both devolution to democratically elected Commune Councils and deconcentration of authority in service delivery ministries from central headquarters to their offices in the provinces. Third, the concept of Priority Mission Groups (PMGs) has been suggested as a way to address bottlenecks and accelerate reforms by establishing teams of government officials who will receive financial incentives for demonstrated success in designing and implementing reforms. Fourth, the SEILA (literally 'foundation stone') initiative has used a pilot project to demonstrate how decentralized development planning, financing and implementation can be upscaled to build national policies and systems for decentralization and deconcentration.

Despite these gains, the challenges facing reform remain considerable and the real gains in terms of increased and improved service delivery are only modest. There is some concern that PAR is donor-driven, that there appears to be a drain of skilled personnel from the public service to donor-funded projects or even non-governmental organizations (NGOs), and that

results are only attained by making extra payments to participants working on reform initiatives.

The new Government, which took charge after the prolonged hiatus that followed the July 2003 elections, announced its Rectangular Strategy reflecting "unanimous agreement" between the coalition partners. The strategy is intended to, "guide the implementation of the agenda of the Royal Government during its current term in office". The new strategy puts at the forefront of the agenda four key goals: economic growth, employment generation, improved governance, and accelerated implementation of reforms in all sectors, "to reduce poverty and achieve sustainable development". What is needed now is a concerted effort to strengthen, and in many cases, create, the chain of accountability. The strategy singles out some reforms that are essential to success; with PAR one of them. Consequently, in November 2004, the Government finalized its *National Programme for Public Administration Reform – Serving People Better*. The aim is for a transformed public administration, making it closer to the people, more effective, accountable and transparent.

The new PAR programme adopts a four-pronged approach:

1. Improving service delivery;

2. Enhancing pay and employment conditions (with initiatives to pilot electronic bank transfers for civil service salaries);

3. Developing the capacity of people and institutions; and

4. Promoting information and communications technologies (ICTs).

UNDP assistance to PAR

To support the overall efforts of the Royal Government of Cambodia to promote good governance and create an environment for peace, justice and development, UNDP Cambodia has been actively involved with PAR since 1994. In direct support of the NPAR, UNDP has provided assistance to the CAR to:

■ Strengthen the capacities of the CAR Secretariat to deal effectively with strategic

planning, policy development, donor coordination, national consensus-building and strategic management of the NPAR programme;

- Facilitate the implementation of priority reform initiatives and sub-programmes as well as the development of implementation plans; and

- Support the conceptualization and preparation of the PMG scheme to accelerate reforms and increase the efficiency of public service delivery in priority areas of government administration. The scheme provides financial incentives to teams of government officials based on their performance in predefined key sectors of reform.

In this respect, a number of noteworthy results have been achieved in support of the consolidation of the public service foundations, such as establishing a new classification and remuneration regime, preparing the PMG scheme, HRM and development, preparation of tools for organization of work within the administration, and capacity development of the CAR Secretariat.

Based on a productive partnership with the Government as well as other donors, UNDP is playing a leading policy definitional role in the area of decentralization, and in supporting the Government's SEILA programme as the successor to the CARERE (Cambodia Area Rehabilitation and Regeneration) projects implemented from 1991-2000. The SEILA programme is a national effort to alleviate poverty through improved local governance and decentralized development planning. It is the collective responsibility of an inter-ministerial body, the SEILA Task Force, and has included a gradually increasing number of provinces since 1996, reaching full national coverage in 2003. UNDP is also contributing to improving participatory local governance for socio-economic development and poverty alleviation in Cambodia through the development and implementation of policies and strategies that enhance the capacities of local stakeholders.

Most of UNDP's other areas of intervention also have a bearing on the support to public administrative and civil service reform and vice versa. This includes specifically, support to strengthen both legislative and judicial

institutions, in addition to other forms of reform for the executive institutions such as macroeconomic and fiscal policy reform. Empowering the other branches of government is essential to make Cambodia's executive institutions more transparent and accountable while creating a new culture of checks and balances that is based on rights and obligations.

Further to the completion of its support for capacity development in PAR in September 2003, UNDP Cambodia is currently reviewing its portfolio to respond to the recent developments in the area of PAR *(National Programme for Public Administration Reform – Serving People Better)*. While civil service reform will remain an important area of support, UNDP's focus will increasingly shift towards measures that contribute to the strengthening of accountability and integrity in public office. Recent efforts have focused on assisting the Royal Government of Cambodia with the development of an anti-corruption strategy and support to the refinement of the draft anti-corruption law and related options for institutional strengthening.

China

Public administration and its reform

PAR has been recognized as a significant component of China's modernization plans since the country initiated the market-oriented socio-economic reforms drive in 1978. The most fundamental change has been the attainment of greater independence of government in decision-making and operation from the Chinese Communist Party, which has facilitated a number of important administrative reforms overseen by the State Commission Office for Public Sector Reform (SCOPSR).

Structural changes have focused on, "enhanced comprehensive management function of government, strengthened policy-making and consulting departments, and social management and service departments, while weakening the micro-management focus of government and merging or reducing the number of special economic management departments" (Wu 2001, 1). The guiding

principle has been to give central government a greater steering role by setting policy directions and enhancing its supervisory and regulatory functions in contrast to the command system of the old planned economy. The structural changes have resulted in streamlining in administrative procedures, downsizing in the number of both government departments and personnel, and improvement of cost-effectiveness and efficiency in delivering public services to the public, including the poor.

In 1988, party committees relinquished some of their personnel functions with the establishment of the Ministry of Personnel which, since 1993, has been creating, "a public servant system with Chinese characteristics" (ibid., 3). This has included attempts to institute more meritocratic recruitment and promotion processes and more relevant training. A policy of decentralization has meant to relocate service implementation to the administrative levels of city, county and township. Yet, there were times in the 1990s, when the central government attempted to re-establish greater control over local governments. There have also been attempts to increase the responsiveness of governments to popular needs and demands and to increase transparency in the wake of growing awareness of the importance of outputs. Autonomous organizations have assumed a greater role in responding to emerging social needs, and in public welfare and community functions. These are sometimes described as civil society organizations (CSO) or more accurately as government-organized non-governmental organizations.

While China's public administration system is considered as 'functioning relatively well' there are weaknesses and the reform programme still has many items on the agenda. Public participation in policy-making and consultation with the people are still relatively weak in the bureaucratic culture. Many government officials have difficulty in understanding the importance of listening and responding to popular demands, especially from the poor and disadvantaged in society. There is also the popular expectation that government makes decisions and takes care of people's lives. Transparency and access to information have improved, but are limited, while the arbitrary use of authority remains a problem. Corruption remains a major challenge to clean and transparent government, and bureaucratic bottlenecks still persist, such as in coordination across government on inter-sectoral matters or

with overlapping jurisdictions. Red tape still plagues many procedures involving government-citizen or government-business interactions.

UNDP assistance to PAR

UNDP has been active in supporting China's PAR for more than a decade. The first phase of its PAR support began in 1991, focusing largely on training, capacity building in the Office of the State Commission for Public Service and Establishment Administration (mainly through computerization, the development of an information centre and the development of capacity for consulting services) and the drafting of administrative laws and regulations. The project achieved important results and met most of its objectives.

The second phase of the PAR project began in 1997. The main objectives were to contribute to the design and formulation of China's master plan for PAR. The master plan was prepared to guide the further strengthening of the capacity of government agencies (planning, finance, investment, etc.) to manage the economy; continuing the separation of the functions of government and enterprises, and the setting up and managing an integrated social security system. The other objectives of the project were to contribute to the design and formulation of plans in the administration of social security, and to contribute to the development of capacities to implement the latter reforms in some pilot sites. The project was rated very successful, although the evaluation report also concluded that China would have pursued its reform plans regardless of whether donor support was provided to the reform programme or not.

The third phase of the project is ongoing and aims to support the SCOPSR, in partnership with key ministries and six pilot provinces/municipalities, in their reform efforts in four policy areas, i.e. restructuring the central administrative system to meet World Trade Organization (WTO) requirements; readjusting government structures and functions in the Western Region; reform of management of non-profit and social intermediary public institutions; and strengthening market supervision and administrative law enforcement. In addition, there is to be work on extending and improving linkages between the SCOPSR central information system and 12 counties

in six pilot provinces/municipalities. Four consultation reports will be prepared and submitted to the central government for the formulation of the new master plan for administrative reform. The results of the project will help the SCOPSR to support better governance to enhance reforms and development as well as to assist China in reducing regional disparities and meeting global challenges; some tentative results had already been achieved by the end of 2004. The PAR plan aims to put forward the development priorities of the Government and is designed to introduce new PAR measures that will help reform the public service sector to be more efficient, service-oriented, efficient and transparent, and better positioned to service the poor.

As China is gradually moving towards a market economy, the need for greater transparency and integrity in government becomes increasingly acute. The Chinese Government is setting up a comprehensive integrity system that emphasizes standard-setting, prevention and education and targets root causes of corruption. As a close partner of the Government, UNDP has provided support to these national anti-corruption initiatives, and will continue to do so in the future. UNDP's Promoting Integrity in Governance project, which was launched in 2001, has helped government institutions develop codes of conduct, train anti-corruption personnel, and formulate their anti-corruption policies and legal frameworks.

Indonesia

Public administration and its reform

In the wake of the Asian financial crisis in the late 1990s, which affected Indonesia more severely than elsewhere, Indonesia has embarked upon a comprehensive democratization programme, known as *Reformasi*. The Reformasi agenda includes constitutional reform, strengthening of the legislature, independence and reform of the judiciary, electoral reform, PAR, political and administrative decentralization (including special autonomy packages in conflict prone areas), reform of the security and

armed forces, as well as strengthening respect for essential civil liberties and human rights and strengthening the ethical basis for public affairs through counter-corruption measures.

In addition to PAR itself, a number of other components touch directly on PAR such as decentralization, the strengthening of ethics and counter-corruption measures as well as strengthening respect for civil liberties including freer access to information. Others touch on PAR less directly, such as constitutional reform, strengthening of the legislature, electoral reform and judicial reform.

There have been advances made in terms of opening up the civil service to public scrutiny, both at the official level through strengthening of the authority of the Parliament and through reporting by the now independent State Audit Authority, as well as informally through a free and open press and a general communal atmosphere conducive to frank discussion on matters of public concern. One of the earliest PAR successes was to begin breaking down the old system of 'mono-loyalty' by civil servants to the then Government party. This reform has been an important ingredient contributing to the conduct of genuinely democratic elections since the late 1990s by reducing partisan intervention by the Government into the electoral processes.

The programme of decentralization has permitted a range of creative local initiatives to develop. These initiatives are taking hold in many areas and some are even becoming the new national standard. Local PAR brought forth by decentralization includes the introduction of double entry bookkeeping, performance-oriented budgeting, transparent tender procedures, fit and proper recruitment testing for government officials, regulations on public information sharing and transparency, regulation on public participation in planning and decision-making processes, service charters to improve service delivery, and reorganization of provincial administrations along the basis of output, not input, orientation.

Despite these reforms much remains to be achieved. This is acknowledged at senior levels of government and by other officials, civil society, the private sector, as well as Indonesia's international development partners. Decades of personalized authoritarian rule has resulted in the creation of a complex set of opaque

loyalties that often have scant regard for the official administrative chains of command. Extraordinary non-transparency in matters such as the structure of civil service remuneration processes has created great inefficiencies in terms of the productivity of civil servants.

The integrity of administrative processes has been severely compromised by an assortment of practices that might perhaps be described as the commodification of state authority. Practices such as job farming, collusion between tax officials and tax payers, overly cosy relationships between officials from state-owned enterprises and private enterprises and the officials who are charged with overseeing or regulating their activities, collusive arrangements that pervade the legal and judicial system, as well as newer forms of corruption such as those involving the newly empowered members of parliament, all represent key challenges to establishing an effective, coherent and democratic system for administering public affairs.

Indonesia's remarkable development gains achieved in the decades before the financial crisis such as substantial reductions in poverty, massive increases in primary education enrolments, the provision of infrastructure and the creation of an environment that encouraged economic growth now appear to have occurred almost in spite of the administrative structures that emerged. These successes do appear, however, to relate closely to effective responses by the Government of the day to external developments, for example, the oil boom of the 1970s, the appreciation of North Asian currencies from the mid-1980s and the maintenance of a favourable relationship with both donors and the international finance community. Collectively, these factors built an atmosphere of confidence that obscured the structural weaknesses outlined above.

UNDP assistance to PAR

UNDP has developed an extensive cooperative relationship with the Government of Indonesia to support its reform agenda. This has included coordinating international assistance to the elections of 1999 and the three sets of elections (parliamentary and two rounds of Presidential elections) in 2004. UNDP also established with the Government of Indonesia and the World Bank and ADB, the Partnership for Governance

Reform in Indonesia. This not-for-profit civil law association brings together representatives from the Indonesian Government, civil society and the private sector with Indonesia's international development partners. Its focus is on transforming the agenda of Reformasi into concrete measures. Included in its wide agenda is PAR.

The UNDP approach, as exemplified through the Partnership, is to accept that critical elements of a nation's political reform agenda, of which PAR is one key component, are matters of sovereign concern. Further, the reform process itself is not likely to be effective if left to a state institution to manage itself. Rather, a multi-stakeholder approach is seen as best able to push this process forward. The PAR approach to-date has been to exploit the momentum for decentralization and regional autonomy and combine this with a push for PAR locally. Among the interesting case studies are some that provided support to local government leaders who sought to ensure merit-determined leadership in key local government agencies through open and transparent recruitment processes. While this approach was at first seen as controversial, the benefits of it have become more accepted subsequently. The Partnership also worked with the mayor of Ambon, the scene of much sectarian violence, to reform the city's accounting processes. The results produced considerable 'savings' on expenditure that have subsequently been invested in social activities that have helped rebuild trust among community groups that had been in violent conflict. These local reforms have now become the standard for local government across Indonesia.

The Partnership has also worked closely with the Governor and senior authorities in the Province of Yogyakarta to reform the regional civil service by transforming the traditional input focus to an output orientation. This has helped ease the process of right-sizing the skills mix and staffing requirements for the civil service in this region.

With PAR now a high priority for the newly appointed Cabinet, the Partnership has commenced a programme of support with the Ministry for Administrative Reform that focuses on administrative reform directed at enhanced public service delivery. This will build upon the consultative process that has involved senior officials with the Ministry, as well as

representatives of civil society and the private sector and interested donors that the Partnership has facilitated for the past two years.

Elsewhere, UNDP has been engaged in improving levels of responsiveness in the local civil service through a programme of working with elected local leaders. This has led to 'town hall' type meetings in which senior local officials meet with local citizens to discuss planning priorities and programmes for the forthcoming year. Other initiatives include talkback radio programmes in which the Mayor takes calls, complaints, and suggestions from the public on a weekly basis and uses the feedback to improve services provided.

Lao PDR

Public administration and its reform

In 1975, after more than 20 years of political turbulence, the Lao People's Democratic Republic was established under the control of the Lao People's Revolutionary Party. The country had little infrastructure, was deeply divided, subject to an economic blockade from Thailand and a withdrawal of assistance from the United States, and had experienced an exodus of highly qualified public servants. In these adverse post-conflict conditions, the Government sought to impose a centrally planned and controlled socio-economic order. The results were disappointing, with organizational weakness and financial disorder characterizing public administration at all levels of government. Paradoxically, the centralized socialist system was in practice highly decentralized and only weakly held together.

In 1986, the Government decided to abandon the centrally planned route to development and instead followed the market economy path already adopted by China and Viet Nam. Early experiences were of, "weaknesses in the implementation of national policies, lack of norms and standards for minimum service delivery and shortage of technical and institutional capacities at the centre" (Keuleers and Sibounheuang 1999, 206). At the Fifth Party Congress in 1991, the Lao People's

Revolutionary Party determined to promote administrative renewal towards a more centralized, but still market-oriented, system of government. Efficient and effective public administration was identified as a prime requirement for this overall policy thrust. Fiscal centralization was quickly implemented while line ministries also reasserted their authority over sub-national public officials and activities. UNDP was called in to assist in this administrative modernization, first with the newly established National School for Administration and Management, and the Department of Public Administration and Civil Service. Between 1994 and 1997, US$ 3 million was injected into various PAR activities through UNDP.

Incremental growth in knowledge and familiarity with PAR among party officials led to the creation of the Leading Committee on Public Administration Reform in 1997 following the recommendations of the Sixth Party Congress in 1996. A broad PAR strategy was formulated identifying six major components:

- **Role of government:** effective strategic management and fundamental restructuring of government;

- **Central government:** strengthening central mandates, policies and organizational structures;

- **Local administration:** capacity-building and institutional strengthening at the local level;

- **Personnel management:** strengthening different aspects of personnel management within the civil service;

- **Financial management:** ensuring cost-effective use of scarce financial resources at all levels of government; and

- **Public sector rules and regulations:** improving rules and regulations pertaining to sound governance and public administration.

External assistance was sought from UNDP, which committed US$ 1.15 million between

1997-2002 and secured Swiss support to invest a projected US$ 1.35 million in the period 2003-2006. A range of activities have been undertaken,

such as strengthening the Prime Minister's Office, policy advice and law-drafting on central-local relations, delineation of systems of performance management and evaluation, and contributions to the elimination of red tape. Other donors have provided aid for institutional strengthening in particular sectors such as agriculture and education and have made contributions to the creation of a new financial system, including revised government procedures for financial management.

Financial reforms are a key aspect of PAR, in transition economies in particular, and are closely linked to organizational and institutional reforms[10] as well as reform of personnel management systems, relating directly to issues such as payroll reforms, strengthening of revenue collection and issues related to fiscal centralization or decentralization. Financial reform also provides one of the clearest links between PAR and the achievement of the MDGs as it relates to issues of budget allocation and pro-poor fiscal policies. This explains the centrality of financial management reforms in the PAR programme in both Lao PDR and Viet Nam.

The pace of change has been relatively slow as there are obstacles and issues that still impede progress. Lao PDR is ranked 135th in the UNDP *Human Development Report* (2004). The country has a low GDP per capita (US$ 1,720 PPP in 2002), a life expectancy at birth of only 54.3 years, and an adult literacy rate of 66.4 percent. PAR is further constrained by scarce resources, inadequate staffing levels, weak personnel management systems, low salaries, and a lack of transparency and accountability. There is caution among some party members and civil servants about bureaucratic modernization. Therefore, despite growing familiarity with PAR and a declared commitment to it, the pace of change is still extremely slow.

The public service is young and typically based in rural areas. Eighty-two percent of public servants[11] in 2000 were under 40 years of age. However, only 10 percent held bachelors degrees while primary school was the highest level of educational achievement for 31 percent. Eighty percent of public servants were appointed to sub-national levels of government. This is desirable as most of the population and deprivation is in rural areas. Yet, it is also problematic in that rural-based public servants are often under-qualified and under-resourced.

Since the launching of the Governance and Public Administration Reform (GPAR) programme in 1997, progress has been made and there are now grounds for some optimism. While there have been no requests in Lao PDR for large loans to fund a comprehensive programme of PAR, the pace of reform seems to be accelerating. Policy development under the GPAR programme has resulted in a more comprehensive approach to public sector reforms. This culminated in the adoption of a government policy paper on governance issues entitled *Public Service Reform, People's Participation, Rule of Law and Sound Financial Management*. This policy paper, presented to a Donor Meeting in April 2003, prioritizes governance reforms, "as a cornerstone of the nation's approach to eradicate poverty", with PAR as one of the key components.

Further, over the past year, some of the reforms that had been previously conceptualized have come into their final stages. A new civil service statute was adopted in May 2003 and a new law on local administration was approved the same year. With the approval of the National Growth and Poverty Eradication Strategy the recent decentralization policies (mainly aiming for improved administrative deconcentration) have become explicitly linked to poverty alleviation. The Government is now planning to pilot local development funds reflecting the desire for further delegation of authority over local projects and for improving processes and procedures for planning and budgeting and expenditure management at local levels. The Government is also encouraging central ministries to concentrate on budgeting, research, and monitoring and evaluation, and to delegate additional service delivery functions to the provinces and districts. Institutional strengthening is continuing in various agencies and there are visions of the sort of public service that the party and government would like: professional, competent, service-oriented, accountable and efficient, in which appropriately skilled people are appointed to the right job and in which outstanding performance is rewarded and encouraged. However, transforming such visions into reality remains difficult for reformers in Lao PDR.

UNDP assistance to PAR

The first PAR project (1993-1997) assisted two core government institutions that had been established in the early 1990s: the National

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[10] *The financial departments in the provinces are formally under the central Ministry of Finance. But in practice, the provincial governors have a strong impact on decision-making, often obstructing the emergence of a national revenue collection and treasury system.*

[11] *Public servants in Lao PDR include also the teachers, health workers, judges, as well as employees working i n the mass organizations and the various committes of the Party.*

School for Administration and Management (1991) and the Department of Public Administration (December 1992). The project addressed the limited capacity of the public service by way of personnel management reforms and civil service training. In addition, work started on the clarification of roles and relationships at central and local levels, supporting the policies of re-centralization that had been issued after the promulgation of the Constitution. The project also helped to improve the information flow within the public service and to the public with a view to making public service decisions, operations and services common knowledge to the public servants themselves and to the citizenry.

The initial PAR project was under the supervision of a Project Steering Committee, chaired by the Minister Chief of the Prime Minister's Office. While the project generated a far better understanding and acceptance at many levels of government of the comprehensive, strategic and long-term nature of PAR, disconnected initiatives were lacking the synergy required to achieve more substantial progress. UNDP therefore stressed the need for a more integrated and holistic approach to achieve significant results and impacts. An important milestone was achieved in February 1997, when the Party approved the GPAR framework, prepared with the assistance of UNDP. This document, which was a first attempt to initiate a strategic programmatic approach to public sector reforms in Lao PDR, formed the basis for the current GPAR project. The project was attached to the Department of Administration and Civil Service in the Prime Minister's Office. The UNDP project assisted the Government in managing the process of reform and in supporting key priority reforms (supporting strategic management, capacity building of the Department of Administration and Civil Service and the Prime Minister's Office, implementation of reforms in government organization, structural and procedural reform, implementation of the Decentralization Policy, civil service reforms, and training and research). Rather than embarking on an ambitious and government-wide GPAR programme, the Government adopted a more modest approach, which explains why not all components of the programme were addressed at the same time. One of the main outcomes of the project has been that it has (incrementally) linked PAR to the broader issues of governance with a view to

accelerating progress in poverty reduction. In 2001, UNDP and the Government agreed to a second phase of the GPAR project, which is currently in process. UNDP also supported the Government in the development of the policy paper on governance issues (Public Service Reform, People's Participation, Rule of Law and Sound Financial Management). This paper provides a comprehensive overview of the current governance situation and the major policies and priority initiatives that need to be achieved with respect to public administration and civil service reforms, people's participation and central-local relations, strengthening the rule of law and sound socio-economic management.

Since 2002, GPAR pilot projects have been launched in four provinces.

Within the PAR portfolio, UNDP has also supported the reform of the Tax and Customs Administrations. Project activities have included central administration restructuring, upgrading of provincial offices, training, computerization of revenue collection, updating and streamlining of procedures and formulation of revenue-related policy. A new tax decree was also issued in 1999, introducing new tax forms and measures to improve and facilitate tax collection. The Government also created the basis for the introduction of a value-added tax system. Tax revenues as a percentage of GDP have gradually risen from 6.4 percent in 1989 to 10.6 percent in 2005.

Since 2003, Sida (the Swedish International Development Cooperation Agency) has taken over the tax component of the UNDP Tax and Customs project, while UNDP is in the process of formulating its new support for the Customs Administration, an important move inspired by Lao PDR's upcoming entry into the WTO.

Since 2002, UNDP, through its GPAR project has been assisting the Government with the development of a vision, model and strategy for future decentralization and with the preparation of a policy paper on fiscal decentralization. The establishment of a District Development Fund for basic infrastructure and service delivery will be tested in one of the GPAR provincial pilot projects, and lessons learned will be fed into national policy-making on issues such as inter-governmental fiscal transfers and sub-national expenditure assignments.

Malaysia

Public administration and its reform

The theme of bureaucratic modernization has a long and successful history in Malaysia. Effective and efficient public administration has made a significant contribution to the country's sustained economic growth and progressive improvement of human welfare indicators. At independence, in 1957, the country inherited an elite civil service, which functioned efficiently and was not politicized. While recognizing these virtues, the Government of Tun Razak (1970-1976) also realized that reform was necessary for public administration to play its role in promoting socio-economic development. A report commissioned from the Ford Foundation reiterated this sentiment, and identified the type of public service required and the means of achieving it; governance would be better served if administrative reform took precedence over political reform (Tharan 2001). The corps of elite generalist, largely Malay, administrators would be retained and their professional and leadership qualities would be enhanced through training. Cultural change would follow from this professionalization with the bureaucracy oriented to the achievement of national development goals. The public service became the instrument of 'effective governance' (ibid.).

A commonality of purpose was established and has been maintained between the political and administrative elites – the pursuit of national development. The autonomy of the public service was guaranteed by rendering it non-party politically with the Public Service Commission regulating personnel matters, although recently a ruling party decision has allowed senior public servants to join its ranks. Ministers have generally upheld the principle of non-interference although there is close consultation with the Prime Minister on senior appointments. However, "personnel management, control of establishments and measures to control efficiency are all highly centralized" (RIAP 2001, 144).

The mode of reform in Malaysia has been incremental and for almost 40 years has remained steadfastly concerned with bureaucratic modernization. The current reform programmes still appear on the official Internet site as 'administrative modernization' and 'ICT modernization'. Somewhat paradoxically, the public service has always maintained an awareness of the latest management trends from around the world, including New Public Management (NPM), and has drawn upon them pragmatically. The public service has demonstrated a very strong commitment to high-quality training especially through the public service college, INTAN. However, the centralized structure of public administration has remained intact. The Public Service Department, located in the Prime Minister's Department, controls, "establishments' (positions and organizational structures), recruitment and promotion policies, training and staff development, and implementation of measures to promote efficiency," and has a large staff to accomplish this (ibid., 144).

The Public Service Commission holds the authority to make appointments but delegates it to departmental heads for lower-level positions. It has also delegated responsibility for disciplinary matters to the departmental heads. The Malaysian Administrative Modernization and Management Unit (MAMPU), created in 1977 and also located in the Prime Minister's Department, is responsible for managing improvements in the public service.

While PAR has been a constant presence in post-colonial Malaysia there have never been grand systemic plans. The public service has been expected to tailor its reforms to the developmental directions set in government policies such as the present Vision 2020, which sees Malaysia joining the ranks of the High Income countries in that year. Innovations have been progressively introduced using instructions and directives from the central agencies. It has been a top-down process, even when initiatives such as a Client Charter (similar to the United Kingdom's and Hong Kong's Citizens' Charters) was introduced to set benchmarks and guarantees for service quality across the public service.

The current reform agenda focuses on:

- Providing customer-oriented services;

- Improving systems and work procedures;

- Upgrading the use of ICT;

- Strengthening public-private sector cooperation;

- Enhancing accountability and discipline; and

- Inculcating values of excellence.

The broad thrust of these initiatives is not new. Quality circles were introduced in 1983 to improve processes and ISO 9000 accreditation of government agencies began in 1996. Guidelines for benchmarking to assure quality for consumers were issued in 1999. The focus on ICT is more recent and is attracting much energy and resources. According to MAMPU, "ICT is recognized as a key enabler for the public sector to carry out its role efficiently and effectively". Yet, it too has a kinship with the established tradition of bureaucratic modernization and "does not challenge or question the central characteristics of traditional bureaucratically organized public service structures" (ibid., 147).

Recent developments point to a renewed focus on the strengthening of national integrity structures, with special attention paid to capacity development for the newly established National Integrity Institute of Malaysia and the implementation of a National Integrity Plan (NIP 2004) in line with the United Nations Convention Against Corruption (UNCAC). The NIP identifies a set of priorities and targets. For the first five years (2004-2008), the NIP has identified five priorities known as Target 2008, which are as follows: i) effectively reduce corruption, malpractices and abuse of power; ii) increase efficiency of the public delivery system and overcome bureaucratic red tape; iii) enhance corporate governance and business ethics; iv) strengthen the family institution; and v) improve the quality of life and people's well-being.

UNDP assistance to PAR

In response to the recent anti-corruption initiatives taken by the Malaysian Government, UNDP is currently involved in providing support for capacity development within the National Integrity Institute of Malaysia, support to the implementation of the NIP and to the establishment of a National Integrity Information Centre, and assisting with the development of gender-sensitive governance

indicators to facilitate monitoring of the implementation of the NIP. The strategy will involve the building of partnerships between various public sector agencies, including INTAN and MAMPU.

Mongolia

Public administration and its reform

Following widespread popular unrest in Mongolia in early 1990 the country began a peaceful dual transition: from a one-party state to democracy and from a centrally planned economy to an economy based on market principles. The radical and abrupt nature of the changes resulted in initial economic collapse but policy reforms eventually encouraged substantial economic growth by the mid-1990s. The country made major strides in macro-economic adjustment, price liberalization, lower trade barriers and downsizing of the public sector. Mongolia was recognized as one of the leading reformers among transition economies. In the period 1993-1995 the share of the public sector in GDP declined from 51.8 percent to 31.5 percent, but subsequent political turmoil and the return of economic difficulties have created a turbulent environment for national development.

Public administration in Mongolia developed under Soviet influence. Before 1990, an irrational and bureaucratic system of public administration prevailed with characteristics of totalitarianism and authoritarianism. Every government activity was highly centralized, command-driven, and based on forced mobilization. The bureaucracy exhibited the various dysfunctions associated with such types of organization. Problems of bureaucratic performance were exacerbated by the sudden systemic changes that public servants had to cope with. They were inadequately equipped to deal with such enormous challenges of rapid transition. However, public administration was recognized as a key area for reform by the Government and external assistance was sought to strengthen and modernize weak state organizations.

The Mongolian Government has faced a long list of public administration difficulties in trying to put its development plans on course. A range of problems has affected the budgetary process. There is poor quality of budget preparation, especially as it relates to policy-making. The latter does not seem to be constrained by budgetary realities – notably the lack of budget. Bottom-up budgeting undermines fiscal discipline and the predictability of budget outcomes. There is weak capacity in budgetary preparation and planning in the line ministries. Of particular concern is the poor capacity to prioritize, cost, or measure performance. The situation is exacerbated by a lack of trust between central and line ministries and poor accounting and auditing procedures. The absence of transparent legal and administrative institutions to enforce public auditors' recommendations has allegedly led to increased inefficiencies. Timely and accurate information on financial management is, anyway, largely absent. This means that there is little knowledge about the effectiveness and efficiency of government programmes. Public sector transparency and accountability is also extremely weak.

Fragmentation of government departments, overlapping functions and responsibilities between and within line ministries, excessive tiers of government, persistence of the command-and-control mode of functioning and frequent staff turnover are cited as reasons why there are difficulties in formulating and implementing policies, programmes and projects. Further, the public service has been growing and is, in the opinion of the ADB (2003a), "unviable". The wage bill rose from 5.9 percent of GDP in 1996 to 8.2 percent in 2002. The Government has doubled public sector wages in 2004 and put increased pressure on scarce financial resources. However, Mongolia's civil service salaries are still very low and compressed. This works as a major disincentive to civil servants' performance and adds to a poor HRM system.

Three major stages in PAR can be identified in the post-Soviet period. Stage one (1990-1993) focused on establishing the legislative and policy frameworks for the new state structure. Major achievements of the first stage included the new democratic Constitution of 1992 and a new state structure and governing institutions.

Stage two (1993-2000) aimed at the creation of a professional civil service capable of implementing public policies and government goals. One of the major milestones of this stage was the Management Development Programme (1993-1996), which was the first comprehensive attempt to reform public administration in Mongolia. Initiatives included setting up the State Audit and Inspection Board (currently the National Audit Office) and the State Administrative Service Council (currently the Government Services Council). The legislative framework for public administration was also established through the *Law on Government [Civil] Service* of 1995. This law determined for the first time, civil service personnel policies, legalized the status of civil servants, and provided an enabling legal environment for public administration and civil service reforms in Mongolia. The Mongolian State Policy on Reforming Government Processes and the General State Structure was approved in 1996 within the overall Management Development Programme. It identified further steps towards privatization of the state-owned enterprises and legal and regulatory frameworks for a market economy; reduction in the cost of government operations, including downsizing the civil service; a new organizational structure for central government based on policy and planning ministries with oversight of executive agencies responsible for regulatory and service delivery functions; and strengthening accountability and oversight through ministry and agency business plans and new financial management systems.

Stage three (2000-present) is aimed at strengthening institutional capacities and increasing their efficiency and effectiveness: The main objective of this stage is to create a citizen-oriented, flexible, pro-active, initiative-taking, lean, capable and outcome-oriented civil service. The objectives are to be achieved through organizational development and strengthening competencies and performance of civil servants. This stage has also seen the enactment of the *Public Sector Management and Finance Law*. Implementation commenced in January 2003 and will involve devolution of personnel decision-making to general managers in line agencies, a comprehensive strategic planning process and accountability for performance in delivering outputs 'purchased' by the Government. During 2002 and 2003, the 1994 *Law on Government [Civil] Service* was also reviewed and substantially amended to strengthen personnel controls and to increase the emphasis on performance, for example to allow dismissal of administrative staff after two or more adverse performance assessments.

In April 2004, the State Great Hural (Mongolia's Parliament) approved the Mid-Term Civil Service Reform Strategy, which confirms the Government's commitment to maintain and improve its capacity to deliver essential public services and to provide an adequate legal and regulatory framework to encourage the development of an effective private sector.

There has previously been concern in some quarters that the PAR model introduced into Mongolia might be inappropriate for its particular situation. There has been a strong affiliation with NPM New Zealand-style, especially as manifested in the Public Sector Management and Finance Law. However, implementation of these reforms remains difficult, mainly due to the lack of a performance-oriented organizational culture and the absence of clearly defined performance indicators and benchmarks against which individual and organizational performance can be measured[12].

Most recently, Mongolia's Parliament has just adopted a Resolution on endorsement and support of the MDGs during its spring 2005 session, including a novel initiative to have an additional country-specific MDG 9 on *Fostering Democratic Governance and Strengthening Human Rights* which also includes a target of achieving zero-tolerance for corruption by the year 2015. UNDP has played an incremental role in this process.

UNDP assistance to PAR

The Mongolian Government's Management Development Programme was implemented during 1993-1996 with support from UNDP for three main policy directions:

- To undertake public sector reforms to adapt the public administration to the requirements of the transition period and eventually to the requirements of an operating market economy in an open democratic society;

- To undertake private sector reforms that create and consolidate a viable private sector, through the privatization of state-owed enterprises and the restructuring of privatized enterprises, and small and medium-sized enterprises promotion; and

- To undertake support components composed of strategic programme policy and programme support for key actions related to programme consolidation, management education, post-experience training, research, and consultancy and systems development with regard to information, management accounting, and auditing systems.

A further reform was carried out for integrated, holistic support of democratic governance through the Capacity Building of Governing Institutions: Support to Democratic Governance project during 1997-2000. This goal has been accomplished through coordination, social communications and the following capacity building mechanisms:

- Policy analysis and oversight capacity building;

- Institutional development, including organization, information, and human resources development;

- Assistance to support systems crucial for long-term sustainability, such as management education, training, consultancy, information systems; and

- A fund for synergistic management for start-up activities, problem-solving, opportunity seizing, proactive promotion of synergies between governance activities.

In 2000, after the formation of the new government and building on the learning experiences of two previous PAR and governance capacity-building efforts in Mongolia, UNDP assisted the Government with the formulation of the Good Governance for Human Security Programme. Programme implementation was under the chairmanship of the Prime Minister. UNDP also provided support to the Programme Management Unit. The emphasis has been on participatory consultations in formulations as well as consensus building and responsiveness to citizen demands. Outreach activities have prioritized the national parliament, the presidency, the mass media, academia, other opinion formers, and general public opinion. The main objective was to achieve national policies with the involvement of the above stakeholders. Consensus building and

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[12] As mentioned in the Civil Service Reform Strategy, "identification of effective performance indicators is probably the most challenging step in implementing output-based management and accountability". To this end also, "a mechanism will be established to obtain regular feedback on civil service performance from service users or clients, and the results published".

responsiveness to citizen demands can contribute to good governance and the achievement of greater political stability, policy continuity and a more improved enabling environment than has been the case in Mongolia recently. Corruption, citizen frustration and alienation remain the greatest threats to Mongolia's sustainable development.

With the new government and grand coalition in Parliament, and the preparation of a new government action plan, the Good Governance for Human Security Programme has come to an end. UNDP's support in the area of PAR is now being oriented towards the Office of the President, the National Assembly (in particular the working group responsible for the implementation of the National Programme for Combating Corruption and the implementation of the UNDP supported National Integrity Systems Enhancement project) and the Office of the Government Services Council (code of ethics, conflicts of interest policies and development of a participatory monitoring mechanism as stated in the Medium-Term Civil Service Reform Strategy).

Philippines

Public administration and its reform

Considering that the Philippines has one of the longest-running discourses on PAR in Asia, its record of actual reforms is disappointing. Since political independence in 1946 there have been five attempted reorganizations of the Philippine public administration system but these grand plans of systemic change have failed to reach the implementation phase (Turner 2002). Explanations of reform failure have included culture, bureaucratic behaviour, partisan politics and political economy (Varela 1996; de Guzman 1993). President Ramos (1993-1999) came closest to achieving systemic changes with his NPM-style initiative to 're-engineer' the bureaucracy. However, he failed to get his reform package through Congress because legislators did not want to give the President full authority for re-engineering the executive branch but favoured a joint Executive-Legislative Commission. Ramos's successor, Joseph Estrada, also failed to get his reform

initiatives in place, while the first government of President Arroyo (2002-2004) continued the theme of piecemeal reform despite declaring a two-track approach to PAR: the legislative track for major reforms and the administrative track for reforms which can be designed and implemented within the existing legal framework.

Despite the absence of systemic reform there have been a number of notable individual innovations in public sector management. For example, in the 1990s, the Civil Service Commission introduced a *Do-Away-With-Red-Tape* (DART) initiative and followed it up with a quality improvement programme ('the citizen now not later') to improve the public service's image, increase accountability, and encourage performance improvement (Sto Tomas 1995). There have also been initiatives in HRM such as efforts to enhance performance evaluation, the development of a common personnel information database and a study of position classification and compensation.

Concerns over budget deficits have increased the urgency of reforms in public expenditure management. The objectives of public expenditure management reforms are to strengthen fiscal discipline and to set in place a performance orientation in government. Initiatives include a more realistic medium-term fiscal plan, clear definition of public investment priorities, an organizational performance indicator network to facilitate priority ranking of programmes and projects, and an agency performance review which will feed into future budgetary decisions. Procurement has also been a cause of concern with measures introduced to achieve a streamlined, uniform, and effective system which should bring 20-30 percent savings in procurement of goods and services across government. Major actions include the passage of the *Government Procurement Reform Act* and its implementing rules, the establishment of the Government Procurement Policy Board, and professionalization of procurement personnel. A set of standard bidding documents has been produced to reduce transaction costs while technological innovation in the form of the Government Electronic Procurement System is aimed at increasing efficiency, effectiveness and transparency in procurement.

The deepening fiscal crisis in 2004, after the election of President Arroyo, precipitated a number of reform measures each

aimed at reducing public expenditure or increasing government income. Downsizing the bureaucracy, cost-cutting, anti-corruption measures, and the pursuit of tax avoiders are among the initiatives being pursued by the Arroyo administration.

Transparency and accountability have long been problems in government, a fact corroborated by public opinion polls and rankings by organizations such as Transparency International. However, government has attempted to address such problems by authorizing the Office of the Ombudsman and the Presidential Anti-Graft Commission to conduct lifestyle checks on government officials. Integrity development reviews have been undertaken in the Department of Education and the Office of the Ombudsman to map out corruption vulnerabilities, enhance integrity and improve anti-corruption effectiveness. The introduction of information technology has been an important element in the Bureau of the Treasury's efforts to increase efficiency and reduce corruption. Similar aims have driven the Bureau of Customs' efforts to streamline cumbersome procedures through the use of information technology. Several government agencies have adopted schemes whereby public feedback is obtained via text messaging and e-mail. However, although Philippine leaders periodically boast of their strong stance against corruption, due to low salaries, nepotism, red tape and the overlapping mandates and accountabilities of the 13 agencies involved in the fight against corruption, the laws, institutions and related action plans have not been effective (Quah, quoted in Wescott, 2004, 8).

The most significant public sector reform in recent years has been political decentralization through the *Local Government Code* of 1991. The initiative was inspired by 'people power', which triumphed over authoritarianism rather than through managerial arguments of improved efficiency. Locally elected councils were installed at provincial, city, municipal and community *(barangay)* levels and given responsibility for a range of functions – agriculture, health, public works, social welfare, and environment and natural resources – and substantial additional funding was allocated by the centre to perform these new functions. The consensus is that real gains have been made in terms of popular participation and enabling local governments to run more of their own affairs. There is also evidence of innovation and

experimentation as local governments seek solutions to the problems they face. Local government has opened up further opportunities for NGOs, which are numerous in the Philippines and have been active at all levels of government in terms of advocacy, advice, service delivery and project implementation. There are some concerns, however, that they have been captured or at least become dependent on funding provided by government and donors.

UNDP assistance to PAR

The Philippine Government actively pursues poverty reduction through good governance with support from UNDP. The Government of the Philippines-UNDP Governance Portfolio contains a three-point strategic agenda addressing governance issues in public sector reforms, institutional strengthening as well as human rights mainstreaming across programmes and projects. To address these objectives, interventions have been made in the areas of capacity development; policy development, institutional and operating systems reforms; development and mainstreaming of innovations in transparency and accountability; establishment of a support network; research; constituency-building; and advocacy. UNDP-supported programmes and projects have made important gains and contributions to PAR particularly on anti-corruption, civil service and economic management, people's participation in monitoring public-sector performance and decentralization and local governance.

UNDP has made significant contributions towards strengthening the capacities of government, CSOs, the private sector and the media to work together to promote transparent and accountable practices in the bureaucracy, improve public awareness and develop a culture of ethics in government. Initiatives include participatory audit and sectoral performance audits of the Commission on Audit; ethics and accountability training programmes of the Civil Service Commission; and the organizational review and capacity building programmes of the Office of the Ombudsman. Civil society-initiated programmes were pursued in the areas of government monitoring, budget advocacy, investigative journalism, anti-corruption campaigns and consultations on the anti-corruption agenda.

UNDP has contributed to the strengthening of the Inter-Agency Anti-Corruption Committee and the formulation of a Covenant among key agencies that defines the guiding principles among key players/agencies against corruption in the public sector; strengthening investigation and prosecution capabilities of the Office of the Ombudsman in the efficient disposition of cases; the development of an ethics-based assessment test in the civil service, which provides a new screening process for public servants; increased public awareness and action through the anti-corruption campaigns led by civil society and community-based organizations such as the Transparency and Accountability Network; and the research and advocacy efforts of media groups such as the Philippine Center for Investigative Journalism and the Center for Community Journalism and Development.

Partnerships with community organizations such as the Concerned Citizens of Abra for Good Government were also forged to replicate the best practices on participatory monitoring of government projects nationwide. There has also been support for the Philippine Governance Forum, a national network of public policy reform-oriented organizations. The Philippine Governance Forum conceptualized and launched initiatives such as the Budget Advocacy Project, Government Watch (G-watch), Transparency and Accountability Network, and the Philippine Governance Report. These CSO-led initiatives continue to be funded by various donors.

UNDP has supported the institutional strengthening initiatives of the Presidential Committee on Effective Governance, the body mandated to oversee and coordinate the institutional reforms in the bureaucracy. This has been done through the formulation of sectoral and organizational studies, which help to define government's role and functions and how they can be performed effectively and efficiently. UNDP has also contributed to the Programme Framework on Rationalizing and Improving Public Service Delivery, which was formulated by Presidential Committee on Effective Governance, but which is still awaiting approval by the President. A key programme to be addressed under the framework is the finalization of the National Transparency and Accountability Programme. Further assistance has been given to the Department of Budget and Management in its Agency Performance Review. Generated issues, concerns and areas for improvement will be inputted in the

subsequent implementation of the Agency Performance Review. The Civil Service Commission has benefited from UNDP support for its reforms on personnel management through enhancement of the performance evaluation system, as well as on improving front-line services of government agencies through simplification of processes.

Key UNDP contributions towards addressing public sector reforms at local levels have included the development of instruments and measurements to gauge local governments' performance (State of the Cities' Report and Local Government Unit Capacity Assessment Framework); documentation and replication of best practices (Local Governance Good Practices Replication Administration or GO-FAR); CSO engagement in local governance initiatives to include policy research on local sectoral representation and strengthening CSO Networks; and profiling and mobilizing local resources or academic institutions for capacity development of local governments. Strong partnerships have been forged between UNDP and the Department of Interior and Local Government, the different leagues of local government units as well as academic institutions were established to build capacity and empower local governments to address basic entitlements of its constituency.

Recently, UNDP supported the organization of the National Multi-sectoral Governance Festival *Engaging the People and Communities: Advancing Governance Reforms towards the Realization of the Millennium Development Goals.* The conference also included a cluster on 'Public Administration Reforms: Enhancing the Administration of Service Delivery', which aimed to recognize and discuss the role of public administration in poverty alleviation and in achieving the MDGs.

Thailand

Public administration and its reform

The origins of modern Thai bureaucracy can be traced back to the reforms of King Chulalongkorn in the late 19th century. By the 1930s, "the foundations were laid for a functionally competent, centralized system of

state administration" (RIAP 2001, 70). This was the beginning of the bureaucratic polity, an arrangement in which military leaders and civil servants dominated state and society. There was consolidation of a centralized system of administration in which functional ministries exerted considerable autonomy over their areas of responsibility. Older state traditions such as a deep concern with status hierarchy and social esteem intermingled with newer managerial features of modern bureaucratic forms of organization. These are still much in evidence today. However, while civil servants still command respect and have considerable authority, the situation has changed since the heyday of bureaucratic polity. Economic growth produced new elites while democratization has further broadened the power base in Thailand.

Until the economic crisis of 1997, bureaucratic consolidation rather than its reform was the dominant characteristic. Plans were often made but changes in government and deeply embedded patterns of bureaucratic behaviour worked against significant PAR. The economic crisis precipitated serious re-evaluation of the bureaucracy among a population, "long-accustomed to consider their government officials as all-powerful and technically competent" (RIAP 2001, 100). A comprehensive reform programme was adopted in 1999, including the establishment of a high-level Public Sector Reform Commission. The programme incorporated both existing and new initiatives. These included:

■ Revision of roles, functions and management practices of departments and other agencies in the public sector;

■ Budget, finance and procurement management reform;

■ Personnel management reform;

■ Legal reform; and

■ Reform of cultural and public values.

The package was categorized as 'New Public Management' although this misdirects attention away from the fact that diagnosis of the ills of public administration and recommendations for treatment were often internally determined. It should also be noted that Thai public administration has a history of pragmatic external borrowing of policies and

institutions extending back to King Chulalongkorn.

A government White Paper presented in December 2000 reported various initiatives in each of the identified reform fields indicating the Government's commitment to implementation (OCSC 2000). Other reports noted slow implementation, a reliance on demonstration projects, heavy reliance on external consultants, and that much of the public service remained untouched by reform initiatives (RIAP 2001). Resistance by inertia was also identified.

In 2001, in line with the new principles imbedded in the 1997 Constitution, the Prime Minister issued a Regulation on Good Governance, stressing the need to promote transparency, improve the quality of public services and strengthen integrity in public life. The Instruction aims to prevent, *inter alia*, corruption, misconduct, and malpractice for personal benefit and gain in both the public and private sectors, and to ensure a high level of transparency, fairness, equity, efficiency and effectiveness in the delivery of services to the citizen.

More recent evaluation has reported significant progress in public financial management reform, strong gains in tax administration, and substantial progress in reorganizing structures and functions of ministries (World Bank 2003a). Implementation of decentralization has been slow while accountability and transparency mechanisms are judged to need strengthening. The Thai Government has maintained its commitment to PAR. In October 2002, the Public Sector Reform Commission was replaced by the Public Sector Development Commission and in March 2003 the Cabinet approved the Strategic Plan for Thai Public Sector Development which aims to improve the quality of public services, right-size the government bureaucracy, increase the competencies of public sector employees, and promote democratic governance (World Bank 2003a). Seven strategies have been established and appropriate measures of performance identified. In 2003, the current Government also issued a Royal Decree on *Rules and Procedures for Good Public Administration* (2003), focusing on responsiveness, results-based management, effectiveness and value for money, transparency, and cutting down red tape. The decree assigns a key role to the Public Sector Development Commission.

Decentralization has moved slowly in Thailand, however in 2003, in order to implement national policies in a more integrated and effective manner at the provincial level, the roles and responsibilities of provincial governors were redefined through the application of a CEO (Chief Executive Officer) management style and holistic approach to provincial administration (Government of Thailand-UNDP 2004). Also being transferred to local administrations from central agencies are 228 duties along with 35 percent of the budget by 2006.

Thailand has now adopted a performance-based, output-based public administration approach. Service delivery units are required to set targets of delivery for their budgets; managers at different levels are required to enter into a public service agreement that sets specific targets and goals. From the point of view of public-sector development and reform, information to support accurate assessment of service delivery units is crucial.

UNDP assistance to PAR

UNDP has supported public sector reform and the decentralization process in Thailand in the context of the 1997 Constitution of Thailand and the 8th National Economic and Social Development Plan (2002-2006). Governmental agencies that UNDP has worked with include the Ministries of Public Health, Agriculture, Industry, and the Interior, as well as the Office of the Civil Service Commission, and the Office of the National Economic and Social Development Board.

In the various projects that UNDP has supported, the most prominent features of PAR efforts lie in the introduction of a working process that is bottom-up and participatory. The process also involves a tripartite relationship between governmental agencies, NGOs and CSOs, using NGOs and CSOs as effective means to reach the people. Some projects also promote governmental capacity to work with local communities, both directly and through other institutions, including regional universities, civil society groups and local governments, particularly the Sub-District *(Tambon)* Administration Organization. UNDP has also supported pilot projects on financial and personnel transfer from the central government to local administration as provided for in the Constitution and the Decentralization Act.

Besides working directly with governmental agencies, UNDP has developed a modality to tackle PAR initiatives quickly. This involves working through a non-profit, non-partisan, and well-networked institution, such as the Thailand Development Researchs Institute. Thus, the Thailand Development Research Institute was used to provide catalytic support to governmental agencies as needed.

UNDP Thailand was approached by the Government to help in identifying, selecting and adapting an appropriate 'participatory monitoring' (or social audit) methodology that could be used by a multitude of national and local organizations to identify critical service delivery constraints and, most importantly, to formulate locally relevant solutions. Thailand has now decided to adopt a two-pronged approach to the process: i) an outside-in approach as a third party evaluation approach, where the CIET social audit methodology fits in; and ii) an inside-out approach of self-evaluation where such tools as the Citizens' Charter and the Public Sector Excellence Programme (originating from the Philippines) fit in. A social and people's audit was introduced to Thailand under the framework of UNDP-Thailand Partnership for Local Empowerment Through Democratic Governance (PLEDGE).

Viet Nam

Public administration and its reform

Over the past decade, the idea of PAR in Viet Nam has moved from the fringes of the policy agenda to assume a prominent position in national priorities for development. In 1992, the Seventh Party Congress acknowledged the need for an administrative apparatus that was, "consistent, competent, capable and effective". At the Eighth Plenum in 1995 the term 'public administration' received its first formal mention and involved calls for institutional, organizational and human resource reforms. It was identified as a component of the country's overall renovation programme and an important element in Viet Nam's socio-economic development.

The ensuing reforms were modest in that they absorbed limited technical support and made only very minor differences to the overall

system of public administration. They were piecemeal as they were not part of a strategic plan or overall PAR framework. Further, they were incremental rather than systemic, focusing on specific elements or activities. However, the reforms did familiarize party and government officials with the concept of PAR, what it could involve, and why it was important, thus laying some important groundwork for the future.

This patient work received a boost in 1998, when the Prime Minister established the Public Administration Reform Steering Committee. This action helped to emphasize the importance of PAR in national development. The Committee perceived a lag between the demands of rapid socio-economic transformation and development and the slow pace of PAR. A comprehensive review of PAR issues was undertaken in 2000-2001, which paved the way for a Master Programme for Public Administration Reform 2001-2010.

This document represented the first attempt to deal with PAR in a comprehensive and strategic fashion. Strategic objectives were set and key reform areas specified:

■ Institutional reform;

■ Organizational reform;

■ Human resource management and development reform; and

■ Public finance reform.

Seven sub-programmes were delineated to achieve reform objectives, namely:

1. Programme to renovate the development, issuance and quality improvement of legal normative documents.

2. Programme on roles, functions, organizational structures of the agencies in the administrative system.

3. Programme on staff downsizing.

4. Programme on improving the quality of cadres and civil servants.

5. Programme on salary reform.

6. Programme on renovation of financial

management mechanisms for administrative and public service delivery agencies.

7. Programme to modernize the administrative system.

Each sub-programme has a list of components and is allocated a lead agency for implementation. Many of the items in the Master Programme are not new, but represent the development of existing actions or the outcome of ongoing debates, which had been started in the 1990s. They can all be seen as bureaucratic modernization and not as the product of a new set of ideas such as NPM. However, the Master Plan does have some novel aspects. First, it defines the field of public administration in Viet Nam and identifies key principles which should guide the PAR process:

■ The commitment of leaders to guide and implement PAR;

■ PAR to be implemented in line with renovation of the political system;

■ PAR should be carried out simultaneously at both central and local levels;

■ The sufficient allocation of financial and human resources; and

■ Strengthened information dissemination and communication activities for public awareness and involvement.

Second, the Master Plan is comprehensive and strategic. PAR is no longer a series of free-standing projects but is a programme led by a vision of what the Government hopes to achieve in the decade:

A democratic, clean, strong, professionalized, modernized, effective and efficient public administration system…public cadres and civil servants will have appropriate capacities and ethical qualities able to respond to the requirements of national building and development.

A third novel aspect is that the Master Programme, apart from UNDP and bilateral donor contributions, is being funded through a loan. The current US$ 45 million loan from ADB is far more than the US$ 26 million in grants that had flowed into PAR until now.

While the Master Plan has the strong commitment of government and the enthusiastic support of donors there are undoubtedly implementation difficulties. These include the opaqueness and secrecy of Vietnamese bureaucracy, possible problems in coordination across agencies at both the same level and at different levels; the persistence of complex and cumbersome processes; and some individuals and organizations that feel threatened by PAR may use the existing bureaucratic culture to adversely affect implementation of the Master Plan.

There is agreement, however, that although Viet Nam has made great strides in economic reforms and in strengthening a wide range of public institutions, there is no room for complacency: Private sector growth continues to be hampered by an excessively regulated business environment, also acting as a major deterrent to foreign investment and trade; the public administration remains heavily influenced by former centralized and bureaucratic management systems and a weak human resource base; the quality of the legal framework leaves much to be desired and law enforcement is generally inconsistent; and the institutions of the legislature have limited capacity and space to exercise their oversight and representative functions. Although projects have been characterized by a strong sense of national ownership, a long-term outlook, strategic inputs of international expertise, and a regular and open policy dialogue – a consistent message is needed to link support for governance reforms more closely to the overall poverty alleviation agenda, as guided by the MDGs and reinforced by the Comprehensive Poverty Reduction and Growth Strategy of Viet Nam (CPRGS – Viet Nam's PRSP).

UNDP assistance to PAR

UNDP has cooperated successfully with the Government of Viet Nam in the field of PAR for more than a decade. This cooperation, which is seen as sensitive and complex but essential, has become an increasingly crucial component of UNDP's overall development programme to assist the country's transition process as guided by the Government's *doi moi* (restructuring) and socio-economic development strategies.

In the initial period (1992-1995), UNDP assisted the Government in identifying new concepts of PAR. A significant output was the formulation in March 1995 of the first government PAR programme, focusing on three main reform areas (legal/institutional, organizational, and human resource management and development). In addition to helping to build general reform capacities (legal development, state machinery organizational system, human resource development and management), this project facilitated the establishment of a framework for donor mobilization and the formulation of nearly 10 PAR project proposals, most of which have now been successfully implemented with donor support.

In the period from 1996-2000, five projects were developed and implemented at both the national level in the Government Committee on Organization and Personnel and the Ministry of Agriculture and Rural Development and at the subnational level in Quang Binh, Hai Phong and Ho Chi Minh. While the projects at the centre focused on the reform of government system, those in the provinces concentrated on pilot schemes in a wide range of areas, including:

- One-stop shop service delivery models piloted in Ho Chi Minh City and Quang Binh, and replicated in other provinces;

- Block grant and staffing in administrative agencies in Ho Chi Minh City;

- Local service contracting-out in Hai Phong;

- Local government autonomy through the Decentralization Decree for Ho Chi Minh City and urban management and planning coordination in Hai Phong; and

- Initial computerization toward e-Government in Ho Chi Minh City.

In the same period, a UNDP-coordinated PAR partnership was established, providing a mechanism for government-donor information sharing and resource coordination.

Between 1999 and 2001, UNDP coordinated donor assistance to support the Government in conducting a comprehensive review and in developing the PAR Master Programme (2001-2010). This PAR strategy provides a comprehensive framework, which has been discussed in the previous section.

In 2002, in a joint effort with the Government, UNDP and five bilateral donors (Canada, Netherlands, Norway, Sweden and Switzerland) developed a new PAR programme, with the Ministry of Home Affairs playing the executing role in coordination with key central agencies

(Office of the Government, Ministry of Justice, Ministry of Finance and the National Academy of Public Administration). This new programme supports the Government in undertaking a coordinated and programmatic approach to PAR and in developing sound steering and coordinating systems for the effective implementation and management of the PAR Master Programme. Built upon the lessons learned from the past reform decade with an aim of contributing to achieving the MDGs and facilitating the CPRGS process, this programme concentrates its support on:

■ Enhancing the coordination and management capacity for the successful implementation of the overall PAR Master Programme and its programme areas;

■ Enhancing departmental and provincial PAR planning and management capacity;

■ Promoting advocacy and mainstreaming of the PAR Master Programme among the stakeholders;

■ Promoting policy research, departmental and local innovations and replication; and

■ Strengthening government-donor partnership to promote dialogue and resource mobilization and coordination.

Launched in 2003, in close connection with the above programme are the second phases of two other projects. One is a project to support PAR in the Ministry of Agriculture and Rural Development. The other is helping to tackle the socio-economic development issues of the leading economic centre, Ho Chi Minh City. The lessons of these two projects will be shared and replicated nationwide.

UNDP's assistance is thus becoming more closely linked with the overall poverty alleviation agenda of Viet Nam, as defined by the MDGs, Viet Nam Development Goals and the CPRGS, and geared towards initiatives that explicitly promote accountability, transparency, equity and participation as key principles required for the development of a sound system of governance.

5.2 South Pacific

Papua New Guinea

Public administration and its reform

PAR has been a constant presence in Papua New Guinea since political independence in 1975. For the first decade the leading policies of public sector reform were incremental in nature: localization, public sector growth, training and restructuring. However, there was one radical change – decentralization. This involved the establishment of elected provincial assemblies and the transfer of various service delivery functions and the associated public servants to provincial control. In 1983, the World Bank noted some problems but judged public administration to be a, "generally well-functioning system, with well-controlled budget procedures" (World Bank 1983,1).

This phase of 'tinkering with the bureaucracy' was followed by a period combining existing initiatives with some more significant innovations (Turner and Kavanamur 2002). Despite these efforts, public administration moved into 'creeping crisis'. To address existing problems and create a more responsive, efficient and effective public administration, a Project Management Unit was created with World Bank assistance. The most important change was the replacement of the independent Public Services Commission with the Department of Personnel Management. This heralded the politicization of the public service. There was much diagnosis of organizational problems and suggested remedies. A resource management planning system was designed but never implemented. Meanwhile, bureaucratic efficiency declined as dysfunctions multiplied.

 As the mid-1990s approached, the World Bank (1995) reported a health system that was, "deteriorating" (ibid., 12), an education system

that, "does not appear to be improving" (ibid., 16), "a totally inadequate sum" (ibid., 19) of government money devoted to agriculture, and, "considerable scope for increasing the effectiveness of infrastructure expenditure" (ibid., 22). Everybody agreed that the public was not being served well and that the situation was getting worse. The creeping crisis in public sector management appeared to have transformed into an acute crisis.

A steady stream of reports reiterated the need for action to address serious problems in almost every aspect of public sector management. The result was a corresponding stream of reform initiatives. These derived both from the external pressures of donors and from domestic initiatives. However, performance did not improve. A reform of the system of provincial government only led to further performance decline. Radical downsizing failed to materialize due to a lack of funding. Multilateral donors moved in to complement bilateral aid from Australia. The latter had a long engagement with Papua New Guinea, especially in capacity building. Strengthening of the financial system was identified as a priority and much effort has been put into this pursuit.

A range of other initiatives, such as the revitalization of the Public Service Commission, have been funded in an effort to rescue a State which is weak and an economy which has a record of poor performance. It will be difficult to create a properly functioning bureaucracy in these conditions. However, the 2004 National Budget reiterates the importance of PAR with the promise to build a performance-oriented public service with a performance management system for departmental heads and merit appointments. It also indicates investment in reorienting personnel management systems to improve service delivery as well as a Service Improvement Programme to re-engineer cumbersome government processes. A recent radical initiative by Australia involves the placement of Australian personnel in key positions in government agencies in order to arrest bureaucratic decline.

South Pacific Island Countries

The South Pacific Island Countries can be joined together to form a special case as they share certain characteristics that delineate them from other countries in the region.[13] Items on the following list apply to a greater or lesser degree to individual countries in the South Pacific:

- Small resident populations going as low as 2,100 in Niue;

- Small land areas;

- Limited natural resources;

- Limited economic opportunities;

- Diseconomies of scale;

- Susceptibility to natural disasters and crises which can have a much greater effect than similar events in larger countries (e.g., typhoons, the Asian financial crisis, military coups in Fiji);

- Dependency on migration, remittances, aid and bureaucratic employment (much less so in Fiji than elsewhere); and

- Diverse cultures and languages.

Most South Pacific countries achieved political independence in the 1970s and proceeded, in the 1980s, to build large governments relative to population size. In the 1990s, governments and donors became greatly concerned by the 'Pacific Paradox' comprising, "low rates of economic growth despite high levels of foreign resource inflows and high rates of investment" (ADB 1998, 2). All States experienced fiscal crises brought on by combinations of poor economic management, ballooning debt, excessive public sector growth and unsustainable budget deficits. The situation was compounded by a future scenario of declining foreign aid, the adverse effects of the 1997 Asian financial crisis on exports, and growing popular dissatisfaction with the quality of governance and public service provision.

This situation made PAR a high priority on South Pacific governments' policy agendas. The

leading strategy, still evident today, was downsizing of the public service. In the Cook Islands, public sector employment was reduced by 57 percent over 1996-1998, in Solomon Islands the payroll was reduced by 9 percent between 1998-2000, in Vanuatu 10 percent of the Government workforce was shed in 1996, and even in tiny Niue the public service was slashed by 50 percent in 1995. In some places, such as the Cook Islands, departments were amalgamated in restructuring exercises.

The policy of saving money has been complemented by the policy of improving the management of what was left and even trying to extract a bit more. Public expenditure management received considerable attention and in some places, such as Fiji, and in Samoa, a value added tax (VAT) was introduced. Concerns over fiscal responsibility led to efforts to improve accountability and transparency in government financial systems. There were also initiatives, such as in Samoa, to introduce output budgeting to encourage focus on results in addition to inputs. Contracting out was promoted to improve efficiency and effectiveness in government spending.

In Samoa, reforms have moved further forward than elsewhere and include many items from the NPM menu. There has been a considerable degree of success. In addition to output budgeting and a VAT there have been improvements to the budget planning cycle, the drafting of a treasury manual and the enhancement of the accounting systems. Financial devolution has involved the authority to shift expenditure among cost items, increased ceilings expenditure that can be approved by line agencies, and experiments in revenue retention (ADB 2000). Some personnel functions have been devolved to line agencies and departmental heads have been placed on performance-based contracts. Strategic planning has been adopted, including the preparation of departmental corporate plans, and a start has been made in sectoral planning involving inter-agency cooperation. Improved accountability to stakeholders and greater transparency in decision-making have been additional features of the Samoan reforms.

Despite the Samoan success there is still much concern about the slow pace of reform in the Pacific, whether some imported reforms have been appropriate for the circumstances, and

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[13] *Maldives in the Indian Ocean also shares the characteristics of the South Pacific Island States.*

who is actually driving the reform agenda. While donors acknowledge the importance of local ownership of reforms this is not necessarily the reality. In the Federated States of Micronesia local ownership declined as political and personal costs rose. Disorder in Solomon Islands derailed all reform efforts and almost brought the Government to a standstill. Intervention by Australia and other Pacific nations has helped to restore order and rebuild capacity[14]. In Tuvalu, the civil service grew beyond its planned size while questions have been raised as to why an imported system of output budgeting should be the only way for performance improvement. The introduction of best practices in fiscal management into the Pacific has been criticized for its excessive demand on absorptive capacity and the tendency to crowd out good practices (Hemming 1999). In Nauru, the decline of phosphate revenues has severely affected government income and hence its capacity. In Vanuatu, it is not clear whether the reforms promoting efficiency have brought any improvement in service delivery. Measures that are approved by parliaments may not be implemented. For example, in Tuvalu, 11 reform measures endorsed by the Cabinet in January 1999 had not been acted upon by 2002. Cultural aspects also seem to have been overlooked[15].

The overall situation in the South Pacific is one of a few successes, notably Samoa, a recovering disaster in Solomon Islands and, for the other countries, a case of slow progress with reforms often lacking local ownership. Service delivery has been overlooked in the quest for greater efficiency in central fiscal management and an externally promoted push for the substitution of the private for the public sector. However, the latest pronouncements of the reinvigorated South Pacific Forum promise improvements in service delivery across the Pacific.

Timor-Leste

Public administration and its reform

Timor-Leste is the newest state in the Asia-Pacific. Previously under Portuguese and then Indonesian rule, Timor-Leste emerged from the violence and destruction of September 1999 and progressed rapidly – electing the Constituent Assembly in August 2001 and formally achieving independence as a sovereign nation in May 2002. Yet, the basis for development was weak. In 1999 there was, "no government, no official language or currency, no system of law, no media, no schools, and no shops" (UNDP 2002b). There was an 'institutional vacuum' with none of the organizations normally associated with running a modern state. Further, about 8,000 public servants had fled to Indonesia, including key people in the bureaucracy.

In designing a new system of public administration it was necessary to avoid the deficiencies of the previous order: overstaffing; a culture of dependence on the centre and the top levels of bureaucracy; complexity involving too many layers and duplication of functions; pervasive corruption; and lack of public participation (UNDP 2002b). The initial responsibility for rebuilding the nation was placed in the hands of the United Nations Transitional Administration in East Timor (UNTAET). Creating the basis for an effective public administration was a high priority for UNTAET. This involved hiring a large contingent of international staff and recruiting qualified East Timorese. By April 2002 almost 11,000 East Timorese had been recruited into government service against 15,000 approved positions, although there were many gaps at higher levels where there were few qualified candidates. Progress was also made in, "establishing basic legal and regulatory frameworks, civil service management systems, procedures and processes, as well as institutional mechanisms for effective resource mobilization and public expenditure management" (UNDP SURF 2004, 5).

At independence there was a functioning administration but it was based, on "a wide variety of technical inputs, management cultures, approaches and solutions (and to a large extent UN systems, regulations and working methods)" (UNDP SURF 2004, 5). It was, like the previous Indonesian arrangements, an imported system not fully understood or accepted by the East Timorese. Many tasks remained, and UNDP has continued as the principal external agency for PAR having built a strong relationship with the Timor-Leste Government and developed expertise in dealing with the unique post-conflict situation

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[14] *The RAMSI force (Regional Assistance Mission to Solomon Islands – Australia and 7 other countries in the region) consists of a military, police and development coordination component. The objective is to restore law and order and undertake the task of rebuilding the machinery of government and reforming the economy. Phase 1 is about solving the immediate problems of violence and corruption. Phase 2 is about building the capacity for effective governance, which includes addressing underlying social and economic issues.*

[15] *It is not clear how departmental autonomy on hiring and wages combined with fixed-term contracts would work in practice in a small society (Samoa) where family and kinship ties are particularly strong (ADB Website).*

in the country. Other donors have also made contributions to public administration such as Australia, Brazil, Japan, New Zealand, Portugal, the World Bank and ADB. The dire economic situation of Timor-Leste coupled with its low skill base has necessitated dependence on donor funding.

Timor-Leste clearly stands at a crossroad. In May 2006, the UN Mission will depart, formally concluding the political responsibilities of the Security Council. The challenge now is to develop a coherent transition strategy, effectively implement it with appropriate level of financial and human resources, and shift smoothly to the 'normal' development assistance, and how achieve development independence in addition to political independence. Fortunately, there are strong signs that development assistance will be well sustained beyond the Security Council mandate and that Timor-Leste will not suffer from fading donor interest now that the emergency phase is over. Following the government's approval of the 17 Sector Investment Programs, there is now a clear shift towards sectoral approaches to development. In this regard, the World Bank is spearheading a multi-donor Planning and Financial Management Capacity Building Programme to support the key agencies in charge of planning and financial management. Another partnership lead by AUSAID and UNDP is joining forces to design a support programme for capacity development related to civil service and human resource management, mainly targeting the agencies responsible for personnel management, training and coordination of capacity development efforts.

UNDP assistance to PAR

At the Donors Conference in Lisbon (June 2000), UNDP was designated as the lead agency for capacity building in the Timor-Leste public administration. UNDP supported the former National Planning and Development Agency with the preparation of a sector-wide Capacity Development Programme for Governance and Public Sector Management, which was approved by Cabinet in August 2001. The focus of the programme was twofold: i) to prepare the ground for the transition to a new administration; and ii) to develop and strengthen basic cross-sector capacities

essential for the functioning of a lean public administration supportive of a market economy in a democratic system of governance. A Capacity Development and Coordination Unit (CDCU) was established, to be the central coordinating entity for all capacity development related activities in the Government, the Parliament, the Judiciary and the President's Office. The CDCU is currently attached to the Prime Minister's Office.

UNDP has played a leading role in laying the foundations of post-conflict public administration in Timor-Leste, in particular through support in the following areas:

- Civil service HRM;

- Capacity development in the public service;

- Accountability, transparency and responsiveness in the civil service; and

- Decentralization.

Since 2002, UNDP has been implementing the Capacity Development for Human Resource Management in the Civil Service Project. This project marks a move from rebuilding public administration to reform. The early years of UN administration were about constructing a new system in its totality. Now the task is, first, to ensure that the indigenization of the system of public administration is conducted with the least disruption to a system that is functioning but is still fragile. Second, there is a need to strengthen and modify what exists so that it reflects local needs and conditions. This means that a capacity to conceptualize and implement change must be developed among public servants.

Initially, the project's objectives focused on the development of legal and regulatory frameworks and systems and procedures in the area of HRM and support to the National Institute of Public Administration. The project aided in the drafting of the first Civil Service Act for Timor-Leste and organized a series of consultative Organizational and Team Diagnostic Clinics targeting a total of 13 ministries, including the Prime Minister's Office, the Secretariat of the Council of Ministers and the Secretariat of Parliament.

As a result of these assessments, the Government, UNDP and the United Nations Mission of Support for East Timor (UNMISET) revised their capacity-development strategy and adopted a three-pillared framework to address the strengthening of the state administration:

i)   skills and knowledge;

ii) management systems and processes; and

iii) culture, attitudes and behaviour. Consequently, the objectives of the HRM project were also revised to bring them in line with this capacity development strategy.

This shift also requires a stronger role for both the CDCU and the National Institute of Public Administration.

The HRM project is working in close collaboration with the Institutional Capacity Development Support project, the successor of the "Development Posts Project", which was established as a mechanism through which donors could channel their contributions for capacity development in preparation of the departure of the UN mission (the departure of the UNOTIL[16] mission is now planned for May 2006). Forty-five positions are now identified as being 'most critical' for the functioning of the public administration and the remaining 118 are considered as 'critical'. The former will be managed by UNOTIL, while the latter will continue to be subject to voluntary multilateral funding, managed through UNDP, or bilateral funding managed directly by development partners. Terms of reference (TOR) for both 'most critical' and 'critical' advisors have been developed to reflect the paradigm shift from individual to institutional capacity development, based on the above-mentioned three-pillar approach.

UNDP and the United Nations Capital Development Fund (UNCDF), in partnership with Ireland Aid, have also responded to the Government's commitment to decentralization and community building as expressed in the National Development Plan and have assisted the Government in preparing policy options on local governance. The project is now in its implementation phase to support the phased approach to local government reforms, which were set by the Government. A Local Development Fund is being piloted in four districts.

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[16]   *United Nations Office for Timor Leste, the successor of UNMISET.*

5.3 South Asia

Afghanistan

Public administration and its reform

Afghanistan is one of the world's poorest and long-suffering countries. It experienced 20 years of armed conflict before liberation from the Taliban in November 2001, and even now sporadic violence continues. At the time of liberation, there had been a three-year drought, infrastructure and social capital had been destroyed, human resources were severely depleted, state institutions were not functioning, and 7 million people were vulnerable to hunger. All development indicators showed appalling levels of human development. One of the first actions following liberation was the appointment of an Interim Administration for an emergency period of six months and then a Transitional Authority, elected by the traditional *Loya Jirga* for two years from July 2002. According to the latest report from the Afghan Government, it will require US$ 27.5 billion over the next seven years to reconstruct the country and raise the annual per capita income to a modest US$ 500.

A legacy of poor administration and lack of human capital investment over the last 20 years has left Afghanistan with an aging public service whose skills and abilities have depreciated over time during this neglect (UNAMA 2004, 59). To facilitate the renewal of Afghanistan, a central role has been awarded to PAR. The broad vision includes a civil service that exhibits efficiency, transparency, and accountability. In order to achieve this desirable state of affairs, major problems must be overcome. UNDP (2003c) has detailed a long list of challenges including:

- Government structures are fragmented with many overlapping functions, some of which are unnecessary;

- Lack of inter-ministerial coordination;

- Poor policy-management capacity;

- Unclear lines of accountability;

- Weak personnel management including shortage of information on personnel;

- Shortage of skilled personnel;

- Legacy of excluding women from public employment;

- Pay scales unattractive and payments unreliable in provinces;

- Lack of civil service training facilities;

- Poor physical infrastructure; and

- Slow administrative systems unaided by modern information technology.

Such difficulties are to be expected in the post-conflict conditions of Afghanistan. What is perhaps surprising is that, "the administrative structure of the State as it currently exists is far more robust and functional than anyone had expected" (World Bank 2003b, 1). Processes and structures that were in place before the war have survived and continue to be used despite personnel, resource, and telecommunications shortages. This suggests that there may be a useful platform of common understandings and discipline on which present and future reforms might build.

Four preconditions have been identified as necessary for effective PAR in Afghanistan:

- A lead agency for PAR;

- Inter-ministerial dialogue;

- Shaping a reform strategy; and

- Building of a strong partnership with international donor support.

These preconditions have been largely met. The Independent Administrative Reform and Civil Service Commission (IARCSC) has been established with Afghanistan's Vice President as Chair. Deriving its authority from the Bonn Agreements, the Commission has gradually

gained in influence and credibility and has proposed a comprehensive programme for the transformation and renewal of public administration. An inter-ministerial committee, the Ministerial Advisory Committee on Public Administration Reform, supports the Chairman of the IARCSC in managing the PAR Programme. The Committee provides an important degree of political legitimacy for the difficult choices that inevitably must be made. In addition, focal points in ministries have been designated to facilitate the collection and dissemination of information on the PAR programme. The programme consists of seven capacity building blocks (see Box 3), a workplan, a method for reform implementation, and the design of a communication strategy. As PAR in Afghanistan is a long-term challenge it is especially important that the workplan identifies the urgent tasks that will prepare the ground for later initiatives. Among the top initial priorities are the development of a civil service legislative framework; recruitment and appointment procedures for senior civil servants; civil service pay; streamlining structures and functions; capacity building; and accelerated budget execution and transfer of funds to the provinces.

The PAR methodology is to combine participation (i.e. initiative belongs to line ministries) with coordination (an inter-ministerial group on administrative reform). Partnerships with international donors and other actors are essential for the success of PAR in Afghanistan and support has been forthcoming from multilateral and bilateral donors. UNDP has taken a lead role in the early stages of national reconstruction and renewal and has contributed substantively to PAR design and implementation, in collaboration with other donors, in particular the World Bank and ADB.

One of the key drivers for structural and functional reforms is the Priority Reform and Reconstruction (PRR) Programme, which was launched in July 2003 to kick-start the process of reforming the most critical functions of Government. The PRR process allows the staff of entire ministry/agency or selected department undertaking core functions to be placed on an elevated pay scale for a fixed term in exchange for restructuring. Approximately 1,653 civil servants were placed on the PRR pay scale; by early 2004 this number was expected to rise to 5,000 (UNAMA 2004, 60).

Box 3:   The seven pillars of PAR in Afghanistan

The pillars will build a sound legal, administrative and physical environment in which civil servants can function efficiently and effectively, and in which they and their ministers can be held to account for their performance.

1. Civil service legal framework.

2. Personnel management.

3. Institutional and functional streamlining and development.

4. Financial management and accountability.

5. Policy management and machinery of government.

6. Administrative efficiency.

7. Physical infrastructure improvement.

The Cabinet also approved a major decompression of the civil service pay scale for all civil servants (excluding teachers, police and military). The objective of the pay reform was to make salary levels for professional staff more attractive to help to retain qualified staff. However, pay increases were also implemented at the lower levels; as a result, salary levels for unskilled labour are at the upper end or slightly above those observed in the private sector (ibid.).

A major challenge remains the existence of a second public sector, comprising the national staff of donor governments, international agencies, and NGOs who are involved in traditional government work, including the coordination of expenditure, the reporting and monitoring of that expenditure, the implementation of projects, and the delivery of public services such as education and health care. This second public service draws a large number of the most talented candidates from the civil service pool by offering higher wages and better conditions. Other challenges involve the need to undertake a more systematic pay and grading review than the current ad hoc PRR approach allows, and the need to redouble efforts to invest in the skills and development of civil servants, and provide them with the physical infrastructure and operations and maintenance expenditure to do their jobs (UNAMA 2004, 59).

UNDP assistance to PAR

UNDP and the Government of Afghanistan have established solid cooperation in a number of areas of PAR. UNDP supported the establishment of the IARCSC in Afghanistan through financing an Expert Working Group of Afghan public administration specialists from early in 2002, leading to a cabinet decree. Their role was to audit the current civil service law and to draw up an inventory of the issues the Commission will have to tackle with the view to reforming and modernizing the Afghan civil service. As part of start-up assistance to the IARCSC Secretariat, provisions were made for consultative seminars and training workshops with key stakeholders to facilitate the mapping of the Commission's work programme for the immediate term. Key elements of the dialogue included civil service reform, an update on capacity building needs and setting standards for civil service operations. Since October 2002, UNDP has provided the Commission with expertise on civil service issues in order to progress in defining the strategy, the mission and the work plan.

In collaboration with the Ministry of Communication, UNDP is executing and implementing the Information and Communication Technology (ICT) Capacity Development Project that will provide an opportunity for the Government and Afghan people to enter the digital era. Some of the project's aims include supporting national ICT policy development and enabling civil servants to apply effective ICTs in meeting the challenges of the transitional government. UNDP has contributed to ICT policy development, training of ICT specialists, technical and management support to the Ministry of Communications, and the establishment of ICT training centres in Kabul, Khost, and four regional capitals. In April 2004, 78 civil servants graduated from the courses offered through the ICT project.

UNDP also implemented the Afghanistan Information Management Services Project in order to strengthen the capacity of the Government and community in the collection, analysis and management of data and the dissemination of information to enhance the planning and implementation of relief, rehabilitation and reconstruction in Afghanistan. Other achievements include the distribution of hundreds of maps, blueprints and schematic drawings to government departments; the introduction of standard protocols for data sharing in over 100 organizations; and the provision of direct capacity-building support to 11 government departments and Kabul University.

UNDP provided assistance to the Government in managing and coordinating foreign aid flows to Afghanistan. Relevant activities included the creation of a donor assistance database; facilitation of the National Development Budget preparation process; and the establishment of a Public Information Unit at the Office of the President and an Aid Management Unit in the Ministry of Finance. The Islamic Transitional State of Afghanistan and UNDP also signed a project agreement to promote South-South cooperation. The aim of the Technical Cooperation between Developing Countries Project is to support and build the institutional capacity within the Government by learning from the experiences and good practices in other developing countries. UNDP has presented the Technical Cooperation between Developing Countries Project concept to various ministries and engaged in consultations and negotiations with potential contributors of technical assistance and other donors.

UNDP designed a project for Institutional Capacity Development for the Ministry of Women's Affairs aimed at providing technical assistance and capacity building support to the Ministry. The project is particularly focused on the Training and Advocacy Department of the Ministry of Women's Affairs and other ministries in support of the Ministry's strategic approach to the institutionalization of the gender mainstreaming process and the strengthening inter-ministerial collaboration. Activities include training in the areas of gender awareness, gender mainstreaming and public administration, and office and financial management. UNDP has also worked closely with the Minister as part of the Gender Advisory Group.

In 2004, UNDP began assisting the Training and Development Department of the IARCSC in conceiving and organizing training and development programmes for qualified civil servants and to build capacity within the Department. Based on the immediate priorities identified by the Government, UNDP supports the IARCSC in the:

i)   formulation of an overall training policy;

ii) the development of a short-term training and development strategy;

iii) the development of a leadership development strategy; and

iv) the development of a training and development strategy for the provincial and district level.

Recent developments concern the strengthening of the capacities of key senior civil servants in priority national government institutions. To this end, a Top Leadership Training Project was designed to assist the Government in implementing a Civil Service Leadership Development Strategy that was developed with UNDP assistance. Implementation of this Leadership Development Strategy requires the design and launch of several competency-based development programmes aimed at strengthening the capacity of the top civil service cadre so that they are able to assist the Government of Afghanistan in implementing the many far-reaching reforms that will be needed in the years ahead. The project will target at least 550 civil servants.

UNDP also launched a project to advance women and create equal opportunities in the Afghan Civil Service. The project will provide initial support to the IARCSC in developing and launching a multi-dimensional long-term strategy in order to increase the gender balance and promote equal opportunities in the Afghan civil service.

Also important to mention is UNDP's assistance in building up the capacities of the Secretariat of the National Assembly.

Bangladesh

Public administration and its reform

The origins of public administration in South Asia date back to the 13th century. By the time the British imperialists began taking over the territory that now comprises Bangladesh there

was already, "a well-organized bureaucracy" (Zafarullah et al. 2001, 27). The colonists continued the bureaucratic emphasis in public administration and by the time they departed in 1947, India (then incorporating Bangladesh) had, "one of the most developed civil service systems in the world" (ibid., 28). Twenty-four years later when Bangladesh seceded from Pakistan it was anticipated that rapid progress would be made in public administration. Bangladesh already possessed the basic elements of a modern bureaucracy and it was believed that through reform and nationalist commitment, an efficient and effective system of public administration could be produced. This could be achieved by removing the bureaucracy's, "elitist character, illiberal outlook, formalistic operational style, intolerance of politicians and…dogmatic, patronizing attitude" (ibid., 53).

This optimistic scenario has not come to be; instead there has been little progress in PAR. Maintenance of the status quo has been the dominant operational goal. There have been attempts to reform the bureaucracy, as recorded in a multitude of reports, commissions and committees (see Box 4). However, the recommendations of these instruments have generally been in favour of only minor incremental reforms and there has been little enthusiasm elsewhere in government to advocate more radical changes. Even multilateral and bilateral donors have been unable to promote substantial change. UNDP, World Bank and DFID (the United Kingdom Department for International Development) have all engaged in projects aimed at advancing the design and implementation of PAR. Their sponsorship of reform, especially under the umbrella of 'good governance', gets entangled, distorted and discarded in the political battles between the two leading political parties and in the opposition of elite civil servants to major change.

This means that although PAR has received a lot of attention over the past three decades it has not been translated into practice. Instead of progress in public administration there are persistent and sometimes worsening dysfunctions in the civil service. Public administration is still, "largely centralized, excessively reliant on hierarchy and multiple layers of decision-making" (Keuleers 2004a, 6). Downsizing either the number of ministries or staff has never been a policy concern despite

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Box 4: PAR in Bangladesh: No shortage of initiatives

There have been numerous initiatives both, government and donor-driven, that have produced reports and recommendations for PAR in Bangladesh. However, few serious attempts have been made to implement the policies and programmes proposed in those documents.

Government Initiatives

1971	Civil Administration Restoration Committee
1972	Civil Service Structure Reorganization Committee
1972	National Pay Commission (various other years)
1982	Martial Law Committee for the Reorganization and Rationalization of Manpower in the Government
1982	Committee for Administrative Reform and Reorganization
1985	Special Committee to Review the Structure of the Senior Services Pool
1993	Administrative Reorganization Committee
1996	Administrative Reform Commission
1997	Public Administration Reform Commission

Donor-funded Initiatives

1979	Training Needs Assessment (World Bank)
1980	Public Administration Training and Management Improvement Project (World Bank)
1983	Public Administration Project (until 1990, World Bank)
1989	Mobilization and Management of Public Resources in Bangladesh Report (UNDP)
1989	Public Administration Efficiency Study (USAID)
1993	Public Administration Sector Study (UNDP)
1993	Towards Better Government Report (DFID)
1995	Government That Works: Reforming the Public Sector Report (World Bank)
1997	Support to the Administrative Reform Commission Project (UNDP)

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the increase in both. Human resource planning has been non-existent, while the performance management system has never worked towards the improvement of bureaucratic performance. Training is not linked to career planning or other aspects of personnel management, let alone better public service delivery. Promotions at the upper levels (ranks of secretary and additional secretary) are generally confined to the generalist cadres (especially the administrative cadre), who continue to resist any reforms that would pose a threat to their privileges[17] and career prospects[18]. Moreover, the devolution of career management functions of certain cadres to the ministry/division level has resulted in the compartmentalization of the senior civil service, with each cadre developing their own organizational culture[19] (Keuleers 2004a, 7). Corruption remains a serious problem and has led to waste and inefficiency. Budget management is disorderly and financial accountability is unenforceable (Zafarullah et al. 2001). Politicization of the bureaucracy has had adverse effects on performance, while obsolete techniques and management practices continue to characterize the public sector. Successive governments have not learned from the successful reforms of other countries and

have not sought to adopt and adapt these positive lessons to the environmental realities of Bangladesh. Finally, the little that is known about public opinion reveals widespread disillusionment and citizen dissatisfaction with the public sector (World Bank 1996). However, the possibility of creating efficient, effective, and accountable development organizations in Bangladesh has been demonstrated by the NGO sector through large undertakings such as the Grameen Bank and Bangladesh Rural Development Committee, each of which operates nationwide.

There were some signs that the Government is moving beyond the rhetoric on PAR. In early 2003, a Cabinet Committee on Administrative Reform and Good Governance was established, and a special Good Governance Cell was set up in the Cabinet Division. But government commitment remains doubtful and progress continues to be frustratingly slow.

UNDP assistance to PAR

UNDP started its interventions in PAR in Bangladesh in the 1980s. It remained watchful

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[17] *The generalist cadre also benefits more than other cadres in terms of training abroad.*

[18] *The civil service remains a closed shop where people start their career at the bottom of the hierarchy, leaving little opportunity to enter laterally at the mid or top level. This practice has prevented the civil service from utilizing the expertise and experience of outside professionals and has contributed to a culture of compliance and mediocrity within.*

[19] *It is also reported that there are serious discrepancies between the levels of allowances received by different government officers belonging to different ministries, pointing to a lack of uniformity in decision-making on personnel management matters. On the other hand, allowances for work in remote areas are not sufficiently diversified (Report of the Manpower Rationalization Committee).*

with a Pre-Investment Study for a Public Administration Training and Management Improvement Project. The main purpose of the Study was to explore ways to support the Ministry of Establishment, the Bangladesh Public Administration Training Centre (BPATC) and the Staff Training Institute. The Study recommended strengthening training of public officials at intermediate and lower levels, redefining the missions of the existing training institutions, establishing a training wing in the Ministry of Establishment and small training cells in all major ministries. The Study also proposed setting up a Training of Trainers Institute within BPATC to enhance the quality of training instruction. Recommendations were made in the area of personnel management, including the development of a personnel planning system, and a more decentralized personnel management system administered through personnel officers in the different ministries. A number of recommendations were implemented (e.g., merging different training institutions such as NIPA, COTA and BPATC into one, creation of a training wing in the Ministry of Establishment etc.), but most of the more important and far-reaching reform proposals (e.g., government-wide job analysis programme, development of an open system for career advancement) did not materialize.

In 1989, UNDP sponsored the preparation of a report titled *Mobilization and Management of Public Resources in Bangladesh*. The report focused largely on deficiencies in public expenditure planning and budgeting and accounting, but also contained a section on the civil service. The report emphasized that no single institution was responsible for civil service reform and that there was a lack of coordination between different agencies responsible for recruitment, training and promotion of civil servants. Further, training rules and regulations had not been embodied in any coherent policy framework. The report recommended the preparation of career development plans for all civil servants, and linking them with their training needs. Many of these recommendations, still valid today, did not receive sufficient attention from the concerned institutions.

In 1993, UNDP sponsored a comprehensive Public Administration Sector Study for Bangladesh. The Study covered five key areas:

i)   organization and structure of government;

ii)   civil service management;

iii) performance and accountability;

iv) decision-making issues; and

v)   human resource development (HRD), education and training.

The Study made a set of recommendations aiming for a more streamlined, merit-based, and results-oriented public administration. The Study also proposed to strengthen the Public Service Commissions, to decentralize the implementation of personnel policies to ministries, and to replace the cadre and class system with a personnel management system based on position classifications and grades. Systematic training needs assessments were also proposed as well as the appointment of a special reform implementation commission. Bureaucratic resistance once again obstructed further implementation of the reforms.

UNDP's most recent involvement in PAR involved support to the Office of the Auditor and Comptroller General, and the Support to the Administration Reform Commission project. The latter was undertaken from October 1997 till March 2001 and funded by UNDP at a cost of US$ 1.3 million. The TOR for the Public Administration Reform Commission covered a wide range of PAR issues. The Commission was to make recommendations to improve the transparency, efficiency, accountability, effectiveness and dynamism of the public sector, and to make proposals for institutional and procedural changes necessary to attract investment, reduce corruption, rationalize organizational structures and manpower arrangements, improve service delivery and strengthen local government. In consultation with a wide range of stakeholders the Commission produced a comprehensive report containing 137 reform proposals and recommendations for implementation over the short, medium and long-term. In contrast with previous reports, covering similar topics, the Commission did not conceptualize a major reform programme. Taking into account the lessons of previous major reform initiatives, it was decided to formulate recommendations on matters of administrative improvement, with a view to stimulating interest and awareness

among all stakeholders and the public. Many of these proposals are in line with the basic concepts of the NPM thinking concerning performance-based and results-oriented administration in view to achieving better and more cost-effective service delivery.

At the end of the project, the Commission was dismantled and its recommendations are still under consideration. The report was seen by some to be too piecemeal and disconnected (e.g., simplification of payment of travel tax, modernization of registry in the Secretariat, use of A4 paper size in government offices, and preparation of a draft *Freedom of Information Act*). However, the Commission also made recommendations on substantive and politically sensitive reform issues (e.g., reduction in the number of government organizations and staff through rationalization and contracting out; reorganization of field administration and speeding up the process of decentralization and devolution to local governments; introduction of a Senior Management Pool to ensure representation of all cadres and facilitate fast-track promotion for all meritorious officers; and measures for combating corruption including the establishment of an Independent Anti-Corruption Commission and Criminal Justice Commission).

It is also important that, for the first time, a donor directly supported a government-led initiative. The Public Administration Reform Commission, itself a temporary body, recommended the creation of a Public Administration Reform Monitoring Commission to be located in the Prime Minister's Office instead of securing a sustainable institutional set-up to manage a reform process.

In 2003 the Principal Secretary to the Prime Minister reiterated the Government's commitment to development management through improved professionalism of civil servants at all levels and sought UNDP's cooperation in this regard. As a programmatic response, UNDP Bangladesh has been in negotiation with the Government to support its PAR agenda. The objective of the Developing Civil Service Capacity for the 21st Century Administration Preparatory Assistance Project, prepared in 2004, is to ensure further capacity assessments in selected institutions and broad stakeholder consultation in view of preparing UNDP's long-term support to capacity development for civil service reforms and administrative modernization for the 21st century. During this preparatory assistance,

the project will prepare the groundwork and initiate selected activities to start capacity development in the BPATC, which is to become the apex training institution and think-tank for the public administration.

Bhutan

Public administration and its reform

Bhutan is a small landlocked country nestled in the Himalayas between China and India. Until the late 1950s there was a self-imposed policy of isolation. The economy was subsistence based and non-monetized, while there was no modern road infrastructure or formal school system. Even today, agriculture is the dominant occupation for about 80 percent of the population, while the adult literacy rate is only 47 percent. Bhutan has cautiously opened up to external influences and the idea of modernization. Its approach to development seeks to achieve harmony between economic forces, the environment and spiritual and cultural values (UNDP 2000a). Preservation of its unique culture is especially important as it defines Bhutan's national identity. Thus, it is **Gross National Happiness** rather than Gross National Product that is the measure of success for Bhutanese development.

Bhutan was one of the last countries in the Asia-Pacific region to establish a modern system of public administration, despite this slow start between 1977 and 1987 the numbers of public servants doubled from about 5,500 to over 11,000. Subsequent growth has been more modest with about 14,000 public servants in 2000. The Government has declared that its objective is to create and maintain, "a small, compact and efficient civil service". Growth must be contained.

Much PAR activity has focused on strengthening the institutional capacities of the public service as the lack of skilled personnel has been identified as a constraint on achieving national development plan objectives. Thus, there has been considerable investment in HRD ranging from short competency-based training courses through to overseas scholarships. All of these initiatives have been taken in the context of a 20-year vision for HRD. This is complemented

by attempts to improve HRM skills and processes in a variety of areas such as planning, recruitment and promotion.

Reforms involving HRM and HRD are supposed to complement two other major PAR policy objectives of government – decentralization and promotion of the private sector. Decentralization has been identified as the way to produce efficiency, transparency and accountability in government. However, translating the ideals of decentralization into reality has proved to be a long-term affair and is still incomplete. The public service also has a considerable distance to go to provide effective and sustained assistance to the promotion of the private sector, described in one UN document as still being in an 'infantile state'. The role of public administration will be one of creating an enabling environment for private sector development and perhaps even instigating some private sector involvement in what, until now, has been exclusively public sector work. A new Public Services Act is currently being drafted and is expected to be tabled in this year's National Assembly session. The Act will provide the much-needed legal framework for the civil service and will provide a detailed outline of the institutional setting and clear TORs for the civil service and the Royal Civil Service Commission.

In 2001, His Majesty, the King of Bhutan, initiated the drafting of a new Constitution. The final draft was submitted to the Bhutanese people for review in March 2005. The draft was distributed through the media and made available on the web, both in Zhungkha (the national language) and English (http://www.bhutantimes.com/draft_constitution.pdf). Bhutan's draft Constitution establishes a Democratic Constitutional Monarchy. It also provides for the establishment of various constitutional agencies that have key roles to play in the public sector such as the Royal Audit Authority, the Royal Civil Service Commission, the Anti-Corruption Commission and the Pay Commission. Once ratified by the people through a referendum, the new Constitution will replace the current Royal Decree under which Bhutan has been run for more than 50 years. Interestingly, it is proposed that the Constitutional positions would be appointed by the King, but on the joint nomination by the Prime Minister, the Chief Justice, the Speaker of the National Assembly, the Chairperson of the National Council and the Opposition Leader.

UNDP assistance to PAR

UNDP has been a key development partner of the Royal Government of Bhutan in its PAR initiatives. In the recent past, UNDP assistance has primarily focused on building the institutional capacities of key ministries and other government organizations to facilitate the achievement of national development plans. The Ministry of Home and Cultural Affairs, the Ministry of Finance, the Royal Court of Justice, the Royal Civil Service Commission, the Ministry of Communications, the Royal Institute of Management, the Department of Planning, the Department of Budget and Accounts have all received assistance. UNDP has contributed to enhancing capacities for policy evaluation, restructuring, and human resource development and management. Some interventions have involved elements of financial management and budget-related procedures as well as initiatives in the Civil Service Training Institute.

In addition to building the capacities of civil servants at national and district levels, UNDP has taken PAR down to the grassroots level by targeting district and block level functionaries. District Development Committee and Block Development Committees are comprised of elected officials to whom certain developmental functions have been decentralized. Prior to UNDP intervention there had been no formal training programmes for these officials. However, the Government's policy of decentralization and people's participation has meant that increasingly these functionaries are at the centre of development programmes. Interventions at this level have been largely strengthening skills in planning, implementation, monitoring, budgeting, and financial management as well as overall knowledge in management in areas such as leadership skills and time management.

UNDP has also played a role in the promotion of ICT to bridge the digital divide and as a tool to facilitate development. ICT initiatives include support to the Ministry of Communications in operationalizing its regulatory role, planning, drafting policy, and building up the information infrastructure. Specifically, UNDP has provided support to the drafting of the Bhutan ICT Policy and Strategy as well as the ICT Act. The Strategy has now been adopted by the Government and the draft ICT Act is expected to be tabled soon. UNDP is also currently providing support for drafting of an Information Access and Telecentre strategy.

Auditing in Bhutan has so far been limited to 'traditional' financial auditing. UNDP will provide support to the Royal Audit Authority through capacity development for performance auditing that will lead to increased responsiveness in service delivery.
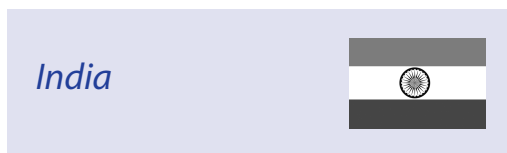
India

Public administration and its reform

Indian public administration has a long history stretching back over 2,000 years. However, the origins of the current system can be traced to the 1860s when the British colonial authorities took over the reins of government from the East India Company. Initially, recruitment was restricted to British subjects but after 1935 the number of Indian appointees grew considerably and provided the experienced officers who assumed administrative control after independence in 1947. The civil service grew rapidly after independence as the State assumed new functions and expanded others. In 1951, there were 1.5 million public servants employed by central government, 2 million by 1960, and 3.7 million in 1980. Today, there are approximately 8 million public servants divided almost equally between the central and state civil services. These 8 million employees are divided by a rigid personnel classification, which involves numerous ranks and grades.

Indian public administration has been accused of exhibiting many bureaucratic dysfunctions that have contributed to under-performance. Familiar criticisms include: seniority dominates over merit, routine over creativity, procedural accountability over accountability to the public, and generalist orientation over technical expertise. Public sector organization is based on hierarchy with communication flowing vertically downward. Buck-passing is alleged to be commonplace, while corruption is identified as a major problem. Public administration is judged by some as over-secretive and typified by delaying tactics and indifference (Paul 2000). The bureaucrats are seen as distant by the public they are supposed to serve. They have even been characterized as a separate caste. The public service has been described as a prisoner

of its existing framework and its officers of having a reputation for resisting change (Khan 1998).

There has been no shortage of commissions, committees and experts to study public administration and recommend reforms to India's system of public administration since independence in 1947. However, very little progress has been made as few of the recommended measures have been implemented. Despite the urgings of international organizations such as the World Bank and the International Monetary Fund (IMF) bureaucratic inertia has worked against systemic change. However, internal pressure from the public, CSOs, media and politicians has been mounting for PAR and there have been some experiments and innovations. For example, e-Governance has attracted attention with experiments in such things as supplying market information for farmers, issuing land titles, and the collection of utility and other payments (see Box 5). Initial results of PAR activities reveal a range of risk factors such as frequent changes in administrative leadership, hurried implementation and over-ambition. In a few states (e.g., Karnataka and Andhra Pradesh) citizens' charters have been introduced to boost efficiency in the delivery of services and to increase accountability and transparency in government. However, problems have arisen such as the inadequacy of information provided to the public and too little thought given to staff training and equipment. Participation has been vigorously promoted by CSOs and has been manifested in such initiatives as citizen feedback through report cards in Bangalore or citizen juries to shape visions of the future for rural development in Andhra Pradesh.

These initiatives must be considered against a backdrop of limited progress in rationalizing the multitude of different laws, manuals and rules that determine bureaucratic operations. Capacity building needs remain massive. Talk of introducing a performance orientation to public administration has not been translated into reality. For example, performance budgeting has met with little success while annual staff appraisals do not measure performance. The notions of value for money or results-based public administration have not made significant headway in the bureaucracy. The idea of privatization has been gaining ground, especially regarding non-core functions. There has, however, been no attempt to corporatize

Box 5: Improving citizens' access to information in India

Using access to information as a means of achieving accountable, transparent and participatory government has been the scope of a UNDP sub-programme in India. Its aims are:

■ To sensitize public authorities to the need to provide information and to develop a better understanding of the issue of the right to information;

■ To improve information management systems and implementation of development programmes; and

■ To enhance capacity of citizens to make reasonable demands for information, and increase participation, especially of women and marginalized groups, in governance.

Under this sub-programme, information kiosks are being set up to provide information in the local language to citizens in five locations: Jhalawar (Rajasthan), Mandya (Karnataka), Bhopal (Madhya Pradesh), Bhuj (Gujarat) and Kalahandi (Orissa). These initiatives aim to establish one-stop contact points for citizens to access various government services and information. The services and information to be provided under this project include online submission of applications, grievance redressal system, details of ongoing development work, below poverty line list, online agricultural prices, and information on Public Distribution System.

government organizations. Budgetary pressure may yet prove to be an extremely strong imperative for PAR with the central government adhering to a fiscal deficit of no more than 5 percent.

Another impetus for PAR has come from government's increasing interest in governance. The Tenth Plan (2003-2007) places more emphasis than ever before on governance and considers it as a key factor for achieving the developmental targets set in the Tenth Plan. It identifies particular governance priorities many of which have direct relevance for PAR. First, there is emphasis on greater people's participation in decision-making through *panchayati raj* institutions (rural local government institutions), local bodies, self-help groups, women's groups, user groups, associations and trade unions. Government partnerships with civil society are seen as becoming more important, especially in the

drive for poverty eradication. Second, the enactment of the 73rd and 74th Constitutional Amendment Acts has paved way for the creation of statutory structures of local self-governance. State Governments need to sustain this decentralization process by enacting regulations to transfer funds, functions and (the control over) functionaries to local, elected bodies. Third, the Tenth Plan stresses the need for judicial reforms to speed up the process of delivering justice, including more frequent use of alternative delivery mechanisms and a new National Charter for Social Justice.

Fourth, there is specific civil service reform that is intended to:

■ Enforce the right to information guaranteed through state government Right to Information Acts and the central government's Freedom of Information Act;

■ Minimize discretion;

■ Achieve greater transparency in policies;

■ Build capacity and increase;

■ Right-size government;

■ Strengthen accountability at all levels;

■ Facilitate stability of tenure of civil servants;

■ Revamp the system of rewards and punishment;

■ Improve professionalism;

■ Reform to eliminate unnecessary procedural controls and regulations;

■ Formulate a master plan on e-Governance; and

■ Revamp present systems of performance appraisal, promotions and lateral movement.

In 2003, the Surinder Nath Committee submitted a comprehensive report to the Government of India on the system of performance appraisal, promotion, empanelment and placement for the All India Services and the higher civil services of the Union Government.

During the same period, the Yugandhar Committee submitted a report on building up of skills and competencies by providing training to All India Services Officers at different stages of their service careers. The findings of the Committee revealed the immense training requirements that still remain.

While both reports were still under review in February 2004, the previous Government appointed a new committee with a comprehensive TOR to examine a range of civil service reforms. The purpose of the new report was to make proposals to render the civil service responsive and customer-friendly, transparent, accountable and ethical in its actions and its interface with the people. The report also made recommendations to make the civil service more e-Governance friendly.

Recent developments in PAR are linked to the governance initiatives undertaken by the new Prime Minister, Dr. Manmohan Singh. The Prime Minister emphasized the need for reform of public institutions at the state and central levels to ensure accountability in the provision of public services, transparency in handling of public funds and aligning incentives with desired outcomes. The Prime Minister also pointed to the need to build a national consensus on the fundamentals of governance, over and above the interests and ideologies of political parties. He has called for an effective and inclusive public delivery system, focused on the people, ensuring equal opportunities for vulnerable groups.

Two recent changes coming out of the Prime Minister's governance initiatives that have taken place are the passing by parliament of the amended central Right to Information Act in May 2005 and the introduction of a new performance appraisal system. The amended Right to Information Act provides for the regime of right to information for citizens to secure access to information under the control of public authorities, in order to promote transparency and accountability. The Act also provides for the establishment of a Central Information Commission, as well as State Information Commissions, with powers equivalent of a civil court (e.g., to decide on appeals, requisition public records, summon persons and compel them to give evidence etc.).

The changes in the performance appraisal system for the bureaucracy include the replacement of the existing system of assessment based on an Annual Confidential Report by the Performance Appraisal Report. The Report will evaluate government officers against 15 to 20 performance indicators e.g., work output, personal attributes, functional competency, etc. A new system of peer review of senior officers by an Eminent Persons Group has also been introduced. This group will ascertain the reputation of a civil servant by seeking inputs confidentially from peers, juniors and clients. The reputation of an officer in terms of integrity, competence, attitudes and personal qualities will be assessed once every five years by this group.

UNDP assistance to PAR

In India, UNDP is seen as politically neutral, has a positive standing with civil society, and can connect to a network of resources to facilitate informed decision-making among all stakeholders rather than impose particular agendas or policy choices. These combined elements favour partnerships between UNDP and government and CSOs in the governance area, particularly for governance reforms that are pro-poor, pro-women, and pro-marginalized.

Some of the changes effected through UNDP-supported PAR programmes have been:

- Introduction of a systematic approach to training, specifically addressing the following stages of training: assessment of training needs (training needs assessment tool kit); planning and preparation of training packages (design of training); delivery (direct training skills); and evaluation of training;

- Augmenting distance-learning capacities by developing distance-learning packages that can facilitate decentralized training and strengthening of sub-state training centres in the districts;

- Enhancement of public policy training capacity in India by developing a long-duration training programme in public policy targeted at mid-career civil servants from a mix of cadres; and

- Preliminary work has begun on establishing a virtual knowledge network in the area of civil service training and public policy.

Of particular interest to UNDP, government and society has been access to information initiatives aiming to support accountable, transparent and participatory governance. These efforts have attempted to address:

- Assessing and strengthening of the existing legal and policy framework in respect of access to information;

- Enhancing capacity of civil servants and elected functionaries in local bodies to supply information;

- Putting in place more systematic management of information that enables easier access, e.g., through use of ICT;

- Enhancing awareness and capacity of the citizens to demand information, and facilitating the process through CSOs; and

- Building perspectives of and providing a platform for interaction of a diverse set of stakeholders on the issue.

In line with the recent developments initiated by the new Prime Minister and mentioned earlier, UNDP has provided assistance to the Government by sharing relevant knowledge for the development of a Code for Good Governance, which will be discussed with the states and result in efficient delivery of services to the citizens, and effective implementation of programmes.

Maldives

Public administration and its reform

Maldives is an Indian Ocean microstate comprised of small islands with a population of about 300,000. The country was never colonized and so did not experience the administrative implants and histories of the larger South Asian states. Indeed, Maldives has demonstrated substantial gains in human development since the 1970s when it began to actively trade and interact with the rest of the world (UNDP 2000b). For example, in 2001 life expectancy at

birth was 69 years, adult literacy was 97 percent, while GDP per capita was US$ 2,082 (UNDP 2003a). The Government has placed considerable importance on education and health, and is committed to improvements in the amount and quality of service delivery. Thus, it invests over 10 percent of GDP in these sectors. As a result of these developments, Maldives is now due to graduate from the ranks of the LDCs, making it the second country that will have done so since the establishment of the LDC group in 1971. Yet, the Maldivian islands remain vulnerable because of their small size and low elevation in times of rising sea-levels and changing monsoon patterns.

The country has 1,190 islands, of which 198 are inhabited. Of these islands, only 33 have a land area greater than one square kilometre. One third of the inhabited islands have a population of less than 500, and 70 percent of the inhabited islands have a population of less than 1,000. This extremely low population density makes Maldives unique, even among small island archipelagic states. It also raises the cost of delivering social services and of public administration, as there is little scope to generate economies of scale.

Under the Fifth National Development Plan (1997-2000) the Government set the course for establishing a responsive and efficient system of governance that includes streamlined and efficient public administration, an effective system of justice and adequate involvement of people in the setting of priorities, and in the implementation of development programmes (UNDP 2000b, 70).

The need for a modern legal framework that facilitates economic development and provides stability has been clearly recognized by the Government. Laws from other Islamic nations have been examined to determine their appropriateness, in modified form, for the Maldivian situation. To ensure official responsiveness and give voice to the far-flung population, a number of representative committees have been established: Atoll Development Committees, Island Development Committees and Women's Development Committees. Limited local capacity for planning and management has meant that these institutions have not had the desired effect. However, the Government has persevered in promoting the decentralization of the planning and management of development activities. It

has also established its National Vision 2020, which provides the goals and strategies that require the support of an effective system of public administration.

The impact of the Indian Ocean Tsunami in December 2004, as well as global warming (which will have serious implications for Maldives within a 50-year timeframe), has accelerated the process of population concentration on fewer and safer islands. However, this strategy is expensive due to the need for sea-walls and other tsunami protection measures. The number of focus islands therefore needs to be limited to about one per atoll, where there are essential services. The development of a national broadband network to provide access to Internet-based public services within atolls is also an important element of the Government's strategy to improve the coverage and quality of local government.

A revision of the 1998 Constitution is in progress and the revised Constitution will soon be distributed to the wider public. UNDP provided financial, technical and logistical support and assistance to the Maldives Law Society. The review of the Constitution is in line with statements made by the President highlighting the need to modernize the system of governance and the distribution of powers through a clearer separation of powers, with an effective and accountable system of government.

Nepal

Public administration and its reform

Nepal is one of the poorest countries in Asia with 38 percent of its population living in poverty. Its already weak economy suffered a sharp downturn in 2001-2002 due to a Maoist insurgency, political instability, and unfavourable developments in the global economy. This deteriorating situation coincided with the start of the Government's Tenth Five Year Plan (2003-2007) and also its poverty reduction strategy. According to the Plan, improvements in governance are key requirements for Nepal's development and PAR

is seen as a component of governance which has a major role to play in generating progress. Efficiency and effectiveness are lacking in a bureaucracy that seems to suffer from a multitude of ailments. As concluded in the 2003-2007 National Plan, "weak governance is a key determinant, which cuts across and exacerbates the impact of other factors on the poverty pattern, including ineffective government, poor resource allocation, weak implementation and service delivery performance and corruption and leakages." Others have noted the slowness of service delivery, in part a result of the hierarchical nature of public sector organizations, and the lack of people orientation among public servants. Corruption is acknowledged to be a problem, while salaries, benefits and opportunities are said to be unattractive to high-performing university graduates. Performance evaluation is a formality rather than a process which measures and rewards competence; seniority rules over merit. There are allegations that the skills and knowledge of many public servants are inadequate or obsolescent. Accountability to the public is poorly developed, while decision-making is undertaken away from the public gaze and without public consultation. Finally, the bureaucracy appears not to be representative of Nepalese society, as the three higher castes dominate public service employment.

There have been previous efforts to reform the bureaucracy, but the recommendations of commissioned reports have often remained unimplemented or official actions have only resulted in minor adjustments to administrative structures and processes. However, the current crisis of economy and governance has forced the Government to take more concerted action for PAR. This includes a US$ 35 million loan from the ADB. Even before this loan commenced the Government had taken steps to strengthen tax administration and to make tax laws and procedures simpler and more transparent. Measures have included a self-assessment system for taxpayers, legislative and procedural changes to streamline VAT, excise and customs, and a new Inland Revenue Department has been created by merging the Department of Taxation with the Value Added Tax Department. Further, there have been moves to contain public expenditure and improve efficiency in its utilization. Public enterprises have also come under scrutiny, as they appear to have poor profit records and are hampered by the politicization, rather than professionalization, of

their boards and staff. Rent seeking is reportedly rife in these public enterprises, which are supervised by various line ministries. Improving the legal framework to improve corporate governance is a high priority of government as is some privatization. For the remaining public enterprises, stricter accounting and auditing practices will be enforced.

In order to contain current expenditure and generate savings the Government has plans to downsize the bureaucracy. The number of ministries has already been reduced from 26 to 23, while a voluntary early retirement scheme has been introduced. Pay has been increased and a reward system reportedly prepared. A total of 7,518 vacant posts are to be eliminated, although progress has been slow. The removal of these posts will reduce the openings for political and patronage appointments. To complement this initiative the Ministry of Finance and the Ministry of General Administration will also implement a stricter appointment process involving professional job assessment. A computerized personnel database has been installed to improve efficiency in HRM.

To combat corruption the Government has introduced new legislation and the Prime Minister's Office has assumed the task of preparing a comprehensive anti-corruption strategy. The components of this strategy include:

- The establishment of a citizen's charter;

- A mechanism for the time-bound delivery of services;

- Improved auditing and accounting standards; and

- Measures against revenue leakage (2003b, 19).

The new laws provide for a National Vigilance Centre and the declaration of property and income by all public servants. Strengthening of the Commission for the Investigation of the Abuse of Authority has also been set in motion. By winning over 40 convictions in 2002-2003 the Commission has shown that the reforms have had a significant effect – it only won one case in the previous twelve years.

Decentralization of financial and administrative authority is a major commitment of government which is not only meant to empower the largely rural inhabitants of Nepal but also bring greater efficiency and effectiveness to the delivery of services. Until now, inadequate financial and human resources have hampered decentralization. The new plans involve introducing a poverty-based formula for the allocation of block grants, improving HRM in local governments, strengthening the capacity of district technical offices, and decentralizing agricultural extension, basic health, education and postal services. These changes will be challenging. Budget constraints will limit available funds for block grants, while there needs to be considerable capacity building to enable local governments to take over central functions and to construct new relationships with line ministries. The handing over of school administration, including appointments of teachers and principals, to school management committees of local people has moved slowly. Unfortunately, most of the reforms are now stalled, as the Maoist insurgency is hindering the implementation of government plans for decentralization. The ongoing conflict has resulted in severe disruptions of administration at district and village level in many areas of the country. Village Development Committee Offices have either been destroyed or abandoned, and central and local government buildings have been targeted by insurgents. Recruitment and posting of staff in both rural and urban areas outside Kathmandu is a major challenge.

Since February 2005, when the King dismissed the Prime Minister and his government, a state of emergency has been in place. The King has assumed full executive powers, and a number of the fundamental rights enshrined in the Covenant on Civil and Political Rights and the Constitution have been suspended.

UNDP assistance to PAR

UNDP Nepal has been extensively and substantively involved in the area of decentralization and local governance, especially after the restoration of multi-party democracy in 1990. Support at the national, district and local level is aimed at promoting decentralized local governance. The major programmes are:

- Participatory District Development Programme (PDDP);

- Local Governance Programme (LGP);

- PDDP/LGP Bridging Phase;

- Rural Urban Partnership Programme; and

- Decentralized Local Governance Support Programme.

UNCDF has provided support through the Decentralized Financing and Development Programme while PDDP, LGP, PDDP/LGP Bridging Phase and their successor programme, the Decentralized Local Governance Support Programme have been supporting the local bodies at the district and village level. The Rural Urban Partnership Programme has focused its attention on the municipalities.

All of the above programmes are geared to promote decentralized governance in Nepal through the provision of support to central level agencies in the preparation and implementation of Acts and Guidelines, building capacity of the local bodies to manage and deliver basic services at the villages level, and empowering the communities through social mobilization programmes, especially targeting disadvantaged groups, indigenous minorities, and poor people including women.

The major contributions of the UNDP-supported programmes include support for the drafting of the Local Self-Governance Act 1999; guidelines to prepare periodic and district plans; establishment of a Local Development Fund at the district level including the necessary by-laws and guidelines to implement the social mobilization programme. Similarly, a Geographical Information System (GIS) has been set up at the national and district level to support the planning and resource allocation process. Districts have adopted a Participatory Planning and Monitoring System. UNCDF's support is in the area of fiscal decentralization, including the piloting of a performance-based budget allocation system.

In accordance with the Local Self-Governance Act, the Government has announced the devolution of four sectors (agriculture, education, health and postal services) to the local bodies. The Decentralized Local Governance Support Programme will support the implementation of sector devolution

guidelines and the Local Service Act, which is still in the process of being drafted. Due to the Maoist insurgence, most of these reforms are now on hold.

Another major area of UNDP support is the empowerment of communities through the social mobilization process, especially targeting disadvantaged groups and indigenous minorities, including women. The programme, which is managed by a board of local representatives and community leaders, is being implemented in 662 out of 3,913 villages. More than 19,000 community organizations have already been mobilized benefiting nearly 2 million people.

Pakistan

Public administration and its reform

Public administration in Pakistan shares a common heritage with Bangladesh and India. The foundations of administration were laid down in the pre-colonial societies of the sub-continent, while British colonial authorities introduced modern bureaucracy. Following independence Pakistan, like neighbouring India, experienced rapid bureaucratic growth as the number of agencies, enterprises and public servants multiplied. Public administration also developed the dysfunctions that characterize other South Asian bureaucracies and which have proved so difficult to overcome. It appears that, "the capacity and quality of public institutions has been declining over time" (World Bank 2004c, 1). There are pockets of excellence, however the overall picture is of a public administration that needs substantial improvement if it is to make a significant impact on poverty alleviation and provide the enabling environment for private sector development.

Although the growth of budgetary expenditure slowed down during the 1990s, structural imbalances worsened. Defence and interest payments accounted for up to 70 percent of federal expenditure by the end of the 1990s. Although there have been cutbacks in budgetary expenditure the prospect for further reductions is limited. Indeed, more funds are required for essential operations and

maintenance of key infrastructure, social services such as education and health, and investment in high priority projects (World Bank 1998, ii). A comprehensive overhaul of public expenditure was recommended by the World Bank in 1998, but progress has been slow in implementing needed reforms. The recommended reforms included (ibid., vii):

- Rethinking the role of government;

- An integrated medium-term approach to planning and budgeting;

- Effectively prioritizing among broad spending categories;

- Restructuring public sector institutions and service delivery;

- Decentralization of management;

- Civil service reform; and

- Greater accountability for public expenditure.

While civil service reform is identified as one of the necessary measures to ensure Pakistan's development, all of the other recommendations for actions rely on civil service reform. Prominent among the problems of public administration is weakness of technical and managerial skills. Competence in both these areas has been declining largely due to the inadequacy of resources devoted to HRD. Also, the recruitment exams for civil service entry rely on outdated syllabi and inappropriate application criteria. Promotion criteria have been queried by external agencies while there is no systematic policy on placements and transfers of personnel. The proportion of the workforce in public sector employment in Pakistan is not large by international standards but its productivity is poor. The employment is heavily skewed towards lower grades. The gap between public and private sector salaries has steadily increased in favour of the private sector. There is little lateral movement in the public service with personnel staying within their hierarchical organizations and defending their operational areas against other functional bureaucracies. There is also little accountability to the public.

The Government has recognized there are severe problems afflicting public administration in Pakistan and, in 1999, created the Cabinet Committee on Civil Service Reforms. Subsequently, there have been reforms in devolution, police, tax administration, and

public financial management and procurement. The World Bank has provided funding to assist the PAR process, which is operating in seven key areas:

- Professional development;

- Promotion reforms;

- Accountability and client focus;

- Pay and pension reforms;

- Devolution; and

- Governance reforms in key institutions.

A Civil Service Reform Unit is being established within the Establishment Division to implement the reforms. The Unit is focusing on three capacity-building objectives:

- Broad-based professional development of public sector officers;

- Capacity enhancement in key ministries/ agencies; and

- Strengthening of regulatory agencies.

Among the many, planned reform initiatives are an Executive Development Programme, a Professional Development Programme, strengthening of the Ministries of Finance and Commerce, the promotion of more effective devolution, pay and pension reform, recruitment and promotion reform, and improved monitoring and evaluation.

Sri Lanka

Public administration and its reform

The history of PAR in Sri Lanka is one of missed opportunities and ad hoc initiatives that have had little beneficial effect on improving administration and alleviating poverty. Since 1970, there have been six attempts at PAR, but lack of political commitment, resistance from within the civil service, piecemeal approaches and the absence of permanent institutional settings to entrench the reform process were considered the main reasons for subsequent failures[20].

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[20] *The latest commission was established in 2000, to make proposals for a comprehensive salary review. The report of the commission was published but not taken into consideration by the then new Government. The recently elected Government has requested the National Council for Administration to revisit the recommendations made in the 2000 report of the Salary Commission.*

A major reform was outlined by the Presidential Administrative Reforms Committee in 1986 but the recommendations, although accepted, resulted in 'no serious action'. A decade later, another major reform was designed and adopted by government. The reform was enthusiastically endorsed by the President and external authorities who even saw the recommendations as, "serving as a general model of civil service reform for other South Asian nations" (Root et al 2001, 1358). However, resistance among political actors and within the bureaucracy itself resulted in a loss of momentum and direction – "there was no tangible outcome" (ADB 2004, 7). Moreover, even PAR reforms relating to specific sectors, such as health and education, "have not led to any serious attempts at effective implementation" (ibid.). There is currently a new initiative with the creation of an Administrative Reforms Committee under the Prime Minister's Office.

There are many longstanding impediments that face the Administrative Reforms Committee. Inter-service rivalry has undermined the efficiency and effectiveness of the bureaucracy while quality has been adversely affected by a steady lowering of entry standards (Root et al. 2001). The merit principle has been subverted by politicization of the civil service. Demoralization and overstaffing have been the results of this development. Observers allege that patronage has become a dominant principle of public administration. This has contributed to the development of a public service where officers are reluctant to take decisions, communications between superiors and subordinates are neither open nor frank, in-fighting between administrative cliques is common, the voice of the public is ignored, responsibility is denied, results and outcomes are subsumed by recourse to quoting rules and regulations, and informed decisions about investment and implementation priorities are impossible to make given problems of information availability (ibid.). Decentralized authorities do not have appropriate power or control over human resources and financial matters. In short, there has been an avoidance of reform.

Policy management has been poor with sector and sub-sector ministries initiating the unilateral introduction of policies. Inter-agency coordinating mechanisms are absent at the centre and between the centre and devolved authorities, while institutional memory is lacking. Public expenditure management has remained a critical problem especially as resources are denied to provincial councils leaving them dependent on the centre. Human resource problems have intensified with political considerations determining decisions in this area. Even a recruitment freeze has been subverted by the granting of exceptions to facilitate extra appointments. In fact, with the change of government in April 2004, the recruitment freeze has been totally lifted. Low compensation has exacerbated the quality deficiencies of personnel in the public service, whether they are recruits or senior officers seeking promotion. Training is often irrelevant while centralization of personnel matters undermines the declared commitment to devolution. The delivery of public services has been a constant concern of post-independence governments resulting in an ever-lengthening menu of services provided by the State. Unfortunately, this has contributed to a decline in the quality of services delivered, "in terms of access, equity, efficiency and sustainability" (ibid., 15). Citizens' access to information on public services has remained low. The use of ICT is still in its 'infancy' but has potential for consciousness-raising and enhanced accountability.

The Government has acknowledged that a primary responsibility is, "to ensure that public resources are used productively and that the public sector can significantly improve its performance". Strategies and legislation are emerging to fulfil these ambitions. The establishment of the National Operations Room in 2003 to monitor implementation of programmes and projects could make a significant impact on performance management. The Fiscal Management (Responsibility) Act 2003 could make a major contribution to fiscal management. It aims to contain budget deficits within 5 percent of GDP by 2006 and ensure prudent management and predictability in finances. However, efforts to set up a revenue authority to enforce oversight of income tax, customs duties and excise duties, which could have contributed to reducing corruption and enhanced revenue collection, has been rejected by the new Government. Regarding HRM, the Government has instituted strategies to attract better staff, basing all appointments on job-specific requirements, 'restructuring and retooling' training institutions, and asserting the political neutrality of public servants. The challenge of these and other reforms will be, "to avoid ending up with a fractured, uncoordinated and disjointed list of reform activities" and to ensure that the reforms are implemented (ADB 2004, 28).

The peace process, which started in 2002, provided new opportunities to redress the situation and to mobilize the country's rich potential of resources to restore trust in the economy and revitalize the key governing institutions. The process was halted in April 2003, when the LTTE (Liberation Tigers of Tamil Eelam) withdrew from the negotiations. The elections that were conducted in 2004 brought a new government to power. The Government has pledged its commitment to continue the peace process, yet the situation remains fragile. Today, the country finds itself at historic crossroads. If the right direction is chosen, Sri Lanka has the potential to regain its status as a strong economic power in South Asia (Keuleers, 2004c, 1).

Within this uncertain political climate, there is general agreement that public institutions are in need of fundamental reforms. The main problems facing public administration in Sri Lanka relate to issues of:

i)   accountability (between policymakers and service providers, policymakers and citizens and citizens and service providers);

ii   organizational efficiency and effectiveness (hampered by outdated working methods/ organizational culture and archaic rules and practices for personnel and performance management);

iii)   cumbersome relationships between central ministries and the field administration (provincial councils) and between the divisional secretaries and local governments (lack of clarity over the accountability relationship of the central, provincial and local governments); and

iv)   insufficient financial resources.

The Government recognizes the importance of sound public management as a prerequisite for achieving equitable growth and poverty reduction, and has therefore again put public sector reform on the priority agenda. PAR is now one of the main clusters under the National Economic Development Council. However, the institutional framework for PAR appears complex with a risk of overlapping responsibilities between several bodies and departments (Keuleers, 2004c, 6).

UNDP assistance to PAR

UNDP assistance to the public sector dates back to 1989, when attempts were made to strengthen the management capability of the Government's apex public service training institute, the Sri Lanka Institute for Development Administration. Another initiative involved establishing the Restructuring Management Unit to enhance public sector management.

At the end of three years these two projects produced the following results:

■   Rationalization of structures and cadres of eight selected ministerial departments;

■   Rationalization of structures and cadres of three provincial councils. A task force was established to formulate strategies and programmes to enhance efficiency and effectiveness in the functioning of the provincial councils;

■   Work procedures and systems were improved in three areas: pensions, land administration, and titled registration;

■   A comprehensive manual containing financial guidelines for divisional secretariats was prepared; and

■   A project for the establishment of a computerized divisional level accounting system was designed.

At the conclusion of these two projects in 1994, a further project as preparatory assistance was implemented for public sector management improvement. It enabled the Government to establish the Centre for Enhancement of Public Sector Management. The objective of this project was to prepare an action plan for public service reform. The Cabinet approved this action plan in January 1997.

In order to implement this plan, a further project was designed with UNDP assistance in 1997. The objective of this project was to enhance the efficiency of the public service to successfully implement government development activities, but using the private sector as the engine of growth in the context of economic liberalization and a decentralized structure of government. Within the context of PAR, UNDP at present is

assisting in the areas of fiscal decentralization, aid management, urban governance, and further strengthening of the Sri Lanka Institute of Development Administration.

In 2004, UNDP received two official requests from the new Government to support public administration improvements in the Ministry of Education and in the Ministry of Finance and Planning. Both ministries play key roles in the poverty reduction strategy and the achievement of the MDGs. Assistance to the Ministry of Education offers an excellent opportunity for UNDP to facilitate the development of a more people-centred education administration, by creating new forums for managing people's participation in the service delivery process. Assistance to the modernization of the Ministry of Finance and Planning will not only have an impact on the quality of revenue collection and expenditure management, but would also provide a venue for supporting the process of making the financing of service delivery transparent and accessible to the population. UNDP would further support capacity development to promote and support the ongoing change management initiatives in the Ministry, to prepare a model methodology for process re-engineering/functional reviews, the development of an ICT strategy for the entire Ministry and also to further the agenda in the area of HRM (Keuleers 2004c).

Two preparatory assistance projects have been developed planning for reforms to be undertaken on a pilot basis in close collaboration with the National Council for Administration, the Public Sector Reform Cluster of the National Economic Development Council and the Public Service Commission, and the Ministry of Public Administration, Management and Reforms.

Further, in September 2004, the UNDP Country Office in Colombo received a concept note from the Commission for the Investigation of Allegations of Bribery and Corruption (CIABOC) to strengthen the functioning of the Commission. CIABOC was established in 1994 under the 17th Amendment to the Constitution, and the Bribery Commission Act No. 19 of 1994 and has considerable powers to investigate and prosecute allegations of corruption against public officials. Although the Commission has brought in a number of actions against senior government officials including former ministers, it is handicapped by a lack of modern office infrastructure including a computerized environment and training for staff. The Commission needs improved capacity to investigate the complaints it receives from the public and to effectively prosecute cases brought before it. An important element in the UNDP assistance project's strategy will be the application of a rights-based approach to development. Using CIABOC as the primary duty holder, and the people subjected to, and affected by corruption, as claimholders. The strategy will aim to increase the accountability of duty bearers and empowerment of claimholders. It will also assist Sri Lanka to comply with the requirements of the UNCAC and provide technical assistance to CIABOC as the lead anti-corruption agency.

Trends in public administration reform in the Asia-Pacific

Historically, the Asia-Pacific region has had a number of strong governments that have steered development from the top down (e.g., China, Indonesia, Malaysia, the Republic of Korea and Singapore). Highly centralized bureaucracies delivered many economic rights and achieved notable reductions in poverty. For many developing countries in the region today, achievement of MDGs 2 to 6 depends to a large extent on the quality of their service delivery, the building up of human resources and the professionalism of the public service (Keuleers 2004d, 5).

Thus, it is not surprising that the focus of attention has remained largely on the executive branch of government and, consequently, that the **dominant theme** in PAR in the Asia-Pacific has been the **modernization of bureaucracy.** While it has been appreciated that there are severe shortcomings with the actual bureaucratic structures and processes that have operated in the Asia-Pacific this has not dimmed the enthusiasm for a Weberian ideal-type construct of bureaucracy (see Box 6). This model has retained a loyal following among public service elites who have most often been able to direct the design and implementation of PAR. They are attracted by what the model has to offer rather than by the pathologies that frequently characterized bureaucratic operations in the region.

The retention of the bureaucratic ideal does not mean that elites have not been interested in PAR. On the contrary, there has been considerable interest but the **preferred method involves incremental adjustments.** Even systemic reforms may not disturb the commitment to the bureaucratic model. For example, in Viet Nam, a Public Administration Reform Master Programme has been introduced for the period 2001-2010. This comprehensive approach to PAR builds on small-scale incremental changes over the previous decade. While the Vietnamese Government's new programme promises much bigger changes across the public administration system, it still involves bureaucratic modernization. As such, the programme **fits with an established pattern of change.**

Box 6: Attraction and deficiencies of Weber's Model of Bureaucracy

Max Weber adopted a sociological approach to bureaucracy looking at it as a particular type of organization. His ideal-type bureaucratic construct was characterized by a clearly defined division of labour, an impersonal authority structure, a hierarchy of offices, dependence on formal rules, employment based on merit, the availability of a career and the distinct separation of members' organizational and personal lives. Such a form of organization represented, said Weber, the "rationalization of collective activities" and was "capable of attaining the highest degree of efficiency". It was increasingly found in the professionalization of administration in the modernizing societies of the late 19th century, both in the public and private sectors. Elements of the model could also be found in much older civilizations such as China.

Many bureaucratic leaders in the contemporary Asia-Pacific region have often been socialized to believe in the efficacy of the Weberian ideal type. They are attracted by the appearance of rationality, the promise of predictability, the safeguarding of hierarchy, the clear differentiation of functional areas, and the seeming devotion to merit principles.

The champions of bureaucracy sometimes turn a blind eye to its shortcomings or, at minimum, understate them. However, there is ample evidence of cumbersome processes, lack of transparency, red tape and rent-seeking. Loyalty may often be valued over capacity, while employment can be based on who you know rather than what you know. The prime orientation is to process rather than outputs and outcomes. All of these dysfunctions are protected by minimal accountability, especially to the public that is being served.

The popularity of bureaucratic modernization has been challenged by NPM. Emerging in the 1980s in a group of English-speaking OECD (Organization for Economic Cooperation and Development) countries (Australia, Canada, New Zealand, the United Kingdom and USA) and gathering momentum in the 1990s, this new managerial approach to the public sector borrowed from the private sector and sought to introduce some of the principles and disciplines of the market into public administration. Among the characteristics attributed to NPM are that it focuses on results; it features flexibility in HRM; it is concerned with measuring performance; and it opens service provision to market forces (see Box 7). However, NPM has been described as a 'slippery term' (Manning 2001; Turner 2002), as a multitude of initiatives has congregated under its broad umbrella. This did not dim the enthusiasm of governments in NPM's countries of origin and in multilateral agencies for exporting NPM both within the OECD and to developing countries (Minogue 1998).

While there are some examples of experimentation with the NPM in the Asia-Pacific (e.g., Malaysia, Mongolia and Pacific Island States) it is evident that most policy makers have **not been moved to engage in the wholesale import of NPM.** There are two reasons for this. The first is the perception that NPM is a threat to established patterns of bureaucratic authority and state authority in general. This occurs because NPM demanded the adoption of a new ideology of public administration involving a shift from organizing principles of bureaucracy to those of markets. The second reason is that some of the items on the NPM menu are inappropriate for the countries in the Asia-Pacific as NPM derives from a few Anglo-Celtic countries of the OECD and has been designed and implemented to fit with conditions prevailing there. Much of continental Europe has been less enamoured with the fundamental ideas and prescriptions of NPM. Why then would countries with radically different organizational environments and levels of development in the Asia-Pacific be expected to embrace NPM?

But **NPM has not been entirely avoided** by Asia-Pacific governments. This would be difficult as the NPM menu is long and includes some items that are familiar to Asia-Pacific countries and others that do not appear particularly

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Box 7: Major features of New Public Management

1. Letting the managers manage.

2. Setting explicit standards and measures of performance.

3. Greater emphasis on output control.

4. Disaggregation of units in the public sector.

5. Greater competition in the public sector.

6. Greater use of private sector management techniques in public sector settings.

7. Greater discipline and parsimony in resource utilization.

   Hood, C. (1991) 'A public management for all seasons', Public Administration *69(1) 3-19.*

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threatening to major stakeholders. Where there has been sustained incremental PAR over several decades, such as in Malaysia and Thailand, items from the NPM menu have been adopted. Malaysia has strong bureaucratic institutions and a long tradition of incremental reforms oriented to promoting greater efficiency. Its legal and state structures have British roots. Thus, Malaysia has the conditions that encourage and allow the selection and experimentation with NPM initiatives. Thailand's embrace of elements of NPM has been more recent but enthusiastic. Other countries in Asia have been more hesitant in importing NPM-style reforms but have done so where they fit with their established patterns of public sector reform. Pacific Island States, especially Samoa, have been more receptive to NPM initiatives, perhaps because many of their PAR programmes involve Australian and New Zealand design, funding and implementation.

Schick (1998) has stated that developing countries should be cautious about NPM-style reforms. They need to have the discipline and skills to adopt them. Others have issued more general warnings about transferring institutions and organizations to alien contexts (Turner and Hulme 1997; Bale and Dale 1998). In the Pacific Islands for example, where NPM has been introduced in a number of countries, there has been an overall bias towards the macro-economic aspects of reforms and reducing public expenditures, often at the expense of

public sector effectiveness (ADB website). Questions related to equitable service delivery, mechanisms for client feedback and clear and transparent regulations seem to have been less prioritized. Cultural aspects also seem to have been overlooked. For example, it is not clear how departmental autonomy on hiring and wages combined with fixed-term contracts would work in practice in a small society (Samoa) where family and kinship ties are particularly strong (ADB website). However, there is also an alternative view that the 'new contractualism' that lies at the heart of New Zealand's NPM reforms may be adaptable to new environments such as Mongolia (Laking 1998).

The challenge for the future is to explore the **possibilities offered by bureaucracy.** This would involve both building bureaucracy and then loosening it up. **Building bureaucracy** is most important in those countries where public administration has collapsed. Post-conflict societies such as Afghanistan, Solomon Islands and Timor-Leste are countries where public

administration requires complete rebuilding. There are also cases where the type of bureaucracy that has developed has become increasingly characterized by dysfunction – red tape, slowness, excessive centralization, lack of attention to outputs, insensitivity to clients, and corruption. Many Asia-Pacific bureaucracies demonstrate such characteristics in varying degrees. **Loosening up bureaucracy** concerns increased responsiveness, client focus, output orientation, transparency, and accountability. The emergence of these desirable characteristics occurs when there is movement towards democratization and where there is a properly functioning bureaucracy on which to build. Evidence of this loosening can be found in many Asian countries in initiatives such as the Client Charter in Malaysia, the quality management programmes of the Philippine Civil Service Commission, government-civil society cooperation in some Indian states, people's audits in Thailand, output-oriented budgets in Samoa, and outsourcing to the private sector and NGOs in many countries.

Box 8:   New Public Management in New Zealand

Throughout the 1990s, New Zealand went through one of the most far-reaching public sector reforms ever attempted anywhere in the world, mainly featuring privatization and reform of public sector operations in accordance with market concepts of competition and efficiency. It resulted in the widespread dismantling of vertically integrated departments, the institutional separation of policy from operations, the flattening of management hierarchies and the creation of autonomous delivery agencies. Public management moved from a rule-based approach to a results-based approach. Senior managers were granted considerable discretion over operations, but the autonomy was constrained by reporting, monitoring and accountability requirements. Accountability was based on performance agreements.

The reforms came at a high cost. Many lost their jobs and those who remained in the public sector were subject to an increasingly stressful work environment and reduced job security. The reforms that were cited by so many as the model reform of the recent times appeared to be less successful than anticipated. One of the concerns raised was that the dismantling of a unified civil service through the devolution of the employment function had eroded a sector-wide ethos of service, while constant restructurings had sapped staff morale (Shaw 2003, 3; Lawton 2003, 6). Since the change in government in 1999, consecutive centre-left ministries have begun to address the institutional damage sustained during the first generation of the reforms (Shaw, 2003, 1), a process that appeared to be warmly welcomed by the civil servants themselves. In May 2003, the Cabinet agreed to a Human Resource Framework that will coordinate the training and management of staff across each of the government departments. Work is also being done on simplifying the accountability arrangements that apply to departments and on shifting departments' focus from the production of outputs to the achievement of outcomes (Shaw 2003, 11). The main change is that employees are now becoming much more involved in influencing the running of their departments.

Source: Keuleers, P. (2004b) 'Civil Service Personnel Management – Key Issues for Consideration When Assisting Civil Service Reforms in Developing Countries', paper presented at the UNDP Global PAR sub-practice retreat in Bratislava.

UNDP and public administration reform in the Asia-Pacific

UNDP has a longstanding record of being the most active player in PAR in the Asia-Pacific. Over the past five years there have been a large number[21] of PAR or PAR-related UNDP-funded projects in most developing countries in the region. These PAR interventions have been described in the preceding country studies and summarized in the country tables found in Appendix 1. These tables are based on information obtained from most of the Country Offices[22]. It should be noted that one project may cover more than one area of intervention in the tables. At the extreme, a single project may involve activity in all eight identified areas of PAR activity (e.g., the GPAR project in Lao PDR, the PAR Master Programme in Viet Nam or the support to the Good Governance for Human Security Project in Mongolia). There has been considerable variation between countries in the number of projects and areas of intervention, the amount of funding and the nature of the PAR activities. Countries with large PAR portfolios (currently or in the recent past) are Afghanistan, Bangladesh, Bhutan, Lao PDR, the Philippines, Sri Lanka, Timor-Leste and Viet Nam. While some other countries had fewer PAR projects they were either very large in scope (e.g., the Mongolia Management Development Programme in the 1990s) or were politically crucial within the development portfolio of the country and enabled UNDP to play an active, visible and leadership role in PAR (e.g., Cambodia, Viet Nam and Lao PDR). Yet, the data clearly demonstrate that UNDP has been involved to a significant degree in all areas of PAR across the Asia-Pacific region. The data also show that UNDP's interventions in PAR have been most intensive in North and Southeast Asia.

In the **South Pacific region** UNDP has been restricted in its PAR activities and so has only a **modest profile.** In seven of the countries in which it has been active, there has been involvement in only one or two areas of PAR. For example, in Samoa there were initiatives in the categories of finance and ethics, accountability and transparency[23]. In Fiji, UNDP was only engaged in one HRM project. It should also be noted that as the populations of South Pacific countries are extremely small – most below 1 million and many under 300,000 – the amounts of investment have been correspondingly small. This is not due to a lack of demand or need for PAR, but is due to the involvement of other actors such as ADB, the European Union, Australia and New Zealand. Indeed, when counting all donor contributions, there has been more PAR funding, whether measured in terms of numbers of public servants or populations, in this region than in South Asia or East and Southeast Asia. The presence of these other donors has meant that UNDP has not been much required or called upon in the PAR field.

For one South Pacific country **(Timor-Leste)** it has been a different story with heavy UNDP involvement in PAR. This fits a pattern found elsewhere that sees UNDP as the leading agency in rebuilding public administration after complex political emergencies. In Timor-Leste[24], UNDP has been engaged in the full spectrum of PAR activities including policy, organization, work processes, HRM, ethics and accountability, and training institutes.

In **Northeast and Southeast Asia,** UNDP has been extremely active in many countries, sometimes assuming the role of leading donor or donor-coordinator for PAR. At various times the latter has been the case in Cambodia, China, Lao PDR, Mongolia and Viet Nam. Each of these countries can be described as transitional, having economies that are moving from centrally planned to market, albeit at different

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[21] Based on the (incomplete) information received, the number amount to over 70 PAR or PAR-related projects.
[22] More detailed data on projects implemented over the past five years are still lacking for a number of countries.
[23] Information obtained from the UNDP Results Oriented Annual Reporting (ROAR).
[24] It should be noted that this report has classified Timor-Leste as a South Pacific nation but others might place it in Southeast Asia.

paces. Cambodia can additionally be classified as a country, similar to Timor-Leste, that has experienced a complex political emergency that has subsequently required the complete rebuilding of public administration. In all of these countries UNDP has been involved in the various PAR sub-fields shown on the tables in Appendix 1. The Philippines stands out as the country with the most PAR interventions over the past five years, followed by Viet Nam and Lao PDR.

In **South Asia**, UNDP involvement in PAR has also been considerable, but projects are not as numerous as in East and Southeast Asia. There have been UNDP **projects in all South Asian countries** with all countries showing activities across a broad range of PAR sub-fields. For example, in Bangladesh, Bhutan, India and Sri Lanka, the reported data show activities in most of the PAR sub-fields. One of the major recipients of UNDP PAR funding has been Afghanistan which, like Timor-Leste and Cambodia, is a post-conflict society where public administration required total reconstruction. It should be noted that the World Bank classifies most South Asian countries, with the exception of Iran, Maldives and Sri Lanka, as Low Income. By contrast, the

countries of the South Pacific and East and Southeast Asia are more mixed, involving countries spanning the entire range from Low Income to High Income.

UNDP involvement in PAR can also be analysed in terms of the types of activity. A summary of this information can be seen in Appendix 1. The most obvious observation is that **UNDP has been involved in the full range of PAR activities in all sub-regions** (albeit to a lesser extent in the South-Pacific). The policy and processes sub-fields boast the most activities (see Appendix 2). Interventions in support of training institutes may be somewhat exaggerated, and probably include project activities that involve training, rather than direct capacity development and support to training institutions. What is apparent, however, is that projects always span several sub-fields, sometimes all eight. This is certainly the case with the larger programme-type of PAR interventions (e.g., the CAR support project in Cambodia, the GPAR project in Lao PDR, the Management Development Programme in Mongolia, or PAR projects in Viet Nam).

UNDP strengths in public administration reform

Through its long involvement in PAR in the Asia-Pacific, UNDP has built up some key strengths in these activities. These include:

Trust: Having been involved in PAR for much longer than other donor organizations, UNDP has built considerable social capital among Asia-Pacific governments. This intangible, yet vital, social asset is represented in networks built and maintained on trust. This can be especially so in smaller countries where there is sometimes the feeling that large multilateral or even bilateral agencies are exerting too much influence on the shape and pace of PAR. A UNDP survey in the Asia-Pacific corroborated these observations noting that, "the organization's widely regarded status as a neutral and objective development partner over the years has accrued considerable trust from government" (UNDP 2003d, 28).

Expertise: Due to long involvement in the field or in specific countries there is the widespread belief that UNDP has considerable technical expertise in the field of PAR or at least is skilled in accessing appropriate expertise. This is a reasonable claim given the current and past portfolios of UNDP's PAR activities in the Asia-Pacific. Due to the differential nature of PAR activities between countries, types of expertise may be more apparent or concentrated in some countries than others. If there is good knowledge of this distribution within the organization then it can be deployed effectively as required. In addition to the quality of its support, UNDP's comparative advantage and niche should also be seen from the perspective of the wide-ranging nature of innovative projects that it has undertaken in the broader area of PAR.

Long-term investment: UNDP has demonstrated to a number of countries that it is prepared to view PAR as an incremental process that takes time to get moving and longer to see beneficial results. This is especially the case where governments are anxious about venturing into new territory and need to build up their own confidence in designing and directing the reform process. Lao PDR and Viet Nam are good examples of UNDP's long-term investment and confidence building.

Partnerships: The term 'partnerships' is used widely today to apply to almost any inter-organizational relationship. It is also imbued with the idea of being something positive and desirable. However, in many cases it simply represents a shift in terminology to describe types of relationships that already existed. For UNDP, the idea of partnership is well established both with host country governments and also with bilateral donors. In many instances, UNDP has been able to forge partnerships with these bilateral donors so that resources are combined and coordinated to achieve maximum effectiveness.

Coordination: As a logical corollary of its commitment to partnerships, UNDP has necessarily built up its skills in coordination. This is especially manifested in coordinating the inputs of multiple donors. It is less clear whether UNDP has managed to facilitate coordination among government agencies working in overlapping policy areas. This is a more challenging task in situations where ministries and even their component parts jealously guard their functional territory.

Specialization: While this survey of UNDP's involvement in PAR in the Asia-Pacific revealed participation in a wide range of activities, there are nonetheless some obvious specializations where UNDP has developed comparative advantage:

■ Post-conflict countries where UNDP has taken the lead in rebuilding public administration and has often coordinated the activities of other donors (e.g., Afghanistan, Cambodia and Timor-Leste);

■ Transitional countries which are moving from centrally planned to market economies (e.g., Cambodia, China, Lao PDR, Mongolia and Viet Nam); and

■ Least developed countries of which there are 14 in the Asia-Pacific region (Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Lao PDR, Maldives, Myanmar, Nepal, Samoa, Solomon Islands, Timor-Leste, Tuvalu and Vanuatu). However, UNDP has not developed expertise in PAR in the small island LDCs judging by the limited number of projects in these countries.

Issues for UNDP in public administration reform

In the 2003 UNDP/RBAP survey[25], 12 out of 21 Country Offices reported that 'PAR and anti-corruption' was a priority area (UNDP 2003d, 4). Only one priority area, decentralization and local governance, outranked PAR with a score of 17. Another table in this same survey uses a larger number of categories or service lines but confirms the perceived importance of PAR among the region's governments. If overlapping categories from this table are added to the specific PAR category then there is even more interest in the broader field of PAR (e.g., e-Governance and Access to Information).

More recent surveys (MYFF 2004) show that Access to Justice has now become the dominant service line, followed by Decentralization and Local Governance.

Given the role of the public administration in achieving the MDGs, **PAR is set to remain as a leading item** on the broad governance agenda in the Asia-Pacific region. However, for UNDP to continue as an effective participant in PAR there needs to be reflection on its achievements and strengths. **UNDP's future contribution to PAR must build on experience, capacity and opportunity.** It does not simply mean doing the same things but will require adjustment and innovation if it is to retain its position as a major contributor to PAR in the region. Opportunities will be available for strategic initiatives based on the strengths developed over years and on the ability to identify new possibilities where UNDP can utilize these and newly emerging strengths to add value to governments' plans for improvements to PAR.

Given the reported interest coupled with the amount of PAR activity in the region it is thus somewhat surprising to read in the 2003 Survey that a few **Country Offices expressed 'some caution' over UNDP's future in PAR.** Two of them even suggested that UNDP, "diminish or

move away from its activities in civil service reform" (UNDP 2003d, 29). At first sight this seems to be at odds with the demand from many of the region's governments for assistance with PAR. However, this is not necessarily so. What these opinions indicate is that UNDP is facing a number of pressures in its environment relating to PAR and needs to consider its strategy very carefully. Withdrawal seems extreme and undesirable but there may be other options that should be considered, such as fewer types of PAR activities or activities in a reduced numbers of countries. The leading environmental influences and challenges that are affecting UNDP in its PAR pursuits are set out below.

The widening field of governance: The field of governance has become the leading concern for UNDP, but there have been a growing number of activities that have been placed under this umbrella. Projects concerned with legislatures, electoral systems, economic governance, e-Governance, ICT policy, gender equity, CSOs and partnerships and anti-corruption are among the wide range of 'areas of interest'. This means there has been increasing competition for funds and human resources among these different aspects of governance. PAR is one of the competing areas and therefore cannot take for granted that it will continue to receive the historic levels of resource allocation in both absolute and relative terms.

Overlapping service lines: UNDP's division of governance into multiple service lines raises some questions about boundaries between the different lines. If a broad definition of PAR is adopted then it also involves decentralization, public finance and possibly other areas of governance. Decentralization is of special concern as it has been identified as the leading area of interest by the region's governments. It is difficult to disentangle decentralization from

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[25] The survey was based on a questionnaire sent to all UNDP Country Offices in the region, aiming to take stock of UNDP's governance interventions in the region over the period 2000-2003.

PAR. Decentralization involves inter-governmental relations and impacts on important matters such as the size of government, HRM issues, the delivery of services, financial transfers and the distribution of authority between territories. The issue for UNDP is whether separation into current service lines works against an integrated approach and the most effective and efficient utilization of resources.

Multilateral and bilateral agencies: There has been growing involvement of multilateral and, to a lesser extent, bilateral donors in funding PAR. Until relatively recently, the World Bank and ADB had been little involved in PAR loans. However, that situation has now changed dramatically with the two multilateral agencies giving major loans for PAR activities. For example, the ADB has loaned US$ 45 million to Viet Nam and US$ 35 million to Nepal for their PAR reform programmes. In Thailand, the Government authorized the use of US$ 100 million of a US$ 400 million Programmatic Structural Adjustment Loan (World Bank) to support the public sector reform programme. UNDP cannot match the investments made by the World Bank and ADB and so can no longer claim to be the lead agency in PAR in many countries. UNDP simply does not have the resources and runs the risk of being pushed out of the field or at least to the margins where it would play only a minor role. Even bilateral agencies may assume the lead in some parts of the Asia-Pacific region. In the Pacific for example, Australian and New Zealand aid combined with ADB loans and EU grants has kept UNDP on the sidelines of PAR for the island territories. In Timor-Leste, AusAID has announced its plan to invest massively in capacity development for public sector management. In Bangladesh, DFID has been a major source of funding for PAR.

Coordination: The increased investment of the World Bank and ADB in PAR programmes raises questions about the traditional role of UNDP as a coordinator of PAR. This traditional role evolved out of the desire of bilateral donors to make efficient and effective use of small investments and UNDP's willingness to take the lead in an activity in which it had been involved since the 1950s. However, if UNDP is being transformed into a minor PAR player because of loans for extensive programmes of PAR then questions arise as to the suitability of UNDP as a coordinator of PAR activities for the smaller

bilateral investors. The key is whether UNDP can persuade such players of the worth of an integrated PAR programme under UNDP coordination. Further, UNDP must be adept at both identifying opportunities and acting quickly when they arise. For example, in Viet Nam, UNDP is no longer involved in public expenditure reform but does maintain a small project that supplies advice to the Minister of Finance. This places UNDP in a strong strategic position at the centre of decision-making on government finance matters.

Capacity: A relatively unexplored issue is the capacity of UNDP to design and deliver PAR activities. There is an assumption that because of longevity in the field and a profile of projects spreading across the region that UNDP has considerable capacity for PAR. This needs to be examined empirically. With such high levels of competition within UNDP for scarce resources in governance there is the possibility that the organization's internal resources for PAR may be stretched thinly. In a recent survey of UNDP's Country Offices in the Asia-Pacific, queries on this matter were largely ignored, but from those who did respond the results were mixed as to, "whether lack of internal capacity was a hindrance to achieving good results and impact at the country level" (UNDP 2003d, 29). It should be acknowledged that there may be some definitional problems about what is meant by capacity – for example, resident technical knowledge versus the ability to respond quickly to requests using the wider UNDP network, SURFs and Regional Centres as well as external partners or consultants.

Effectiveness: The principal objective of UNDP activities in PAR is to make progress towards achieving the MDGs. However, the causal relationship between PAR and improved performance indicators for the MDGs is not straightforward. In theory the matter is simple – better public administration means better use of resources resulting in improved services, especially to the poor. In practice, matters are not so simple. For example, the links between investing in PAR and improved health, income or education outcomes is difficult to prove in practice. PAR is interrelated with other environmental factors that influence national and local development. Yet, such complexity should not be an excuse for overlooking investigation into the effectiveness of PAR. Questions arise as to whether particular interventions, activities or situations have led to

the best results. Westcott (2004) has provided a thorough review of the conditions for effective PAR in the Asia-Pacific region based on an evaluation of the experiences of ADB reform initiatives (see Box 9). His conclusions are not new, and some could be questioned, but drawn together as by Westcott, the essential conditions provide a most useful framework for judging the likelihood of success. A general lesson that can also be drawn from Westcott's analysis is that we have ample information on PAR initiatives to make informed decisions about what is likely to work and be effective and what is not. We cannot predict everything that will happen but we do know that if certain conditions prevail then the chances of success are much higher.

In order to determine the future of UNDP support to PAR there is a need to address a series of interrelated questions. The most

fundamental question is whether UNDP should continue to be active in PAR in the Asia-Pacific region. The answer to this should be positive based on UNDP's accumulated experience, its good relationships with governments in the region and the continued demand for PAR activities.

If it is accepted that UNDP should be involved in PAR in the Asia-Pacific, the dilemmas it faces concern the challenges posed by a changing PAR environment and the lessons it has learned from its long experience in PAR. These dilemmas are outlined in a series of questions that derive from this analysis of PAR in the Asia-Pacific and UNDP's role in it, and are detailed in the next section.

Box 9: Successful PAR and the lessons of experience

Conditions needed for reforms to take hold:

- **Leadership:** heads of state and other top officials have a crucial role in putting reforms on the policy agenda and determining how important they are;

- **Vision:** comprehensive reforms that take hold are founded on a coherent vision of goals, broad objectives, and notional timetables for bringing about improved public administration;

- **Selectivity:** reforms take hold when they are important, and have a good potential to be carried out in a timely manner, and to be a catalyst for additional reforms;

- **Sensitivity:** each country has its own unique historical, political, and cultural context that needs to be factored in; and

- **Stamina:** any fundamental reform takes time to take hold, and needs to be sustained across changes in government and changes in donor funding.

Broad lessons from experience:

- **Begin with diagnostic work:** governments, development agencies, and other stakeholders are often not fully aware of the administrative challenges faced;

- **Test for readiness:** pilot initiatives can test the readiness of the Government and society for more fundamental reforms;

- **Move at the right speed:** this will vary according to circumstances; and

- **Implement effectively:** such things as vision statements, plans and strategies are of little value unless properly resourced and implemented.

Adapted from Westcott, C. (2004) 'Improving Public Administration in the Asia-Pacific Region: Some Lessons from Experience', Paper given at the Conference on Regulation, De-regulation and Re-regulation in Globalizing Asia, National University of Singapore, March.

Shaping the future of public administration reform

<div style="text-align: right">**10**</div>

Should UNDP focus on particular types of countries or situations?

UNDP has built its greatest PAR expertise and experience in LDCs, in post-conflict countries and in transitional economies. Continuing to undertake and coordinate reform efforts in these countries makes sense. However, UNDP must be prepared to hand over lead agency status to the World Bank and ADB when they become involved in high-cost and often system-wide PAR reforms. However, such situations should be watched closely as the success of these large-scale undertakings is yet to be proven. UNDP can still perform coordinating roles in such situations, but needs to demonstrate to its bilateral partners why it should still be regarded as a lead agency. This requires experienced PAR practitioners who are not always available in each Country Office. UNDP may wish to consider withdrawing from Middle Income countries where PAR can be funded from other sources and where capacity is adequate, even if political will may be lacking. Nonetheless, there are recent cases (e.g., Bangladesh, Mongolia and Sri Lanka) where UNDP has been requested to resume its support to PAR after having withdrawn from the sector some years ago.

Should UNDP focus on particular situations?

UNDP has been at the forefront of efforts to rebuild countries which have suffered from war and genocide. This is a specialized and vital field in which UNDP has established considerable experience and has the moral obligation to assume leadership over the whole field of governance in these situations. But UNDP does not have a monopoly on post-conflict rehabilitation as has been demonstrated by Australia-New Zealand cooperation in Solomon Islands and recent developments in Timor-Leste. Therefore, the ability to deliver timely quality assistance is one of the most critical elements of UNDP's success in these post-conflict situations[26].

Should UNDP focus on particular public administration reform activities?

The profile of UNDP projects between 1999-2003 reveals activity in all the sub-types of PAR. However, should UNDP develop specializations within PAR which would make it the leading source of skills and knowledge in those particular fields? While such a strategy would facilitate role clarification and efficiency for UNDP it might not be so popular with client governments who might expect UNDP to be responsive to their particular needs. There is also the risk that today's popular PAR specializations will be replaced by others requiring constant shifts in skill-sets by UNDP. Nonetheless, there is now also a clear trend to use accountability and transparency and the human rights-based approach as the key entry points for PAR (and decentralization). It is to be expected that UNDP will increase its interventions in the area of anti-corruption and support to the implementation of the UNCAC. Many activities planned or undertaken at country and regional levels aim to strengthen UNDP's internal knowledge generation and sharing in this area (e.g., comparative practical experiences with designing tools to promote citizens' assessment of service delivery, comparative study of institutional arrangements for combating corruption).

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[26] The initial years of a post-conflict situation offer many challenges, but also many opportunities that need to be acted upon immediately. Delays in delivery can jeopardise the trust that donors and the government had placed in UNDP to take the leading role in civil service capacity building (Keuleers 2004f, 19).

Be reactive, proactive or both?

Like other external development agencies, UNDP faces the dilemma of how it orients itself to recipient governments: simply react to governments' requests, actively seek out projects, or combine both orientations. Sometimes multilateral agencies can be regarded as acting upon countries, a criticism that has even been levelled at some bilateral agencies. By contrast, UNDP has built a very high level of trust with partner governments through the perception that UNDP is a neutral actor. Maintaining such strengths is a priority. This suggests that the reactive orientation will predominate over the proactive.

Should public administration reform be more closely integrated with decentralization and other service lines?

In complex organizations engaged in producing multiple outputs it is necessary to differentiate structure. Nevertheless, organizations also need coordinating devices to bring the different components of work together. Thus, all complex organizations are faced with the dilemma of how much differentiation and what integration is needed to promote efficiency and effectiveness. UNDP has progressively differentiated its products into multiple types of governance. Whether this has been done at the expense of coordination should be investigated. The case of PAR's relationship with decentralization (as well as with Access to Information and e-Governance) is of particular interest.

What is the desirable level of internal capacity for public administration reform?

If UNDP is to continue with PAR activities in the Asia-Pacific region then it is advisable to estimate what its internal capacities for such

work should be. The task is complicated by uncertainty of future demand and resource limitations. The question of effectiveness should guide such a review. What PAR capacity is needed to ensure that projects will be well chosen and designed, as well as adequately monitored and having the desired impact? Reference to the MDGs is necessary in this regard although, as noted above, clear causal relationships between PAR and human development improvements are often difficult to determine. Obviously, in those countries where UNDP plays a major role in PAR, there is a need to maintain, if not strengthen, Country Office capacities in the area of PAR and anti-corruption.

What relationship should UNDP have with multilaterals as regards public administration reform?

The greatly increased participation of the World Bank and ADB in PAR is a major change in UNDP's environment. The scale of the banks' investments means that UNDP is no longer the leading organization in the sector. Does this mean, however, that UNDP should withdraw from what might be seen as an overcrowded sector and focus on other urgent priorities in governance? As UNDP has built such social and technical capital in a sector for which there is considerable demand, withdrawal is too extreme a response. However, UNDP may need to withdraw from certain countries (e.g., Middle Income) or activities (e.g., finance) and may have to adopt supporting roles in other situations. There should be closer scrutiny of how UNDP can still play an important coordinating role for bilateral donors and the nature of partnerships UNDP enters. Cooperation with the multilateral agencies is already apparent in some Asia-Pacific countries and needs to be further developed. Maintaining good communication with these organizations will help to build partnerships with them and in doing so, will contribute to UNDP remaining a significant player in the region's PAR network.

Conclusion 11

This report has shown that all governments in the region, from Pacific microstates to the Asian giants of China and India, have PAR programmes and are continuing to seek external assistance in their design and implementation. The official recognition of the need for PAR is given additional domestic impetus from a private sector and civil society that are increasingly demanding better services and more accountability. Knowledge sharing and global access to information allows citizens to compare their national systems of public administration with services provided in neighbouring and foreign countries, hence enhancing the pressure for matching achievements in well-being made in other countries. Multilateral and bilateral donors have also put their weight and their resources into PAR thus creating a PAR juggernaut that will keep rolling at least for the next decade.

The report also indicates a recent increase in UNDP's PAR activities in a number of countries, with a strong focus now on accountability, transparency, anti-corruption, and ICT including e-Government.

In this regard, an important impetus for public sector reforms is also provided in the UNCAC. Articles 7 to 10 of this Convention identify a series of reforms to be undertaken in the public sector, calling for members states to improve civil service personnel management procedures, in particular for the selection and training of individuals for public positions considered especially vulnerable to corruption; to promote adequate pay and remuneration; to ensure education and training programmes; and to promote ethics, and integrity and proper performance for public servants. Special attention is also paid to enhancing transparency in public administration, including with regard to its organization, functioning and decision-making processes and on simplifying administrative procedures.

While the main responsibility for coordinating the ratification of the UNCAC lies with United Nations Office on Drugs and Crime (which also responds to technical and political issues regarding UNCAC[27]), UNDP has a key role to play in assisting in the capacity-building activities required to support the implementation of the UNCAC. As highlighted above, PAR will constitute an important segment of the UNCAC implementation strategies adopted by the State Parties of countries where UNDP is on the ground. The fight against corruption and the achievement of the MDGs will keep improvements to the performance and accountability of the public administration high on the development agenda.

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[27] Article 60 of the UNCAC also stipulates each State Party shall consider making voluntary contributions to the United Nations Office on Drugs and Crime for the purpose of fostering, through the office, programmes and projects in developing countries with a view to implementing this Convention.

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Appendix 1: UNDP PAR interventions in selected Asia-Pacific countries

	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics	Decentralization
Cambodia	3	2	2	2	1			2
China	1	1	1	1				1
Indonesia	4	4	4	1	4	1	3	3
Lao PDR	5	6	6	5	5	1	5	6
Malaysia	2	1	1			1	2	1
Mongolia	5	3	5	3	3	1	2	2
Philippines	9	6	8	7	4	5	4	7
Thailand	4	1	5	2	1	1	3	5
Viet Nam	5	7	6	2	6	3	2	5
NE and SE Asia	**40**	**32**	**39**	**24**	**24**	**13**	**22**	**33**
Timor-Leste	8	5	6	4	6	3	3	1
Pacific Islands	**8**	**5**	**6**	**4**	**6**	**3**	**3**	**1**
Afghanistan	11	6	5	4	5	4	6	5
Bangladesh	2	2	4	3	3	3	1	
Bhutan	4	4	5	3	3	3	2	2
India	3	1	2	1	2	3	2	2
Nepal	2	1	1	2			2	2
Sri Lanka	3	3	3	2	2		2	2
South Asia	**27**	**18**	**21**	**17**	**15**	**13**	**16**	**15**
TOTAL	**75**	**55**	**66**	**45**	**45**	**29**	**41**	**49**

Note: There is no information available from Myanmar in Southeast Asia; Fiji, Papua New Guinea and Samoa in the Pacific Islands; and Iran, Maldives and Pakistan in South Asia.

Appendix 2: Summary of UNDP PAR interventions (past 5 years: period 1998-current)

For each of the PAR projects, CO's were requested to mark the areas of intervention that the project is involved in (there may be more than one intervention for each project). Projects in the pipeline have been mentioned to identify possible trends in PAR interventions.

Project Title	Policy: Building policy, evaluation capacity, policy advice and coordination	Organization: Focusing on structure and restructuring	Processes: Work processes, ICT initiatives, quality management	Finance: Finance-related initiatives; budget, revenue and financial management	HRM: All HRM functions	Training institutes: Initiatives in Civil Service Training Institutes	Ethics, accountability and transparency: Leadership codes, Accountability mechanisms	Decentralization and local governance
Northeast and Southeast Asia								
Cambodia								
CMB/01/007: Partnership for Local Governance, SEILA Task Force Secretariat and Commune Councils (2001-2005)	X	X	X	X				X
CMB/01/004: Decentralization Support Project, Ministry of Interior and National Committee to Support Communes (2001-2005)	X			X				X
CMB/99/011: Capacity Development for the Implementation of the National Public Administrative Reform (Phase 1), Council for Administrative Reform under the Council of Ministers (2000-2003)	X	X	X		X			
TOTAL	**3**	**2**	**2**	**2**	**1**			**2**
In the pipeline: Establishing a Priority Mission Group Fund, Council for Administrative Reform (1-3 yrs)	*X*		*X*					

Note: There is no information available from Myanmar in Southeast Asia; Fiji, Papua New Guinea and Samoa in the Pacific Islands; and Iran, Maldives and Pakistan in South Asia.

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Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
China								
CPR 01/528 Public Administration Reform Phase III (2002-2006), Office of the State Commission on Public Sector Reform	X	X	X	X				X
Indonesia								
Partnership for Government Reform Independent (multi-donor) entity (2000–current)	X	X	X	X	X		X	X
Effectiveness Building of Inspectorate Institutions, State Ministry for Public Administrative Reform (MenPAN) (2005-)	X	X	X		X		X	
Governance Reform through DPRD Empowerment (GRADE), National Development Planning Agency (Bappenas), DPRD associations (2004-2007)	X	X	X		X	X	X	X
Local Governance Reform through Inter-Governmental Cooperation (LOGIC), National Development Planning Agency (Bappenas) and local government associations (2004-2007)	X	X	X		X			X
TOTAL	4	4	4	1	4	1	3	3

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Lao PDR								
Governance and Public Administration Reform Project (GPAR Phase I and II) Prime Minister's Office – (Department of Public Administration and Civil Service) (1997–current)	X	X	X	X	X	X	X	X
Strengthening National Tax Administration – Ministry of Finance, Tax Department (1995–2003)	X	X	X	X			X	X
Provincial GPAR Project, Luang Prabang province (Office of the Governor of Luang Prabang) (2002-current)	X	X	X	X	X		X	X
Strengthening Local Administration for Poverty Alleviation (UNV) (Office of the Governor of Luang Prabang) (2002-current)		X	X		X			X
Governance, Public Administration Reform and Decentralized Service Delivery in Saravane Province, Office of the Governor of Saravane and Provincial Office of Finance.	X	X	X	X	X		X	X
Strengthening Public Administration for Poverty Reduction and Economic Growth – Pilot GPAR project in Xiengkhouang province	X	X	X	X	X		X	X
TOTAL	5	6	6	5	5	1	5	6
In the pipeline: Support to the Customs Reforms – Ministry of Finance – Customs Department	X	X	X	X			X	X

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
In the pipeline: Policy Support to the Department of Fiscal Policy – Ministry of Finance – Fiscal Policy Department	*X*			X				*X*
In the pipeline: Strengthening Public Administration for Poverty Reduction and Economic Growth – Pilot GPAR project in Khammouane province	*X*	*X*	*X*	*X*	*X*		*X*	*X*
Malaysia								
Pilot Project on Local Agenda 21 – Ministry of Housing and Local Government (1999-2002)	X		X			X	X	X
Capacity Development of the Integrity Institute of Malaysia (2005- ongoing)	X	X					X	
TOTAL	**2**	**1**	**1**			**1**	**2**	**1**
Mongolia								
Support to the Good Governance for Human Security Programme	X	X	X	X	X	X	X	X
National Integrity Systems Enhancement (NISE)	X	X	X	X	X		X	
Support to the Introduction of Participatory Monitoring of Public Service Delivery (Office of the Government Services Council)	X		X					X
Institutional Capacity Building of the Office of the President of Mongolia	X	X	X		X			

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Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Development Cooperation Effectiveness and Harmonization	X		X	X				
TOTAL	**5**	**3**	**5**	**3**	**3**	**1**	**2**	**2**
Philippines								
Civil Service and Economic Management Reforms (ministry level) (2002-current)	X	X	X	X	X	X	X	
Budget Advocacy Project (ministry level) (2000-2002)	X		X	X		X		X
Anti-Corruption Programme (ministry level) (2002-current)	X		X			X	X	X
Government Watch or G-Watch (ministry level) (2000-current)	X			X				X
Enhancing the Public Accountability of the Commission on Audit Programme (1998-current)	X	X	X	X	X	X	X	X
Support to the Sectoral Review under the Reengineering Programme of the Presidential Commission on Effective Governance (PCEG)	X	X	X	X	X		X	
Technical Assistance for Enhancing the Department of Management's Capability in the Pursuit of a Programme Rationalizing and Improving Public Service Delivery	X	X	X	X	X	X		X

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Proposed Improvements in the Budget Execution Processes	X	X	X	X				X
Study on the Continuing Reduction of Signatures Required in Government	X	X	X					X
TOTAL	**9**	**6**	**8**	**7**	**4**	**5**	**4**	**7**
In the pipeline: Public Administration Reform Programme (2005-2009)	*X*	*X*	*X*	*X*	*X*	*X*	*X*	*X*
In the pipeline: Anti-Corruption Sector Programme (2005-2009)	*X*	*X*	*X*	*X*		*X*	*X*	*X*
Thailand								
Strategic Intervention in Support of Emerging Issues in Governance (1999-2004)	X		X			X	X	X
Promoting Sound Governance through Decentralization (1998-2000)	X	X	X	X	X			X
People's Audit Initiation (2003)	X		X				X	X
Partnership for Local Empowerment through Democratic Governance (2004-2006)	X		X	X			X	X
Supporting Decentralization through Environmental and Urban Governance (2004-2005)			X					X
TOTAL	**4**	**1**	**5**	**2**	**1**	**1**	**3**	**5**

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Viet Nam								
Assistance to Pilot Public Administration Reform in Hai Phong VIE/98/003		X	X		X			X
Strengthening Capacity of the Government Committee on Organization and Personnel (GCOP) VIE/97/001	X	X	X		X			
Support to the Implementation of the Public Administration Reform 2001-2010 Master Programme VIE/01/024	X	X	X					X
Support to Public Administration Reform to Ho Chi Minh City VIE/96/029	X	X		X	X		X	X
Support to Public Administration Reform to Ho Chi Minh City VIE/02/010		X	X	X	X	X	X	X
Support to Public Administration Reform Programme of the Ministry of Agriculture and Rural Development VIE/98/004	X	X	X		X	X		
Support to Public Administration Reform Programme of the Ministry of Agriculture and Rural Development VIE/02/016	X	X	X		X	X		X
TOTAL	5	7	6	2	6	3	2	5

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
South Pacific								
Timor-Leste								
Support to the Development Posts Project for the Government of Timor-Leste (20 institutions including 11 ministries, 3 state secretariats, President office, National parliament and others) (May 2002-current)	X		X	X	X	X	X	
Capacity Development for HRM in the Civil Service in Timor-Leste (National Institute for Public Administration, National Directorate for Public Service, Ministry of State Administration) (January 2002-current)	X	X	X		X	X	X	
Development Advisory Support (Various state institutions) (June 2000-2005)	X		X			X		
Coordination, Monitoring and Planning Assistance for Timor-Leste National Development Plan Implementation (Ministry of Planning and Finance) (June 2003-current)	X			X				
Support to Office of the Inspector General (Office of the Inspector General) (Feb 2001-Dec 2003)	X	X			X		X	

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Local Governance Options Study Project (Ministry of State Administration) (April 2003-Dec 2004)								X
Strengthening the Capacity of the Foreign Relations (Ministry of Foreign Affairs and Cooperation) (Nov 2001-June 2004)	X	X	X		X			
Support to National Planning and Development Agency (preparatory assistance) (Jan 2001-July 2001)	X	X	X	X	X			
Support to National Planning and Development Agency (Later PEAMD/NDPEAC, CDCU and Statistics) (June 2001-current)	X	X	X	X	X			
TOTAL	8	5	6	4	6	3	3	1

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
South Asia								
Afghanistan								
Support to Development of the National Development Framework – Ministry of Finance	X			X				
Support to Establishment of the Independent Administrative Reform and Civil Service Commission	X	X	X		X	X	X	X
Making Budgets Work		X	X	X			X	X
ICT Capacity Building	X		X					
Afghanistan Information Management System	X		X				X	
Support to Ministry of Women's Affairs	X	X			X			
Support to IARCSC – Leadership Development					X	X	X	
Support to IARCSC – Training and Development	X					X	X	X
Women's Advancement and Equal Opportunities in the Afghan Civil Service	X	X			X			
Support to the National Budget Process, National Priority Programmes and PRSP	X			X				

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
The Roles and Responsibilities of Local Councils – Policy Options	X	X						X
Support to the Establishment of the Secretariat of the Afghan Legislature	X	X	X	X	X	X	X	X
TOTAL	**11**	**6**	**5**	**4**	**5**	**4**	**6**	**5**
Bangladesh								
Support to Public Administration Reform Commission (PARC) Executing Agency: PARC Implementing Agency: PARC/UNOPS (Oct 1997-Mar 2001)	X	X	X	X	X			
Strengthening Office of Auditor and Comptroller General (STAG) Executing Agency: Office of Auditor and Comptroller General Implementing Agency: UNOPS (July 1999-Oct 2002)			X	X	X	X		
Developing Civil Service Capacity for 21st Century Administration (DCSC21) *Preparatory Assistance Project* Executing Agency: Ministry of Establishment Implementing Agency: BPATC/UNOPS (July 2004-June 2005)	X	X	X		X	X	X	

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Strengthening Foreign-Aided Projects Audit Directorate (FAPAD) Executing Agency: FAPAD Implementing Agency: FAPAD/UNOPS (Aug 2004-July 2005)			X	X		X		
TOTAL	**2**	**2**	**4**	**3**	**3**	**3**	**1**	

Note: Projects (such as BGD/97/C01, BGD/02/002 **etc.) related to Local Governance/Decentralization (UNCDF portfolio) are not covered in the above-mentioned table for clarity of understanding.
BGD/97/C01 – Sirajganj Local Governance Development Fund: This pilot initiative is focused on one of the administrative divisions in Bangladesh and is aimed at enabling local government to carry out long-term development and fight poverty in rural areas. To achieve this, local elected bodies are trained in planning, designing, implementing and monitoring; fiscal decentralization, transparency, accountability and gender sensitivity are promoted; and support to improve small-scale infrastructure is provided. Experiences are consistently drawn from this initiative and used to shape future UNDP projects and those of our partners.
BGD/02/002 – Promoting Policy On Local Governance and Decentralization in Bangladesh: Through a series of studies and consultations, this initiative aims to develop an analytic framework and programme strategy for future UNDP support to promote national policy and local practice in democratic governance

Bhutan								
Strengthening Capacities for Development Management and Decentralization, Ministry of Home Affairs (1998-1999)	X	X	X	X	X	X	X	X
Human Resource Management and Development, Royal Civil Service Commission, Royal Institute of Management, Bhutan Chamber of Commerce (1997-2002)	X	X	X		X	X		
Decentralization Support Programme Ministry of Home and Cultural Affairs (2003-2006)	X	X	X	X	X	X	X	X

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Institutional Capacity Building and Policy Support for the Ministry of Communications (2002-current)	X	X	X					
Capacity Strengthening of Department of Budget and Accounts on Pro-poor Financial Management (2004-current)			X	X				
TOTAL	4	4	5	3	3	3	2	2
India								
Establishment of Centre for Public Policy (Department of Personnel and Training, Govt. of India) (2000-current)	X					X		
Improving Citizens' Access to Information (Department of Personnel and Training, Govt. of India) (2001-2004)	X		X		X	X	X	X
Strengthening of State Administrative Training Institutes (Department of Personnel and Training, Govt. of India) (2001-current)	X	X	X	X	X	X	X	X
TOTAL	3	1	2	1	2	3	2	2

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
Nepal								
Decentralized Local Governance Support Programme (DLGDP) (2004–2006)	X	X		X			X	X
Decentralized Financing and Development Programme (DFDP) (2001–2005)	X			X			X	X
TOTAL	2	1	1	2			2	2
Sri Lanka								
Strengthening Finance Commission: Introduction of a More Rational Fiscal Decentralization Package (1999-2003)			X	X				X
Strengthening the Capacity of the Sri Lanka Institute of Development Administration (1999–2003)	X	X	X		X			
Strengthening the External Resources Department for Aid Management (1998-2005)	X	X	X	X	X		X	
Invest in Peace Project – Strengthening the Board of Investment 2003-2004)	X	X					X	X
TOTAL	3	3	3	2	2		2	2

Project Title	Policy	Organization	Processes	Finance	HRM	Training institutes	Ethics, accountability and transparency	Decentralization and local governance
In pipeline: *Support to the Customs Reforms – Ministry of Finance – Customs Department*	X	X	X	X			X	X
In pipeline: *Policy Support to the Department of Fiscal Policy, Ministry of Finance, Fiscal Policy Department*	X			X				X