Introducing the Structural Reform Support Service

Structural Reform Support Service

The Structural Reform Support Service, SRSS, is a service of the European Commission with a mandate to:

- support Member States with the preparation, design and implementation of growth-enhancing reforms;
- focus on providing tailor-made support on the ground; and
- steer and coordinate technical support provided by the Commission.

How it works

At the request of a Member State, the SRSS:

1. engages in a dialogue to discuss technical support needs;
2. agrees on a “cooperation and support plan” with the Member State; and
3. provides financing for the technical support and coordinates the necessary expertise.

The technical support provided by the SRSS covers the entire process of reform, from inception to completion, and this support is available to all EU Member States.
Areas of support coverage

Member-State reforms at their own initiative
- Growth-enhancing reforms to achieve sustainable investment, growth and job creation

Economic governance processes
- European semester
- Union law
- EU policy priorities
- Better use of EU funds

Special assignments
- Migration management support
- Cyprus settlement support
Organisation of the SRSS

Organisational structure

The SRSS adopts a country-specific focus, using expertise across the teams to develop tailor-made technical support programmes in response to the specific needs of each Member State.

Taking a flexible approach and covering a wide number of policy areas, allows the SRSS to respond to technical support requests from individual Member States.
Policy areas of SRSS support

The SRSS can engage in any policy area identified by a Member State as a reform priority.

This includes:

**Governance & public administration**
- Governance
- Central & local administration
- e-Government
- Management of human resources
- Better regulation
- Anti-corruption & anti-fraud strategies
- Anti-money-laundering strategies
- Judicial reform

**Revenue administration & public financial management**
- Revenue administration
- Budget preparation
- Spending reviews
- Fiscal strategies & tax policy
- Supreme audit institutions/ independent fiscal institutions

**Growth & business environment**
- Investment licensing
- Competition policy
- Trade issues
- Digital society
- Land registry
- Energy Union
- Better regulation
- Management of State-owned enterprises (SOEs)
- Sectoral expertise: transport, environment, water, agriculture, etc.

**Labour market, health & social services**
- Labour market policies & laws
- Welfare system
- Pension system
- Healthcare system
- Education & vocational training

**Financial sector & access to finance**
- Access to finance
- Capital Markets Union
- Bank supervision & resolution
- Non-performing loans
- Insolvency & financial literacy
- Insurance & pensions
- Competition issues
Modalities of SRSS engagement

Reform process cycle

The SRSS engages with Member States throughout the various stages of the reform process, ensuring that support is available where it is most needed during the entire process. This covers:

- identification of reform needs;
- assistance with the implementation of reforms; and
- monitoring & evaluating outputs & outcomes.

Technical support providers

The SRSS works with providers to give tailored technical support to address the specific needs of Member States. This includes support provided by:

- experts from member-states administrations;
- international organisations;
- private firms, including consultancy firms; and
- individual experts from the private sector.

Together with in-house Commission expertise delivered directly, these providers ensure that the right assistance is delivered where it is needed.
Types of technical support

- Studies & diagnostic analyses
- Study visits
- Seminars, conferences & workshops
- Expert & scoping missions
- Embedded experts
- Training
- Reform Partnerships

Technical support process

1. Request
2. Initiation of support
3. Matching "supply & demand"
4. Definition of support
5. Delivery, supervision & monitoring
6. Evaluation
Objective of the Structural Reform Support Programme

Regulation (EU) 2017/825 on the establishment of the Structural Reform Support Programme for the period 2017 to 2020 (SRSP) entered into force on 20 May 2017. The objective of the SRSP is to strengthen the capacity of Member States to prepare and implement growth-enhancing reforms, including through assistance for the efficient and effective use of Union funds.

With a budget of EUR 142.8 million (2017-2020), the entry-into-force of the SRSP marks a significant milestone for future SRSS engagements with Member States.

A "cooperation and support plan" will be agreed for each Member State requesting support. This covers the priority areas for support, the objectives of the support, an indicative delivery timeline, the scope of the support measures to be provided and the estimated amount of global financial support to that Member State.

Key takeaways

- The SRSP establishes a comprehensive programme for Commission engagement with Member States on technical support;
- Assistance is demand driven, based on a request from a Member State;
- The budget of EUR 142.8 million is for the Commission to use for the delivery of technical support to Member States; there are no co-financing requirements;
- For those Member States with high support needs, unused Structural Funds (technical assistance) can be transferred to be used under the technical support programme for that Member State (Article 11 of the SRSP Regulation);
- Available to all 28 EU Member States.
SRSS - SRSP budget

2016: 3 million (Preparatory Action)

2017: 24 million

2018: 32 million

2019: 40 million

2020: 47 million
SRSS & SRSP: 2017 timeline

Q1 2017
SRSS engages with Member States to discuss collaboration and technical support needs under the SRSP

End-April 2017
Informal submission of requests by Member States for funding round 1: 2017

Q1-2 2017
Use of financing available to address urgent technical support needs until the SRSP comes into force

May 2017
Entry into force of SRSP and formal submission of requests by Member States for funding round 1: 2017
May-August 2017
SRSS assesses Member States’ requests, selects projects to support and agrees cooperation and support plans with Member States

September-October 2017
Delivery of support on the ground begins for projects financed under funding round 1: 2017

End-October 2017
Submission of requests by Member States for funding round 2: SRSP 2018

Q4 2017-Q1 2018
SRSS assesses Member States’ requests, selects projects to support and agrees cooperation and support plans with Member States
Governance & Public Administration
Introducing the SRSS Governance & Public Administration Team

The “Governance and Public Administration” team of the SRSS offers technical support to Member States in the areas of governance and public administration.

The support is provided in response to a request from a Member State and is tailored to the needs of that Member State, while ensuring synergies with the programmes under the European Structural and Investment Funds (ESIF). With the aim of leveraging existing expertise and increasing the efficiency of the support delivered, the provision of technical support is coordinated across the Commission services and with international organisations. The technical support ranges from light to deep engagements and draws on expertise from the Commission services, Member States, international organisations and the private sector.

The team engages with public authorities in Member States, including the government, public administrations and government agencies at national, regional and local levels, to help design and implement structural reforms to optimise the efficiency of the public administration.
Examples of topics and projects

State governance and better policy making
• Inter-ministerial coordination
• Structures and processes
• Codification and planning of laws
• Supervision of reform implementation

Human resources
• Selection of top managers
• Internal mobility of staff
• Performance assessment
• Strategic workforce planning
• Change management

Efficiency of the organisation of the State and service delivery by the State
• Life events & customer journey mapping
• Administrative simplification
• Functional reviews
• Management of EU funds
• Internal control system

Transparency, anti-corruption & anti-money laundering issues
• Anti-corruption strategy
• Anti-money-laundering strategy
• Ethics
• Procurement

Judicial systems
• Efficiency of judicial systems
• Quality of judicial systems
• Independence of the judicial system

e-Government
• Design and implementation of an e-Governance system
• Development of an IT strategy and an action plan
• Development of IT project specifications

The wide range of topics covered allows the SRSS to work on the priorities identified by a Member State in the areas of governance and public administration.

The SRSS focusses on:

1. provision of advice and hands-on support at various stages of the reform implementation process;
2. reinforcement of the technical capacity of public administrations; and
3. creation of a set-up allowing for the development of evidence-based policy making.
Helping Member States improve the efficiency of the State

Strong and effective State governance of reforms is a necessary requirement for the identification, selection and implementation of reforms. This is also a central element of the State administration when it comes to the design and implementation of the government agenda. There is often a need to strengthen the steering, coordinating and planning structures at the centre of government. Such improvements allow for an effective monitoring of reforms and for the early identification of strategic issues that can facilitate or hamper their roll-out. In particular, in the area of public administration, full engagement of the highest political level is a precondition for success. The SRSS can assist with the development of such governance at both strategic and technical levels.

Examples of technical support provided

Inter-ministerial coordination structure
The SRSS has helped develop a structure dedicated to the coordination of the government agenda in all areas of the government. Support covered the design of the structure, the training of staff and the development of management and IT tools.

Supervision of reform implementation
In parallel to the work stream on inter-ministerial coordination, the SRSS has provided assistance to design and support other coordination structures. Such work is required to closely monitor the implementation of reforms and ensure that corrective actions are taken, at the highest level of the State, whenever necessary.

Codification and planning of laws
Better regulation is a particular focus of the Commission - the SRSS has provided technical support to structure and develop a code of laws to improve the legal framework.
Human resources

Human resource policies and the European Union

Budgetary constraints put pressure on civil services to make effective use of scarce resources and States must also adjust to the evolving needs of citizens. Member States are thus incentivised to improve their workforce planning and set up human-resource systems that promote learning and career development opportunities. In this context, professional HR strategies are key for attracting the most competent staff. HR development tools are, more than ever, a key component for building a quality public administration and fostering economic growth.

At the European level, assistance is provided to Member States to address these challenges: policy guidance & innovation, monitoring & assessment and exchange of good practices. They also benefit from funding instruments under the European Structural Funds.

The SRSS complements these tools by offering Member States hands-on technical support for the design, planning and implementation of human-resource reforms. Support can be provided on all aspects of human resource policy with a strong emphasis on technical capacity building.

Strengthening the capacity of the public administration

- Employee value position
- Strategic workforce planning
- Recruitment and selection
- Training
- Performance management
- Rewards
- HR audits

Examples of technical support provided

Selection of top managers
The SRSS has provided support to improve the selection of top managers, including the design of a process to target the skills required and help put in place the necessary leadership to lead reforms.

Internal mobility
Support was provided to develop an internal job market and foster mobility to improve the allocation of resources. The transparency of the process and the involvement of direct managers are central aspects of such reforms.

Performance assessment
The SRSS helped to design and implement performance management systems with a view to improving staff performance. A central element of this support was the development of a competency framework adapted to the public sector.

Strategic workforce planning
Assistance was provided for the development of staffing plans and hiring plans in line with governmental priorities. Solutions combined the management of budgetary positions with the planned movement of personnel.

Change management
The SRSS supported the design of an internal communication strategy. Based on the reform programme, distinct steps were identified to produce specific communication messages, help explain reforms and secure buy-in from those involved.
Efficiency of the organisation of the State and service delivery by the State

Helping Member States improve the efficiency of the State

A key focus of technical support is to improve the performance of the public administration. An effective, agile and efficient administration is viewed as a pre-requisite for sound management of the country and a key driver of growth. This has the power to attract investment because it provides a solid platform for the development of businesses and can provide quality services to citizens and professionals. It is also a central tool to structure the work of the government and to transform political guidelines into reality.

The SRSS has provided support to Member States on two key aspects related to administrative structures:

- revision of organisations, in particular through functional reviews or evaluation of services with a view to improving the efficiency and the effectiveness of public policies; and
- revision of processes. The SRSS has been promoting best practices in Europe to approach administrative services from the point of view of the end user. The approach based on “life events” is indeed a new paradigm with the potential to considerably improve the quality of service delivery. Support from the SRSS has also addressed the management of EU funds to improve the absorption rate.

Examples of technical support provided

Administrative simplification
This includes business process reengineering of administrative processes with a view to improving effectiveness and efficiency. The SRSS has assisted Member States with the simplification of both processes and regulations, notably in the development of existing one-stop shops.

Functional reviews
Functional reviews provide an assessment of public bodies on the basis of their impact and efficiency with respect to a public policy. The SRSS has assisted Member States with assessments of their administrations, leading to reorganisation and the identification of reforms.

Management of EU funds
The SRSS has assisted Member States in improving their absorption rates of Structural Funds and has also helped with the design of operational programmes.

Internal control systems
Support was provided for the design and development of a system of internal control. The objective is to empower managers to develop a results-oriented framework. Such a system also helps provide a “first line of control”, which can have a very significant impact in preventing fraud and corruption in the public sector.

Life events and customer journey mapping
This is the revision of administrative process based on the common, crucial moments or stages in the lives of citizens or the lifespan of a business. This approach is both a tool for analysis and a pragmatic basis for reorganising public services, especially electronic services.
Transparency and accountability and the European Union

Ethics in public life starts with attitudes and values at the top of the administration. In the first instance, it is a matter for the government itself and for the top managers who are selected to lead the administration. However, ethics in public life can also be codified as standards of behaviour for all officials. Public administrations across Europe are developing codes of ethics and codes of conduct, which are overseen by independent watchdogs. These frameworks can also be complemented by practical measures that can help limit opportunities for wrong doing and set additional “lines of defence” against fraud and corruption.

The SRSS supports Member States in embedding transparency and accountability in their administrative practices. It offers hands-on technical support for the design, planning and implementation of ethical, anti-corruption and anti-fraud strategies, as well as anti-money-laundering policies. Support is provided at all stages of the reform design and implementation.

Examples of technical support provided

Anti-corruption strategies
The SRSS helped with the implementation of a National Action plan for Anti-Corruption. Strategies were developed in the areas most prone to corruption. They included numerous measures, including protection for whistle blowers, frameworks for declaration of assets and conflict of interest, and forced mobility.

Anti-money-laundering strategies
The SRSS helped with the development of the National Risk Assessment on Money Laundering. Support included the development of a platform for the exchange of information in the banking sector to help identify potential fraud.

Ethics
Support was provided for the development of a network on ethics across the public administration. The SRSS also helped to review the disciplinary framework.

Procurement
The SRSS assisted with the revision of procurement processes and regulation with a view to improving efficiency and limiting the risk of fraud. Support was also provided regarding the recourse to information technology systems to improve the transparency of the procurement process.
Supporting judicial reforms in Europe

Effective judicial systems play a crucial role in upholding the rule of law and the Union’s fundamental values. They are also an important structural element for an investment- and business-friendly environment. As such, the effectiveness of national judicial systems is a priority of the European Semester process.

Member States are engaging in reforms to address these challenges and enshrine them in their national justice programmes, policies and strategies. The SRSS supports hands-on enhancement of the capacity of national institutions to implement reforms and to exchange best practices with other Member States.

Examples of technical support provided

Efficiency of the judicial system
The SRSS helped review the business process of courts in order to reduce delays. The focus was on the identification and analysis of the problematic areas in terms of both occurrence and impact. This was the case notably with an evaluation of the insolvency framework, which is a known limiting factor for business development in many countries.

Quality of the judicial system
Support was provided for the implementation and promotion of alternative-dispute-resolution (ADR) mechanisms/mediation to limit the workload of judges and improve the quality of the justice system.

Independence of the judicial system
The SRSS led an analysis of the prosecutor office in a Member State. The work was carried out using a structural model and a review to identify problematic areas and provide solutions.
Helping Member States develop e-Government in a sustainable manner

Digitalisation of public administration is not an end in itself, but a way to access faster, cheaper and better services. e-Government improves efficiency and increases user-friendliness and accessibility. It is also helps promote ethical practices and reduces opportunities for corruption.

The implementation of solid e-Governance is at the core of the development of e-Government. Once decision-making and supervision bodies are in place, Member States can define their strategies, architectures and frameworks and then go ahead to implement them in a sustainable manner. e-Government has a strong inter-ministerial aspect as it requires an overall simplification of administrative processes to meet the needs of the citizens.

Examples of technical support provided

**Design and implementation of e-Governance**
The development of e-Government requires strong coordination of all activities of the State. Solid governance for the development of information technology is a "must" if a State wishes to develop sustainable e-Government. The SRSS has assisted Member States with the structuring and preparation of e-Governance and the associated services.

**Development of an IT strategy and action plan**
The development of e-Government requires an understanding of numerous aspects related not only to the IT infrastructures and their implementation but also to the key building blocks and governance. The SRSS has assisted Member States with the development of e-Government strategies and with the design of relevant action plans.

**Development of IT specifications**
The implementation of an ICT system requires a good understanding of the stakeholders’ needs. The SRSS has helped Member States to draft specifications for IT systems both at a detailed level and for assessing the potential shared use of IT tools among services with a view to reducing public spending.
Revenue Administration & Public Financial Management
Introducing the SRSS Revenue Administration & PFM Team

The "Revenue Administration & Public Financial Management" team of the SRSS offers technical support to Member States in the areas of administration of taxes and social security contributions, tax policy, public financial management and expenditure policy.

The support is provided in response to a request from a Member State and is tailored to the needs of that Member State, while ensuring synergies with the programmes under the European Structural and Investment Funds (ESIF). With the aim of leveraging existing expertise and increasing the efficiency of the support delivered, the provision of technical support is coordinated across the Commission services and with international organisations. The technical support ranges from light to deep engagements and draws on expertise from the Commission services, Member States, international organisations and the private sector.

The team engages with public authorities in Member States (mostly Ministries of Finance, Revenue Agencies, Tax and Customs Administrations, and other delegated bodies) to support fiscal institutional reforms.
Examples of topics covered

**Revenue administration**
- Strategic and operational planning
- Compliance strategy
- Business process management
- Risk management
- Performance management
- Organisational reforms
- Tools and methodologies

**Public financial management**
- Spending reviews and budget preparation

**Tax policy**
- Macro- and micro-simulations
- Revenue analysis and prognoses
- Tax modelling
- Tax legislation

Accrual accounting
- Independent fiscal institutions
- Supreme audit institutions

The wide range of topics covered allows the SRSS to work on the priorities identified by a Member State in the areas of revenue administration and public financial management.
Examples of topics covered

**Strategic and operational planning**
Support with the design and implementation of an overall (long-, medium-, short-term) revenue administration strategy aimed at mobilising the revenues and meeting the targets of the government. Implementation of sectoral strategies defining the objectives and measures in specific areas such as taxpayer compliance, debt management, VAT fraud, audit, etc.

**Compliance strategy**
Support with the development and implementation of a comprehensive compliance strategy aimed at increasing voluntary compliance.

**Business process management**
Support for sustainable implementation of a business-process-management-approach, including mapping/modelling, analysis, optimisation, implementation and monitoring of the core business processes such as: registration, tax returns and payments, debt collection, audits, dispute resolution, and taxpayer services.

**Risk management**
Assistance with development of a risk management strategy; design and implementation of risk management processes according to international best practice; support in performing impact assessments, gap analyses, etc.

**Performance management**
Support for the design and implementation of performance management systems and KPIs measuring the level of achievement of the strategic goals of the revenue administration; design and implementation of indicators for effectiveness and efficiency of the business processes; design and implementation of quality standards.

**Tools and methodologies**
Assistance with the implementation of "lean" tools and methodologies aimed at streamlining and simplifying processes, eliminating unnecessary work, and reducing costs for both taxpayers and the tax administration alike.
Organisational reforms

Design of comprehensive organisational reforms based on diagnosis and needs analysis
Support for performing comprehensive diagnoses of the revenue administration by means of SWOT analysis, and other tools; evaluating the nature, extent and impact of the necessary changes, including integration of different bodies; design of a holistic or sectoral reform programme.

AS-IS business process mapping and design of TO-BE business processes
Support for AS-IS analysis and mapping and TO-BE transition of business processes; recommending business-process improvements in line with international best practices; documenting the processes (workflows, work procedure, etc.) in order to facilitate their implementation.

Procedural legislation
Ensuring that organisational change is supported by the necessary legal framework. Support for the development of a tax procedure code which provides for implementation of the new business processes and organisational change.

Organisational structure and human resources management
Assistance for design of a tailor-made organisational structure in accordance with international good practice; development of functional descriptions of the organisational units and job descriptions for the staff; design of a posts structure and promotion schemes.

IT development and implementation
Support for IT strategy development; IT needs analysis; definition of technical and functional requirements; development and implementation of new IT.

Change management
Support to assess the impact of organisational change on human resources and to design change-management programmes.
**Capacity building**

**Professional training**
Assistance with the design of professional function-based training and organisation of training on specific methods, methodologies and tax matters, which aim to increase the level of professionalism and performance of the tax officials; organisation of training in tax academies of other Member States.

**Working visits and benchmarking**
Assistance with organisation of visits to other Member States’ revenue administrations in order to exchange experience, and learn about good practices and solutions to similar problems.

**Exchange of experts**
Hands-on technical assistance by tax experts from other Member States for short or long periods to perform tasks in specific domains.

**Studies, surveys and analysis**
Assistance and delivery of surveys and studies aimed at collecting information for training and strategic decisions, such as the level of satisfaction of the personnel of the tax administration, taxpayer compliance behaviour, etc.
Examples of topics covered

Macro- and micro-simulations
Helping with the realisation of micro-simulations of economic and redistributive impact of tax policy changes.

Revenue analysis and prognosis
Support for collection of data and statistics and development of common methodologies for revenue analysis and forecasts.

Tax modelling
Providing support to design a taxation system.

Tax legislation
Providing support for the design and drafting of tax legislation (Tax Procedure Code, VAT Legislation, Income Tax Code, etc.).

Spending reviews and budget preparation
Providing assistance for the design and carrying-out of a spending-review process fully articulated with budget preparation.

Accrual accounting
Helping to develop a roadmap for transition towards accrual accounting and to design new accounting policies.

Independent fiscal institutions
Providing support to independent fiscal institutions (Fiscal Councils) through peer learning, study visits and specific training.

Supreme audit institutions
Assisting with the development of performance audit and financial audit methodologies in line with INTOSAI standards.
Growth & Business Environment
Introducing the SRSS Growth & Business Environment Team

The “Growth & Business Environment” team of the SRSS offers technical support to Member States in the areas of investment, competitiveness and growth.

The support is provided in response to a request from a Member State and is tailored to the needs of that Member State, while ensuring synergies with the programmes under the European Structural and Investment Funds (ESIF). With the aim of leveraging existing expertise and increasing the efficiency of the support delivered, the provision of technical support is coordinated across the Commission services and with international organisations. The technical support ranges from light to deep engagements and draws on expertise from the Commission services, Member States, international organisations and the private sector.

The team engages with public authorities in Member States, including the government and regulatory bodies, to support structural reforms to strengthen the investment climate, leverage public assets and promote the Energy Union.
Examples of topics covered

Investment climate
• Sectors
• Markets for goods & services
• Business

Public assets
• Investment management
• Governance of State-owned enterprises
• Management of resources

Energy Union
• Energy markets
• Governance
• Low-carbon economy

The wide range of topics covered allows the SRSS to work on the priorities identified by a Member State in the areas of growth and business environment.

The SRSS focusses on:
1. providing advice and hands-on support at various stages of the reform implementation process;
2. capacity building of public administrations; and
3. creation of systems to ensure the development of evidence-based policy making.
**Sectors**

**National implementation challenge**
While the recovery continues, its pace is moderate and uneven across Member States, and the legacy of the financial crisis remains far-reaching. Progress on reforms, together with appropriate sequencing and implementation, is needed to raise productivity and growth.

**European priorities**
"The Commission therefore calls on Member States to redouble their efforts along the principles of the virtuous triangle of boosting investment, pursuing structural reforms and ensuring responsible fiscal policies, and in doing so, to put the focus on social fairness and delivering more inclusive growth.”
*European Semester Autumn Package, 16 November 2016.*

**Examples of technical support provided**
Benchmarking and modelling the business environment and competitiveness, and strategic planning in key sectors such as innovation, tourism, trade and transport.

**Markets for goods and services**

**National implementation challenge**
Numerous obstacles hamper the efficient functioning of goods and services markets.

This undermines the development of a level playing field for consumers and business and prevents SMEs from scaling up. Weak regulatory frameworks and regulatory bodies lead to uneven application of rules, unequal access to networks, and services falling short of agreed standards.

**European priorities**
"Exploiting the full growth potential of the Single Market could even generate more than 11% of EU GDP.”

**Examples of technical support provided**
Streamlining licences and permits for starting, running and closing a business, as well as putting in place processes and tools to maintain streamlined procedures.

**Business**

**National implementation challenge**
Fragmented regulations and time-consuming procedures make “doing business” costly and uncertain. Such red tape leads to administrative burden on business and discourages investors.

**European priorities**
"Despite significant efforts by the Union and its Member States, administrative burden and regulatory complexity are reducing too slowly and unevenly in the EU.”

**Examples of technical support provided**
Strengthen regulatory bodies to use tools for economic regulation; helping entrepreneurs and professionals to innovate and expand; removing barriers to competition in key economic sectors; promoting points of single contacts; and developing the collaborative economy and social entrepreneurship.
## Public assets

### Investment management

**National implementation challenge**
Investment has remained subdued since the crisis, due to regulatory barriers, limited fiscal space, debt overhang, tight credit and policy uncertainty. Member States seek to make better use of the available public resources, to leverage them with private funds and to ensure value for money for investments.

**European priorities**
"My first priority as Commission President will be to strengthen Europe’s competitiveness and to stimulate investment for the purpose of job creation." *Political Guidelines for the next European Commission, 15 July 2014.*

**Examples of technical support provided**
Enhancing the capacity to prepare, launch, monitor and evaluate investment projects, including public-private partnerships. Assistance covers the whole life-cycle of an investment project, from ex-ante design to ex-post evaluation.

### Governance of State-Owned Enterprises (SOEs)

**National implementation challenge**
Weakly managed SOEs undermine public finances, the functioning of markets and the provision of services. Better corporate governance of SOEs is important for increasing their efficiency and accountability, allowing the State to act as an informed and active owner.

**European priorities**
"In some Member States where State-owned enterprises exert tangible impact on the economy, it is important to ensure appropriate governance structures to contribute best to economic development." *2017 European Semester: Annual Growth Survey, 16 November 2016.*

**Examples of technical support provided**
Strengthening entities responsible for supervising and managing SOEs, for example, by setting up reporting and monitoring frameworks for performance improvement, enhancing capacity on corporate governance, and strengthening methods for decision making by their management boards.

### Management of resources

**National implementation challenge**
Poor implementation of environmental and land-use laws leads to environmental, economic and social costs and an unequal playing level field for business.

**European priorities**
"The transition to a more circular economy, where the value of products, materials and resources is maintained in the economy for as long as possible, and the generation of waste minimised, is an essential contribution to the EU’s efforts to develop a sustainable, low carbon, resource efficient and competitive economy." *Closing the loop, Communication from the Commission, 2 December 2015.*

**Examples of technical support provided**
Improving water management by establishing sound information and monitoring systems for the assessment and evaluation of service providers; improving waste management by stimulating innovation in recycling and limiting the use of landfilling; protecting environmental resources by building capacity for preventing oil pollution; and improving land management by modernising cadastral services.
Energy markets

National implementation challenge
Despite the progress made in recent years, many energy markets are still underperforming. In particular, market design does not encourage sufficient investment, market concentration for consumers and weak competition remain an issue, and the European energy landscape is still too fragmented.

European priorities
"Today, the European Union has energy rules set at the European level, but in practice it has 28 national regulatory frameworks. This cannot continue. An integrated energy market is needed to create more competition, lead to greater market efficiency through better use of energy generation facilities across the EU and to produce affordable prices." Energy Union Package, Communication from the Commission, 25 February 2015.

Examples of technical support provided
Developing open, transparent and competitive energy markets, for example, by adapting market and grid codes, drafting template documents for private stakeholders, and developing strategies and tools to facilitate price comparison and consumer switching.

Governance

National implementation challenge
Putting the Energy Union in place requires strong implementation capacity, long-term planning and stakeholder mobilisation, taking into account technological, infrastructure and market developments.

European priorities
"The Energy Union also needs integrated governance and monitoring process, to make sure that energy-related actions at European, regional, national and local level all contribute to the Energy Union’s objectives." Energy Union Package, Communication from the Commission, 25 February 2015.

Examples of technical support provided
Supporting Energy-Union governance and compliance with EU regulations, for example, by assisting with the preparation of the new National Energy and Climate Plans; building capacity in newly-created independent bodies for carrying out auctions; and coordinating stakeholders on Energy-Union matters.
Low-carbon economy

National implementation challenge
Member States are seeking ways to accelerate the transition to low-carbon economy, inter alia through promoting renewable energy sources and energy efficiency. This is challenging in view of the continuous technological innovation and fast changing cost structures present in the sectors, while capital-intensive, aging and diverse infrastructures complicate learning from international experiences.

European priorities
"The EU has all the potential to turn the climate change challenge into an opportunity. In this global context, Europe is a leader in developing innovative low-carbon technologies and services, not only in the energy sector but also in industry, buildings and transport. It should maintain this leadership." Accelerating Europe’s transition to a low-carbon economy, Communication from the Commission, 20 July 2016.

Examples of technical support provided
Assessing the potential for renewable energy sources and energy efficiency; designing suitable support and incentive schemes; developing monitoring and communication tools; and promoting cooperation among stakeholders; evaluating climate change mitigation measures; and developing land-use change and forestry inventories.
Labour Market, Health & Social Services
Introducing the SRSS Labour Market, Health & Social Services Team

The "Labour Market, Health & Social Services" team of the SRSS offers technical support to Member States in the areas of the labour market, social welfare, education, pension, health and any other social policies.

The support is provided in response to a request from a Member State and is tailored to the needs of that Member State, while ensuring synergies with the programmes under the European Structural and Investment Funds (ESIF). With the aim of leveraging existing expertise and increasing the efficiency of the support delivered, the provision of technical support is coordinated across the Commission services and with international organisations. The technical support ranges from light to deep engagements and draws on expertise from the Commission services, Member States, international organisations and the private sector.

The team engages with public authorities in Member States, including the government, public administrations and government agencies at national, regional and local levels, to help put in place structural reforms to improve the functioning of health care services, as well as education systems, labour markets and social protection policies.
## Examples of topics covered

### Health systems
- Universal access to quality healthcare
- Governance and efficient public administration
- Fair and sustainable financing of health systems
- Human resources for healthcare
- Monitoring and evaluation of social services
- Social care

### Pensions
- Integration of pension schemes
- Administration of benefits
- Supplementary pension schemes
- Disability: assessment and policy design

### Education
- Modernisation of administrative structures
- Continuing professional development of teachers
- Funding mechanisms and expenditure in education
- Modernisation of vocational education systems
- Disability: assessment and policy design

### Labour market
- Labour administration
- Public employment services (PES)
- Innovation policies and labour market outcomes
- Integration of refugees
- Employability programmes, including ALMPs, public work schemes, and youth initiatives
- Undeclared work
- Social economy

### Training systems
- Support to the development of IT tools

### Social welfare
- Social welfare reviews
- Minimum income schemes
- Monitoring and evaluation of social services
- Social care

The wide range of topics covered allows the SRSS to work on the priorities identified by a Member State in the areas of the labour market, health and social services.

The SRSS focusses on:

1. providing advice and hands-on support at various stages of the reform implementation process;
2. capacity building of public administrations; and
3. creation of systems to ensure the development of evidence-based policy making.
Health systems

Health system reforms in the European Union

Ageing populations, rising expectations of high quality services and technological progress challenge the sustainability of health systems in a context of budget constraints. These factors suggest that structural adjustments and/or reforms are necessary to enhance public health policies and the efficiency and sustainability of health systems, while guaranteeing equitable access to quality services.

Member States are engaging in reforms to address these challenges and to enshrine them in their national health programmes, policies and strategies. The SRSS offers support to enhance the capacity of national institutions to implement the reforms and to exchange best practices with other Member States, operating in a complementary manner with other available support.

Examples of technical support provided

Universal access to quality health systems
Facilitating policy dialogue to reform primary healthcare and establishing family health units, benchmarking outpatient specialist services, communication strategy geared towards user orientation services, integration of public health in primary care reform, clinical guidelines and clinical audits, patient safety and rationalisation of hospital care, patient-reported experience measures (PREMs) and patient-reported outcome measures (PROMs), public health policies, health needs assessments.

Governance and efficient public administration
Business processes in social health insurance (claims management, DRG implementation and coding quality, IT infrastructure, business continuity), e-Health, hospital management, hospital sector restructuring (master planning, integration and mergers, reorganisation of hospital non-clinical services), implementation of EU Regulations (data protection, cross-border healthcare, etc.), key performance indicators, performance-based budgeting, health system performance assessment, public procurement of goods and services, and patient safety systems.

Financing of fair and sustainable health systems
Pricing and reimbursement policies, cost-containment measures for pharmaceutical expenditure, health technology assessments, rationalised/strategic purchasing of health goods and services, policy framework to reduce out-of-pocket payments and informal payments.

Human resources for health
Capacity planning, promotion of Family Medicine curricula in post graduate programmes, definition of skills and responsibilities in reformed hospitals, and community services in long-term care.
Education

Supporting educational and vocational training in Europe

EU policy is designed to support Member States in addressing common challenges, such as unemployment, skills gaps, rising inequality and limited competitiveness. Education and training are crucial for both economic and social progress by providing EU citizens with the necessary skills to succeed in the labour market, address technological development and avoid social exclusion.

The SRSS provides Member States with policy advice and targeted expertise to design and implement reforms, which will enhance the effectiveness and inclusiveness of their education systems, thereby facilitating the entry of young people into the labour market, addressing social inequalities and boosting growth and innovation.

Examples of technical support provided

Modernisation of administrative structures
Supporting the decentralisation reform of the education system; increasing school autonomy; functional reviews of educational entities and improvement of their operational arrangements; assistance with the formulation of indicators/objectives for strategic planning.

Continuing professional development of teachers
Supporting the policy implementation of continuing professional development (CPD) of teachers: evaluating current practices and providing recommendations for further improvement.

Analysis of funding mechanisms and expenditures in education
Supporting efforts of the Member States to improve perspectives for performance-based funding systems of public universities; assessing the advantages and the disadvantages of the introduction of a student loan scheme in higher education; contributing to relevant knowledge on the education sector in spending reviews.

Modernisation of Vocational education and training systems (VET)
Providing support for the implementation of the National Strategic Frameworks for the upgrading of VET; supporting national administrations in their efforts to strengthen the link between VET and the labour market and raise the attractiveness and enrolment rates in VET; supporting the implementation of the European Quality Assurance Reference Framework.

Development of IT tools
Improving the efficiency and quality of the education and training systems through the provision of expertise and exchange of good practices between Member States; drafting of business requirement documentation (BRD) for development of a school management system to improve day-to-day operation of school entities.
Social welfare reforms in the European Union

To foster sustainable economic growth and social cohesion in the EU, there is a need to adapt welfare systems to fast-changing social circumstances. Well-functioning welfare systems can enhance social fairness, adequacy of social protection, efficiency in social expenditure and sustainability of social budgets.

The SRSS supports Member States in reforming their welfare systems by offering concrete technical support with the design, planning and implementation of social welfare reforms. The multi-stage approach allows the SRSS to support Member States in any phase of the welfare reform process, from reinforcing coordination and fostering the streamlining of social benefits, to supporting specific capacity building actions for improving the delivery of social services.

Examples of technical support provided

Social welfare reviews
Analysis of all cash and in-kind social benefits, definition of target populations, eligibility criteria and delivery channels; assessment of fiscal and redistributive impact of tax expenditures; development of evidence-based policy proposals to reduce fragmentation of benefits and improve their redistributive impact; support for developing the capacity of national and local authorities to effectively implement policy recommendations.

Minimum income schemes
Definition of key parameters and criteria for minimum-income-scheme roll-out and organisation of targeted outreach campaigns; setting up IT tools to develop a Management Information System to increase the efficiency of application, eligibility checks, and payment of benefits; strategies for linking social assistance with employment services; capacity building of the national administration.

Social care
Support with developing comprehensive strategies for the provision of social services that better respond to needs; capacity building of administrations providing social services; support with the monitoring and evaluation of social care provision; support for reforming long-term care and developing needs assessments.
Pensions

Pension reform trends in the European Union

A purpose of pension policy is to provide people with income in their old age, which allows them a decent standard of living and protects them from poverty and social exclusion.

However, ageing populations and changing labour markets pose a challenge for the public provision of adequate pensions in a financially sustainable manner. This is all the more true given the important share of pension expenditure in public budgets.

Against this background, many reforms have been adopted in recent years and Member States continue to discuss the best ways of adjusting pension systems and late-career labour markets to demographic and technological changes.

These reform efforts can usefully be aided and complemented by technical support. The SRSS facilitates support on all aspects and at all stages of the reform process.

Examples of technical support provided

| INTEGRATION OF PUBLIC PENSION FUNDS | Holistic assistance on institutional mergers, including on organisational development; human resources & customer services; business processes, IT systems & database management; finance, assets & accounting. |
| MODERNISATION OF DISABILITY ASSESSMENT AND POLICIES | Development of a new disability assessment methodology with a broader focus going beyond medical impairment. Review of benefits and services towards strengthened rehabilitation and reintegration of persons with disabilities. |
| REVIEW OF SPECIAL PENSION SCHEMES | Assessment of special pension Schemes for people in hazardous or arduous jobs; provision of international experience in the adaptation of these schemes. |
Labour market policies and the European Union

Ageing populations, enhanced automation and increased segmentation all contribute to a structural transformation of European labour markets. In many Member States, slow economic growth and the legacy of the economic crisis add to the challenge.

At European level, the efforts of Member States to address these challenges are supported in various ways, including through legislative initiatives, policy guidance & coordination, monitoring & assessment, mutual learning and, not least, different funding instruments.

The SRSS complements these tools by offering Member States concrete technical support with the design, planning and implementation of labour market reforms. Support can be provided on both the revision of key employment policies and the enhancement of the administrative capacity of the labour administration.

Strengthening the capacity of the labour administration
Examples of topics covered

Administration
Review of the institutional framework, roles, responsibilities and duties within the labour administration; assessment of training needs and development of training curricula.

Public employment service
Support with the reform of business processes, communication strategies, customer segmentation and HR management.

Fighting undeclared work (UDW)
Capacity building of the labour inspectorate, improved interoperability of IT systems and databases, comprehensive strategies to fight undeclared work and facilitation of social dialogue.

Employability programmes, including ALMPs, Public Works and Youth initiatives
Hands-on support in the design, planning, implementation, monitoring and evaluation of a menu of ALMPs, including public work schemes, apprenticeship, traineeship, job placement schemes, and re-skilling; complementary actions to strengthen capacity for service delivery, such as development of a staff training plan and a new management information system.

Innovation policies and labour market outcomes
Design of methodological tool kits for the assessment and evaluation of the effect of innovative investment policies on the labour market; preparation of tailored-made recommendations to improve the allocation of funding to economic sectors that can foster job creation, limit brain-drain and reduce skills mismatch.

Social economy
Support with the development of a legal framework, business support structures, access to finance and access to markets by social enterprises.
Financial Sector & Access to Finance
The “Financial Sector & Access to Finance” team of the SRSS offers technical support to Member States in the financial sector. The support is provided in response to a request from a Member State and is tailored to the needs of that Member State. With the aim of leveraging existing expertise and increasing the efficiency of the support delivered, the provision of technical support is coordinated across the Commission services and with international organisations. The technical support ranges from light to deep engagements and draws on expertise from the Commission services, Member States, international organisations and the private sector.

The team engages with public authorities in Member States, including the government, central bank and supervisory authorities, to help put in place structural reforms to improve the functioning of the financial sector.
Examples of topics covered

Financial & credit institutions
- Legal & institutional issues
- Supervision
- Resolution

Access to finance
- Capital Markets Union
- Micro-finance
- Credit mediation
- Venture capital
- Financial literacy

Insolvency
- Legal & institutional issues

Insurance undertakings
- Competition issues
- Legal & institutional issues
- Supervision
- Regulation

The wide range of topics covered allows the SRSS to engage in discussions on any priority within the financial sector on which a Member State approaches the SRSS.

On top of this flexibility to engage in discussions across any topic that is identified as a priority for a Member State, the SRSS Financial Sector & Access to Finance team has identified three topics on which it is working to develop specific support modalities:

1. Capital Markets Union;
2. non-performing loans; and
3. financial stability.
SRSS & Capital Markets Union

The Commission’s Capital Markets Union (CMU) initiative was established to mobilise capital in the EU. Europe’s capital markets are still relatively underdeveloped and fragmented, with capital markets at different stages of development and use across the Union.

There is no single measure that will deliver a CMU. Instead, there is a range of steps whose impact will be cumulatively significant. The Commission will take forward measures to remove the barriers that stand between investors’ money and investment opportunities and to overcome the obstacles that prevent businesses from reaching investors.

Whilst there are barriers that can be addressed directly by action of the Commission, there are also purely national barriers that hinder the efficient allocation of capital. As such, the CMU Action Plan commits that “the Commission will, through the Structural Reform Support Service, develop a strategy for providing technical assistance to Member States where needed to reinforce specific capacities of national capital markets.”

The SRSS, in collaboration with Directorate-General for Financial Stability, Financial Services and Capital Markets Union and other Directorate-Generals as appropriate, will provide technical support to Member States within the framework of the CMU.

SRSS approach to the development of capital markets

1. Comprehensive analysis of national impediments to capital market development
2. Where necessary, support to put in place capital markets infrastructure
3. Specialisation of support to widen and deepen capital markets
Areas of support

The SRSS engagement with Member States is based on a comprehensive analysis of the current state of capital market development and identification of national impediments to further development. As a starting point, the SRSS, together with specific providers and expertise, offers Member States technical support to conduct such an analysis. If such an analysis is already available, the SRSS will engage directly on the identified issues. The country-specific approach of the SRSS will ensure that technical support for capital market development is targeted on the relevant national issues, thus ensuring the greatest impact of the support.

CMU and capital market development touch upon a wide variety of policy areas, all of which are considerations that affect the attractiveness of investment opportunities. The SRSS will engage with Member States on any policy area that is considered a priority for that Member State, with work focused so far on seven main areas.
Non-performing loans (NPLs)

**SRSS & NPLs**

NPLs present risks to financial stability and restrict economic growth. They limit bank profitability and, if not adequately addressed, give rise to solvency risks, thereby posing risks to financial stability. Furthermore, NPLs restrict the ability of banks to engage in new lending and prevent over-indebted borrowers from engaging in productive economic activities, thereby holding back economic growth.

Member States’ reform efforts to address NPLs can be usefully aided and complemented by technical support.

**Examples of topics covered**

- **Improving supervisory capacity**
  Supporting the supervisor to increase both supervisory knowledge and practice by developing supervisory tools aimed at NPL reduction.

- **Courts**
  Working with judicial authorities on reforms to improve efficiency.

- **Insolvency**
  Modernising the insolvency system and the wider legal framework to provide speedy and effective outcomes for both debtors and creditors.

- **Wider legal framework**
  Assistance for promoting efficient out-of-court resolution.

- **Information**
  Development of national credit registries.

- **Tax**
  Supporting initiatives to consider the tax implications of NPLs, including the implications of policy on provisioning.

**SRSS approach to NPLs**

- Comprehensive analysis of national impediments to NPL work-out
- Development of technical support to address specific national issues
- Implementation of technical support
Financial stability

**SRSS & financial stability**

Through both the adoption of EU legislation and the implementation of national reforms, Member States have made considerable efforts in recent years to strengthen financial stability. Further efforts to improve the financial stability framework are ongoing, and technical support from the SRSS can usefully contribute towards Member States reforms efforts.

**Examples of topics covered**

**Financial supervision**
- Improving supervisory capacity
- Risk management

**Crisis management**
- Resolution and/or precautionary recapitalisation institutional framework
- Technical support during a resolution

**Deposit protection**
- Institutional framework
- Stress tests
Further details

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• Structural Reform Support Programme: https://ec.europa.eu/info/funding-tenders/overview-funding-programmes/structural-reform-support-programme-srsp_en