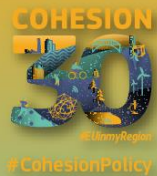




# Role of institutions: Insights from the 7th Cohesion Report



By Lewis Dijkstra,  
Head of Economic Analysis

Regional and  
Urban Policy

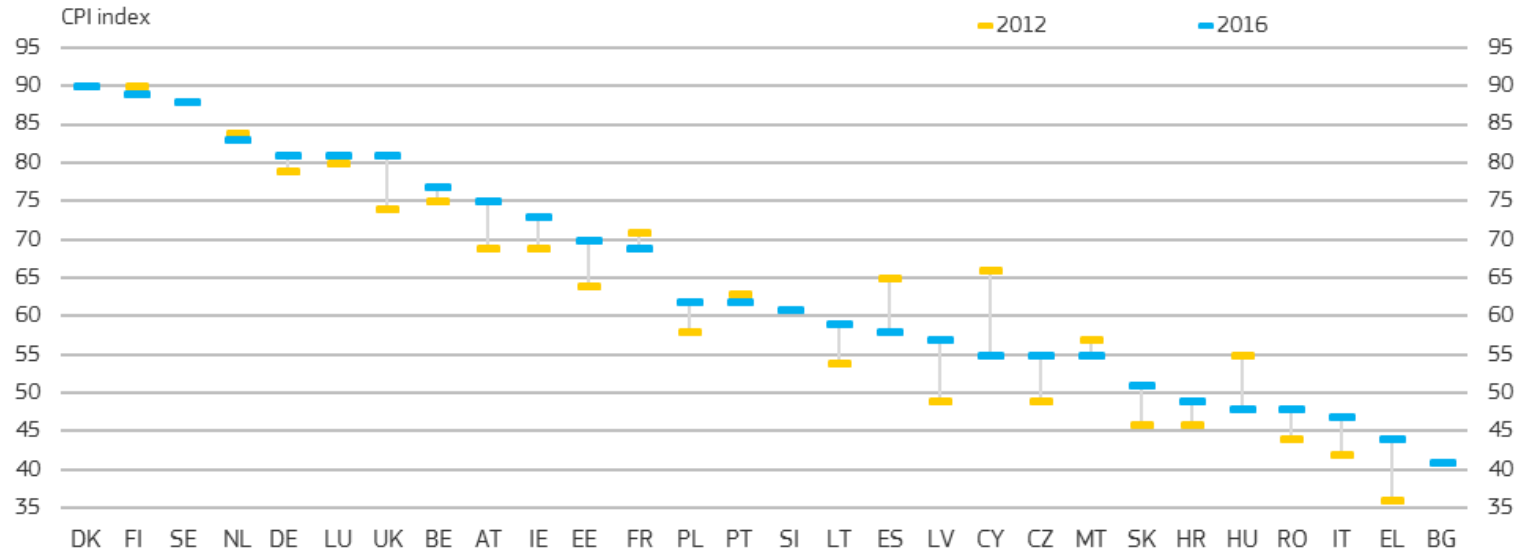


# Main concerns

- Reduce the incidence of corruption and the acceptability of corruption
- Make governments more efficient
- Increase transparency and trust

# Corruption is an issue and not necessarily shrinking

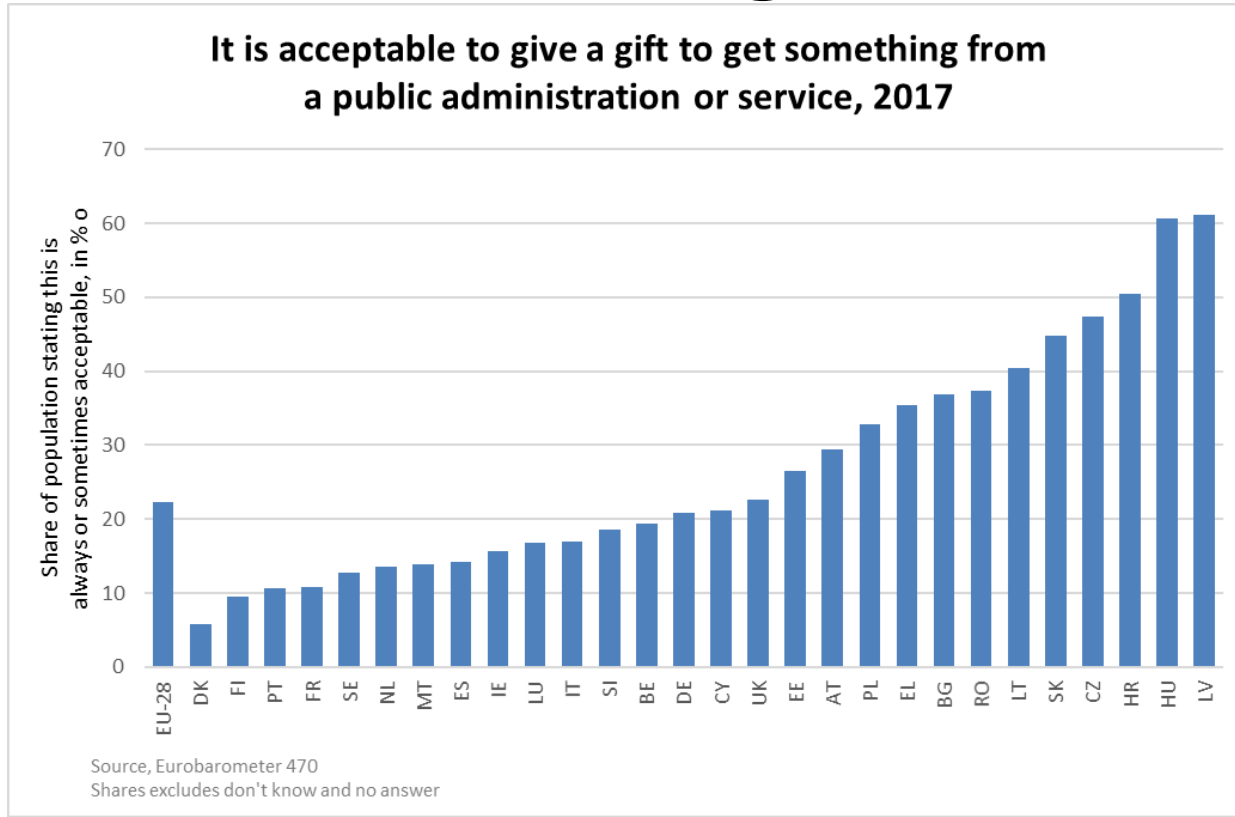
Figure 4.6 Corruption Perception Index, 2012-2016



Score: 0 = very corrupt and 100= clean of corruption

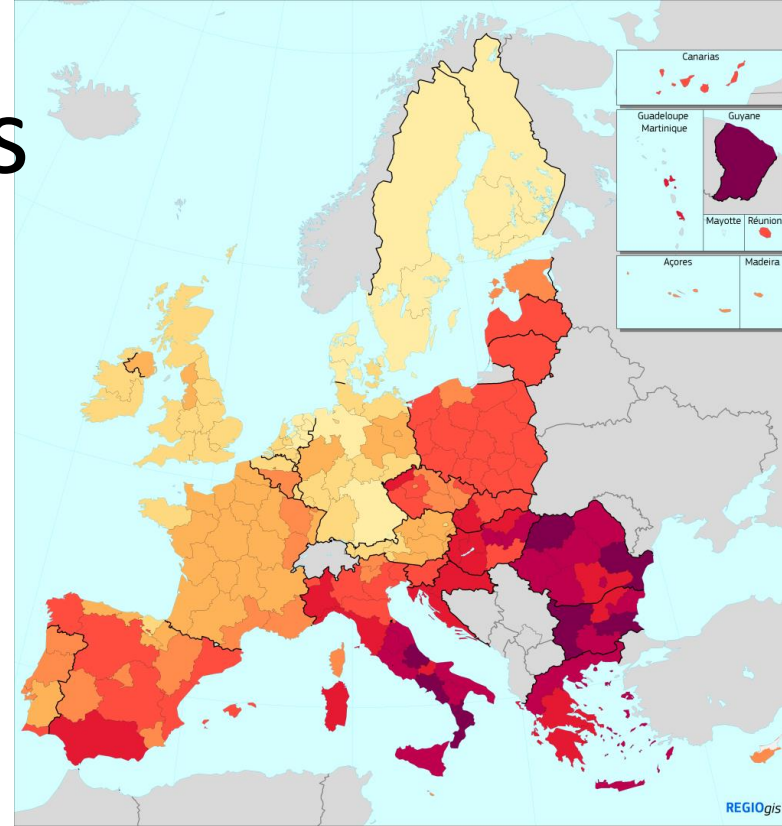
Source: Transparency International

# 1 in 5 thinks it is ok to give a gift to a civil servant to get something



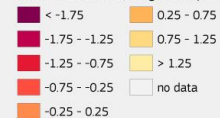
# Improving institutions

- The quality and impartiality of public services is uneven
- Ease of doing business can be improved
- E-Government can help



European quality of government, 2017

Standard deviation, range from poor quality (negative) to high quality (positive)

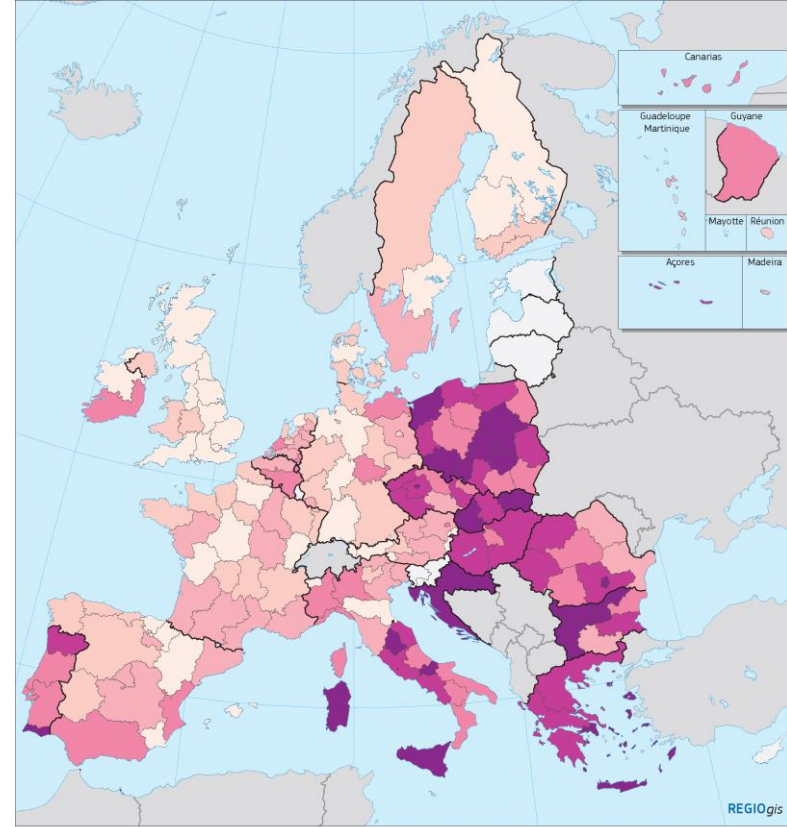


EU = 0  
Source: World Bank data and a regional quality of government survey.

0 500 km

# Meritocracy

- Does a public sector career depend on
  - hard work (lighter colour)
  - luck and connections (darker colour)
- Some differences within countries as well as between
- Recent [book](#)



Map 4.2 Public sector meritocracy, 2013

Score (1 perfect meritocracy to 10 no role for merit)



Note:

Average score of a) public workers and b) citizens who do not work in the public sector to the following question: Which statement comes closer to your own views?

Pick 1 if you agree completely with 'In the public sector most people can succeed if they are willing to work hard'  
Pick 10 if you agree completely with 'Hard work is no guarantee of success in the public sector for most people – it's more a matter of luck and connections'

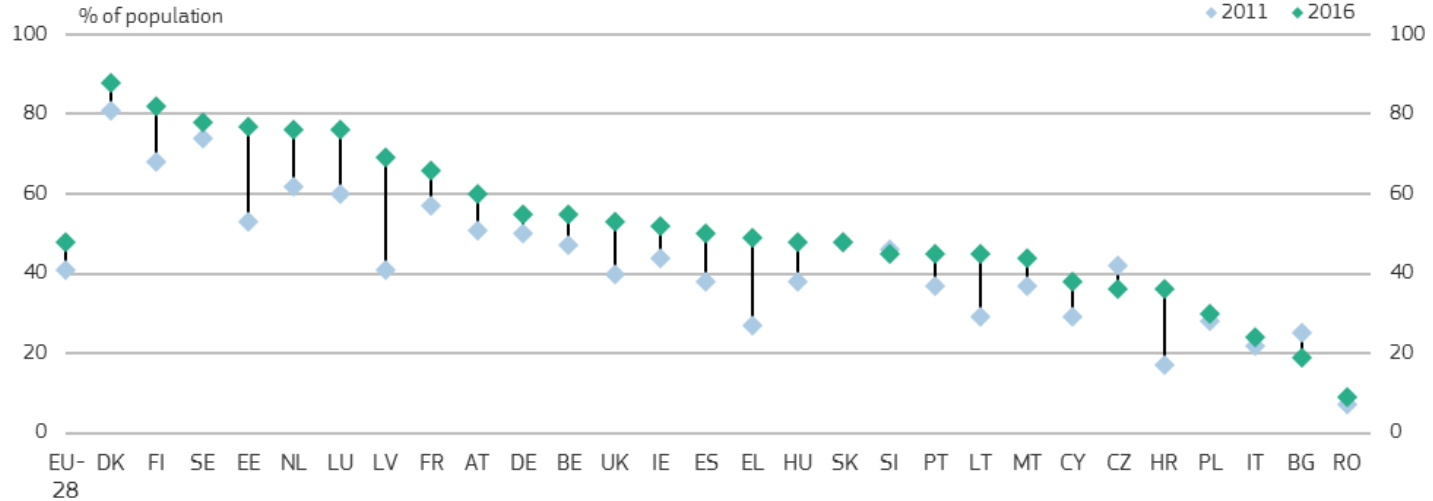
If your views fall somewhere in between, you can choose any number between 1 and 10.

Source: Charron, N., Dahlström, C. & Lapuente, V. Eur J Crim Policy Res (2016)

0 500 km

# E-Government ranges from 90% in Denmark to 10% in Romania

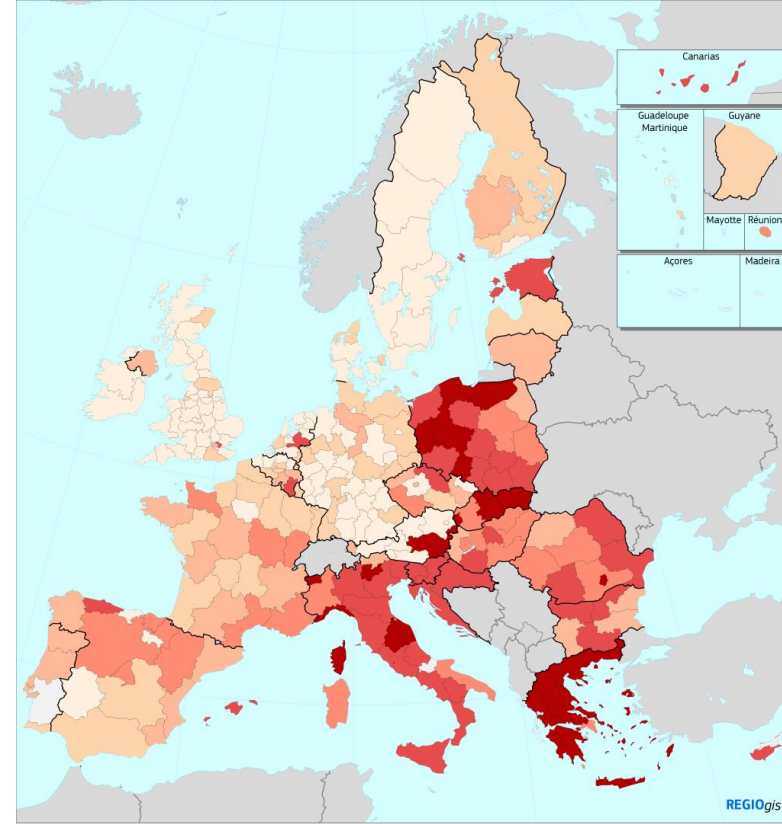
Figure 4.19 E-Government use by citizens, 2011 and 2016



Source: Eurostat.

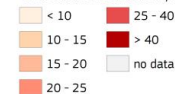
# Limited competition

- Too many contracts going to single bidders
- Not always collusion
- Low value for money?
- More e-procurement
- Better information



Public procurement with a single bidder, average 2013-2015

% of contracts awarded by sub-national authorities



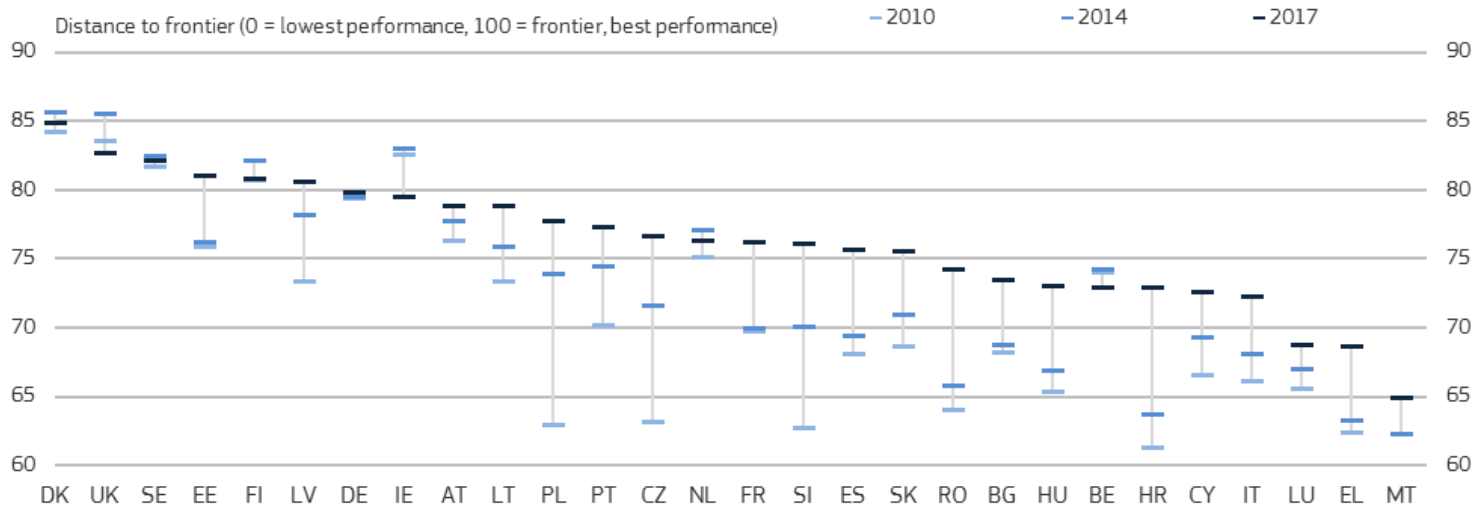
Excludes regions with less than 50 contracts awarded. Includes only contracts above the threshold of the public procurement directive.  
In CY, EE, IT, LU, LV, and MT, contracts awarded by national authorities in sectors used by regional and local authorities were included. Source: EU Tenders Electronic Daily and DIGIWHIST

0 500 km



# Ease of doing business is improving

Figure 4.22 Ease of doing business, 2010-2017



Source: DG REGIO calculations on the basis of World Bank Doing Business.

# Measuring performance for seven key aspects of the public sector

1. Public financial management (including public investment management)
  2. Public procurement
  3. Tax administration
  4. Human resource management
  5. Justice system
  6. Public accountability mechanisms, and
  7. Anti-corruption
- Link to [report](#)

# Citizen-centric public service delivery

- Survey of citizens to gather their experience and perceptions
  - Checklist for civil servants to measure the efforts of the public agency to provide outstanding service
1. Ease of Access
  2. User-centeredness and responsiveness
  3. Quality/reliability of service delivery
  4. Public sector integrity
- Link to [report](#)

# Next steps

- Measure ease of doing business at the sub-national level in all Member States of at least 4 million
- Completed by 2021
- Repeat?
- Enterprise survey in all EU Member States
- Results by 2019
- Repeat?
- Integrate some questions firm survey coordinated by Eurostat?

# More analysis

- Country diagnostics of a MS with the World Bank
- Survey of civil servants in a selection of MS
- Encourage MS to use the citizen-centric indicators
- Regional survey of population covering a wide range of issues (World Poll)
- A new regional quality of government index in 2020

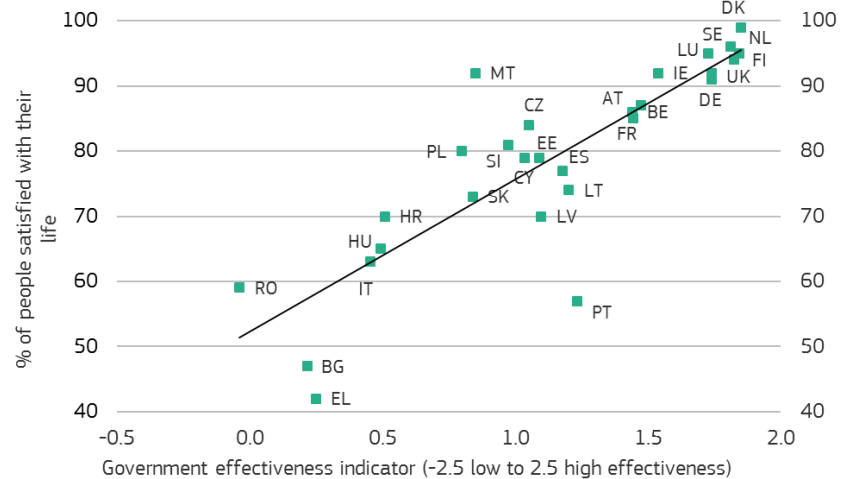
# Conclusions

- Improving public administration and services has moved up the political agenda
- The capacity to measure these issues is continuously increasing and improving
- Member States can use these indicators (and Cohesion Policy funding) to improve their performance

# Frustration or Satisfaction

- Time to
  - Start-up a company
  - Obtain a building permit
  - Enforce a contract
  - File and pay taxes
  - Comply with regulations

Figure 4.4 Social impact of government effectiveness, 2015



Standard deviation (0 = global average)

Source: World Bank Government Effectiveness 2015; Standard Eurobarometer 83, Spring 2015.

# Links for more information

- <http://www.doingbusiness.org/reports/subnational-reports>
- [http://ec.europa.eu/regional\\_policy/en/information/maps/quality\\_of\\_governance](http://ec.europa.eu/regional_policy/en/information/maps/quality_of_governance)
- <http://documents.worldbank.org/curated/en/228051527000705240/Public-sector-governance-indicators-for-EU-regions>
- <http://documents.worldbank.org/curated/en/775701527003544796/Indicators-of-citizen-centric-public-service-delivery>
- <http://www.enterprisesurveys.org/>